

**PARLIAMENT OF VICTORIA**

**PARLIAMENTARY DEBATES  
(HANSARD)**

**LEGISLATIVE ASSEMBLY**

**FIFTY-FOURTH PARLIAMENT**

**FIRST SESSION**

**16 May 2002**

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**FIFTY-FOURTH PARLIAMENT — FIRST SESSION**

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Mr B. E. H. STEGGALL

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Carli, Mr Carlo	Coburg	ALP	Mildenhall, Mr Bruce Allan	Footscray	ALP
Clark, Mr Robert William	Box Hill	LP	Mulder, Mr Terence Wynn	Polwarth	LP
Cooper, Mr Robert Fitzgerald	Mornington	LP	Napthine, Dr Denis Vincent	Portland	LP
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Languiller, Mr Telmo	Sunshine	ALP	Wilson, Mr Ronald Charles	Bennettswood	LP
Leigh, Mr Geoffrey Graeme	Mordialloc	LP	Wynne, Mr Richard William	Richmond	ALP

<sup>1</sup> Resigned 3 November 1999

<sup>2</sup> Elected 11 December 1999

<sup>3</sup> Resigned 12 April 2000

<sup>4</sup> Elected 13 May 2000



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**Thursday, 16 May 2002**

The **SPEAKER** (Hon. Alex Andrianopoulos) took the chair at 9.35 a.m. and read the prayer.

## NATIONAL CRIME AUTHORITY

### Annual report

**Mr HAERMEYER** (Minister for Police and Emergency Services) — By leave, I move:

That there be presented to this house a copy of the report of the National Crime Authority for the year 2000–01.

**Motion agreed to.**

**Laid on table.**

## PRIVILEGES COMMITTEE

### Rights of reply

**Mr LONEY** (Geelong North) presented reports on rights of reply of Mr Alan Malcolm, Mr Tom Love and Mr Kenneth E. Jarvis, together with appendices.

**Laid on table.**

**Ordered to be printed.**

## PAPERS

**Laid on table by Clerk:**

*National Parks Act 1975* — Advice of the National Parks Advisory Council pursuant to s 11(1)(aa)

*Parliamentary Committees Act 1968* — Response of the Minister for Community Services and Housing on the action taken with respect to the recommendations made by the Public Accounts and Estimates Committee's Report on the Review of the Auditor-General's Special Report No. 43 — Protecting Victoria's Children: The Role of the Department of Human Services

Robinvale District Health Services — Report for the year 2000–01

Rochester and Elmore District Hospital — Report for the year 2000–01.

## GUARDIANSHIP AND ADMINISTRATION (AMENDMENT) BILL

### *Council's amendments*

**Returned from Council with message relating to amendments.**

**Ordered to be considered next day.**

## BUSINESS OF THE HOUSE

### Adjournment

**Mr BRACKS** (Premier) — I move:

That the house, at its rising, adjourn until Tuesday, 28 May.

**Motion agreed to.**

## MEMBERS STATEMENTS

### Ovens Landcare Network

**Mr PERTON** (Doncaster) — This week the honourable member for Benambra and I met with a delegation of members of the Ovens Landcare Network led by its chairman, James Neary. This group was formed in 1994 by 21 groups and more than 1000 land-holders. These people came to see us because of their frustration with the poor performance of the Minister for Environment and Conservation and the Department of Natural Resources and Environment (DNRE).

Under this government, 11 catchment management officer (CMO) positions in the network's area have dropped to 6 positions and those officers are required to do desk work and attend to other matters, which prevents them from spending sufficient time on the ground. The issue for this group is that these CMOs are now required to cover very large areas and are not particularly familiar with the land management practices of those areas.

The Ovens Landcare Network is particularly frustrated by the government's lack of commitment to dealing with the issue of weed control. It seeks increased funding for weed control, but this should not be provided at the expense of other sections of the Department of Natural Resources and Environment.

The network wants the government to put up or shut up. It sees a failure to prosecute those who do not take care of their own land and believes that DNRE needs to implement prosecutions as a last resort for persistent offenders as opposed to letting the matter go. Most importantly, the network requires a more responsible attitude on the part of the minister and the department in looking after Crown land so private landowners are not impacted on.

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

### **Rushworth and district concert band**

**Mr MAUGHAN** (Rodney) — I congratulate the Rushworth and district concert band, which is celebrating its 120th anniversary this year. The band was formed in 1882 and, like the township of Rushworth itself, has had a very colourful history. As members would know, Rushworth was the centre of a large and bustling goldmining community based on the communities of Whroo and Greytown late last century. The band has operated continually since 1882 except for a brief period during the Second World War.

The band is known for its willingness to play at district functions. In the early days it won tenders to play because it had its own horse-drawn wagon and could undercut rival bands. It has also won its fair share of trophies in competitions. While numbers are currently low, the band has members coming from Stanhope, Colbinabbin, Nagambie and Rushworth. The band is noted for its loyal and long-serving members, including Geoff Beck, with 61 years service; Stewart Nurse, with 53 years; Graeme Collard, with 50 years, and Darren Butler, with 22 years. Four members have received awards from the Returned and Services League for playing at more than 50 Anzac Day services.

I congratulate the Rushworth and District concert band on the contribution it has made to the social, cultural and civic life of Rushworth and community. I congratulate it on its 120 years of service and wish it every success in the future.

### **Essendon traffic school**

**Mrs MADDIGAN** (Essendon) — On Tuesday morning I had the great pleasure of attending the opening of the Essendon traffic school. I would like to congratulate the City of Moonee Valley and the Essendon Rotary Club for this great new initiative. The Essendon traffic school is a facility at which young children can learn road rules and road safety. In fact, it started in Essendon more than 40 years ago but in the past few years it has fallen into a state of disrepair. It was an initiative of the Essendon Rotary Club and the Moonee Valley council to get it up and running again. I am glad to say that there were students using in on Tuesday morning. It is great to see children having the opportunity to learn about road safety and road rules in a safe environment.

I would like to congratulate Gerard Feian from the Moonee Valley council, who assisted with the project, and members of the Essendon Rotary Club — Alan Murphy, Roger Priestley, Peter Condos and the president, Ian Singleton. I would also like to

acknowledge the work done on this project by a deceased club member, Alan Stuckey.

I would also like to thank the Minister for Transport, who very graciously gave us a new W-class tram for the facility. There was an old tram on the site which has been removed to the Bendigo tram museum. The tram has always been a feature of the Essendon traffic school, and I know the students are grateful to have the opportunity to learn road safety in relation to public transport. The tram looks terrific; it has been through the tram workshop. I congratulate the men and women who worked on it. It was great to see the Essendon traffic school operating again.

### **Frankston: Premier's comments**

**Ms McCALL** (Frankston) — Some three weeks ago the Bracks cabinet came to Frankston. A glossy brochure was distributed to part but not all of the electorate and a very short lead time was given to the community for submissions. Some members of the community putting in submissions are still waiting to hear whether they are going to be seen by the Bracks government. The reports from some of those who were seen were quite fascinating. Some people reported being horrified by the very poor level of understanding of the issues facing the community displayed by the local Labor members of Parliament. Worse still, they were horrified at how misinformed and poorly advised the members of the Bracks government had been by their own staff on issues that mattered to Frankston.

It got even worse! Having referred to Frankston as 'Dandenong by the sea', the Premier then referred to it as 'a very nice town that with a bit of development could be just like St Kilda'. The locals might argue that with a bit of luck we unfortunately already have St Kilda's drug problem and we already have a couple of brothels, but the last thing any of us in Frankston would like to be is 'Dandenong by the sea' or St Kilda.

### **Environment: Brazilian forests**

**Mr LANGUILLER** (Sunshine) — I wish to inform the house that the Brazilian Congress is now voting on a project that will reduce the Amazon forest to 50 per cent of its size. The area to be deforested is four times the size of Portugal and would be mainly used for agriculture and pastures for livestock. All the wood is to be sold in the form of woodchips by large multinational companies to international markets. The truth is that the soil in the Amazon forest is useless without the forest itself.

Its quality is very acidic and the region is prone to constant floods. At this time more than 160 000 square kilometres that were deforested for the same purpose are abandoned and in the process of becoming deserts. Deforestation and the subsequent processing of the woodchips on this scale will also release the huge amount of carbon currently locked up in the wood back into the atmosphere, worsening the problem of climate change. We cannot let this happen.

I will be sending electronic correspondence in relation to this matter and I encourage all honourable members on both sides of the house to write to the Brazilian parliament and its president. I also encourage honourable members to write to our Prime Minister and the federal Minister for the Environment urging them to make representation with respect to saving the Amazon forests in Brazil. This is an important matter to all of us, not just Brazilians and Latin Americans, but those of us who care about the environment world wide.

### **Land tax: small business**

**Ms BURKE** (Pahran) — Since the election of the Bracks government in 1999, Victorians have been hit by a 66 per cent increase in land tax, despite the fact that during the same period the number of Victorians paying land tax has increased by 28 109. People are being offered no relief.

One of my constituents, the proprietor of a community swimming pool centre, has seen his land tax bill go from \$1500 to \$24 000 in just four years. Irrespective of his ability to generate an income, this small community centre simply cannot sustain these consistently exorbitant increases in land tax.

A second private individual has just received his land tax bill of \$43 000, representing an increase of 227 per cent. Given the immense increase in the number of land tax customers, it is certainly within the government's power to share the costs of the tax more equitably amongst the 151 000 people it affects. This would result in simultaneously offering relief across the board and providing a less disparate method of taxation for all Victorians.

This government is collecting a record amount of tax dollars from Victorians while offering no relief, which it has the power to do.

### **Barwon Health: volunteer services program**

**Mr TREZISE** (Geelong) — I take this opportunity to recognise a new voluntary service that has been introduced at Geelong Hospital and the Grace McKellar Centre. Through the recently formed Barwon Health

volunteer services program the welcome home service has been established.

Essentially this service provides transport home from hospital for patients after their discharge. It was recognised by Barwon Health that many elderly patients found it difficult to arrange transport home after their release. Patients are escorted home by a hospital volunteer who has been trained to provide such a service.

Not only do volunteers provide transport home but they may also settle patients back into their homes for up to an hour and report back to the hospital if there are any concerns. The welcome home service is a very practical and simple idea that provides an important and compassionate service to elderly patients.

I commend all volunteers involved in the program for their work in helping others in need. I also take this opportunity to commend all the Barwon Health volunteers for their tireless work within that important organisation. I can assure this house that to a large degree these volunteers are the lifeblood of the hospital and they all do a magnificent job. I also commend the volunteers' manager, Nettie Hulme, for her work in coordinating the volunteer program.

### **Police: deployment**

**Mr WELLS** (Wantirna) — This statement condemns the Bracks Labor government and the Minister for Police and Emergency Services for their continuing soft-on-crime policies, the latest of which is overseeing both a reduction in police resources and the investigation of illegal drug crime.

As revealed in the state budget papers the number of police investigation hours spent on illegal drug activities will be 40 000 hours lower in 2001–02 than what the government was budgeting for. Clearly, this is further evidence that the Bracks government is soft on crime and follows its previous soft-on-crime proposals of introducing mini-jails in suburban neighbourhoods and the failed attempt to implement home detention, which has seen drug dealers serving sentences in the luxury of their own homes.

Most Victorians will be horrified to learn that the Bracks Labor government is devoting less time to the investigation of illegal drug crimes. More resources should be devoted to the fight against illegal drugs rather than less. This is what you get from a Labor government that is fundamentally soft on crime.

The government's attitude to illegal drugs has been flawed from day one with its plan to introduce heroin

injecting rooms. The bottom line is that the Victorian community deserves a police force that is out on the streets investigating illegal crime, not more police officers being tied up behind desks, babysitting prisoners or raising government revenue.

### **Budget: initiatives**

**Mr HELPER** (Ripon) — I would like to share with members of this house the enthusiastic and fantastic response of people in my electorate of Ripon to the 2002–03 state budget.

Some of the announced initiatives that apply specifically to Ripon are the Ararat Primary School which, after many years of neglect under the previous government, received \$1.78 million for major redevelopment which is very much looked forward to by the school community; both Beaufort and Smythesdale police stations are to be rebuilt, and already the Golden Plains Shire Council has expressed its gratitude for the rebuilding of the Smythesdale police station; Maryborough Hospital has a long history of aspiring to have its aged care facilities upgraded and the Bracks government has announced funding of \$8 million for that purpose; and the education precinct in Maryborough is a project that has captured the imagination of the entire community and the budget has given the green light to and a commitment by the government to make this fantastic project a reality at long last.

The budget contains many initiatives that affect many electorates in a very positive way, as they do in my electorate. Initiatives in the areas of health, education and community safety are very much appreciated by the community of Ripon.

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

### **Bellarine Agricultural Society Show**

**Mr SPRY** (Bellarine) — I wish to pay tribute to a group of dedicated people on the Bellarine Peninsula who have been responsible for the revival of the Bellarine Agricultural Society Show — now one of the best in Victoria. This well-patronised event was in recess for a year when it was moved from the Lake Lorne reserve in Drysdale.

Facilities and fundraising issues were a daunting obstacle which only sheer determination and commitment could overcome. Many people were involved in finding an alternative venue and securing government funding to ensure the event did not die. They included president Andrew Belfrage;

vice-presidents Peter Morton and Graham Wilson; secretary Lynnette Wilson; treasurer Trevor Cunningham, who has handed over this year to Ron Cameron; and committee members Jean Morton, Jane Wilson, Florrie Beck, Marie Harcombe, Lynette Kent, Donald McDonald, Graeme Brown, Paul Peterson and Barry Carew. All these people had major assistance from Bill Burns, one of the unsung and publicity-shy heroes of the show's revival. On a glorious day early in March the event was staged in Portarlington to universal acclaim, giving thousands of patrons enormous pleasure.

## **APPROPRIATION (2002/2003) BILL**

### *Second reading*

**Debate resumed from 7 May; motion of Mr BRUMBAY (Treasurer).**

**Mr CLARK** (Box Hill) — Victorians increasingly realise that Labor is leveraging up taxes, living off windfalls, failing to deliver on infrastructure and major projects and letting the economic fundamentals of the state run down. However, to date, many people have thought that Labor was at least spending its tax windfalls to provide better services. Today I want to go to the core of Labor's budget and show that that core is rotten.

The opposition's analysis over the past nine days shows that Labor's spending is characterised by hype, blow-outs, misdirected priorities, shonky reporting, political advertising, bureaucracy and, most serious of all, lack of results. Hospital waiting times are up; crime rates are up; juvenile justice centres are rife with drugs; and teacher–student ratios have remained virtually unchanged.

The more the government fails to achieve results for the money being spent, the more the spin doctors spin. Let's have a look at what the Bracks spin doctors have been up to. I refer to page 84 of budget paper no. 2, which lists as Bracks' government priorities the following:

... innovation, lifelong education, high quality health and community services and public safety ...

It all sounds marvellous, until you realise that, according to the spin doctors, 71 per cent of all government spending is a priority. But even if you are not a priority you do not have to worry. It does not mean the Bracks government thinks you are not important; your needs can still be, as page 84 of budget paper no. 2 puts it, 'critical to achieving sustainable

economic growth'. If non-priorities can be critical, what does that make a priority? Extra critical? Super critical? Hyper critical? The Bracks government spin doctors have so debased the linguistic currency that even they have run out of hyperbole.

What does it mean if you make the list as a priority under the Bracks Labor government? Not necessarily very much at all. Between last year's budget and this year's budget the so-called priority of school education has received an increase of just 3 per cent. Heaven help Victorian schools if they were not a priority!

Let's move from the hype to the reality and turn to the expected outcome for the current year. The watchword here is 'blow-outs'. Total operating expenses for this financial year are now expected to total \$24 242 million — a massive \$1285 million increase above the budget estimate of \$22 957 million. In other words, over the past year, the financially responsible and prudent Bracks government has had a \$1285 million blow-out in unplanned, unbudgeted operating expense increases.

If it were not for the \$1541 million in unbudgeted windfall revenue, this year's budget would be in the red. Within two and a half years of coming to office this financially responsible and prudent Bracks government would have been writing the bottom line of Victoria's finances in red ink, with none of the valid reasons of defence and border security that the commonwealth government has faced. Let the Bracks government not kid us that this \$1285 million unbudgeted increase in spending only came about because it realised it had the extra money and decided to reward Victorians with some extra but non-essential goodies. No, these extra expenses were mainly unplanned increases in costs which the Bracks government chose to incur or had little choice but to incur.

There were higher-than-expected wage increases paid to police, health workers and the general public service, and the flow-on costs of these increases in superannuation expenses. The wage increases themselves appear to have cost \$130.9 million above what was budgeted for, although this cost is not disclosed as part of the government's explanation of the blow-out. That is something I will come back to later. Nor is the flow-on cost into superannuation of these wage agreements disclosed. However, the budget papers do disclose that in total there has been a mammoth \$542 million unbudgeted increase in superannuation expenses in the current year.

Then there was the one-off \$118 million special power payment, which in large part was forced on the

government by the instability it created in the power industry and its bungled failure to get extra generating capacity on line, on time. A further \$69 million has been paid to the tram and train franchisees as a result of the government's failure to properly manage the franchise contracts.

A further \$116 million of the reported increase in expenses has been due to an embarrassing error in failing to include in last year's original budget estimates some of the expenses of non-budget sector agencies such as the Docklands Authority. To be fair to the government, this probably should be more accurately recorded as a correction to the budget estimates and not as a blow-out. Also to be fair to the government, some increases in other expenses have been matched by grants from the commonwealth, such as the highly successful first home owners grant. However, the total of these expenses, although not clearly reported, does not appear to exceed around \$200 million.

Even if you allow a generous \$350 million in total for increases which do not affect the bottom line, the blow-out in expenses in this current budget year has been around \$935 million, of which only \$84 million has been in genuine initiatives to provide improved services or funding. The remaining \$849 million has been a sheer increase in expenses, which but for the windfall revenue gain that has been received would have comprehensively blown the \$508.5 million budgeted surplus and would have landed us with a budget deficit of around \$340 million. So much for the sound financial management by the Treasurer and the government!

The budget is in the black thanks only to good luck and to \$773 million in an unbudgeted tax windfall on property transfers and other transactions which has been ripped out of the pockets of Victorian small businesses, families and other taxpayers.

There is a further aspect of this blow-out that needs to be reported to the house, because it goes to the shifty and devious way in which the Treasurer is allowing the more politically sensitive aspects of the state finances to be reported. I invite honourable members to compare the explanation for the \$708 million unbudgeted increase in expenses that is given at pages 17 and 18 of the budget update released in January with the explanation for the expected \$1285 million increase in expenses that is given at pages 227 and 228 of budget paper no. 2.

What is striking and amazing about this is that some of the explanations given for the blow-out in the January budget update have disappeared entirely in the

explanation given in this month's budget paper no. 2. The budget update refers to what it calls policy decisions totalling \$254 million, partly offset by Treasurer's advance, 'which largely reflect industrial agreements in key service areas such as education, health and community safety'. However, there is absolutely no mention of industrial agreements as a reason for the blow-out in expenses, that is given in budget paper no. 2. It has entirely disappeared, yet we know that these agreements have not been cancelled.

We also know that the figures have not been rearranged so they are entirely covered by the Treasurer's advance, because costs over and above wage contingency funding are disclosed in appendix A of budget paper no. 2. And yet as far as the explanation given to the public of the cost blow-out is concerned, these industrial agreements have simply ceased to exist.

This blatant attempt to hide the cost of Labor's mismanaged wage agreements from the Victorian community fails once more to match Labor's professed commitment to a solid budget surplus and transparent accounts.

We should also continue to heed the warning sounded by the Auditor-General in his November 2001 report on the finances of the state of Victoria. In the introduction to the report he explicitly warned the government of the need to manage the impact of increased expenditure pressures, including wages growth. Regrettably the government seems to have paid little attention to the advice given by the Auditor-General, because the blow-outs continue into the figures for 2002-03, and the budget papers again reveal a sorry tale.

Compared with last year's budget estimates for 2002-03, expected operating expenses for the year have increased by \$352.3 million between the budget and January's budget update and by a further \$829.7 million between January and now, for a total increase of \$1182 million. However, of that increase, the government's own figures show that only \$477.8 million, or barely 40 per cent, is due to policy initiatives, and even that 40 per cent due to policy initiatives includes \$155.6 million of wage increases over and above the government's contingency provision.

Some relatively minor increases have reasonable explanations; however, \$82.2 million of the increase is due to revised superannuation estimates, a significant component of which would appear to be the flow-on effects of the pay deals. On top of that, a massive \$481.6 million has gone on what the government

budget papers simply described as 'other administrative variations'.

**An Honourable Member** — What a joke!

**Mr CLARK** — One might ask exactly what this \$481.6 million of other administrative variations is to have knocked such a hole in the budget estimates; however, one will seek an answer to that question in vain!

Page 41 of budget paper no. 2 simply says that around \$200 million of this is due to the inclusion of various non-budget agencies, or to put it more truthfully, the failure in last year's budget to properly account for sales expenses of general government agencies. The rest of the increase is simply blandly ascribed to an increase in the contingency provision and to the amortisation of motor vehicle leases. But it is worth noting that the contingency provision included in this year's budget for 2002-03 — the bucket of funds put aside for use at the Treasurer's discretion — has been set at \$427 million in this year's budget, a massive 40 per cent increase on the \$298.8 million of contingency provided in last year's budget for 2001-02. We might well ask ourselves what the reasons are for this.

Despite Labor's professed commitment to openness and transparency in budgeting and accounting, the budget papers are full of omissions and anomalies that make it hard to find out the full facts of what Labor has been doing with spending. The honourable member for Warrandyte has already exposed the fact that of the \$216.4 million of asset investment initiatives announced for schools, \$52.1 million was a rollover of the Growing Victoria funding previously approved and announced in 2001-02. In other words Labor has boosted its claimed spending by recycling dollars into fresh announcements.

At page 218 of budget paper no. 2 the government claims it is implementing only \$5.5 million of savings initiatives. This is a cause for both concern and suspicion — concern that a government can find only \$5.5 million of savings out of spending of almost \$25 billion. If that is all it can find, it really is not trying. What has the expenditure review committee been doing? Under any government of any persuasion and of whatever commitment to increased spending, there should be more than \$5.5 million of lower priority spending that can be eliminated. A truly committed Labor believer like the former federal finance minister Peter Walsh would be horrified!

However, this figure is in fact so low that it is also a cause for suspicion that the Bracks government is not telling the whole truth, that the government is as a matter of fact disclosing only those spending savings that are unlikely to open it up to criticism while burying any more controversial cuts under the heading of reprioritisation.

Appendix A of budget paper no. 2 lists the full cost of everything which the government claims has been an output initiative since last year's budget other than the component of wage increases that has been funded from contingencies. These are the figures that the government has been using in its various portfolio media releases to tell the public about the marvellous spending the government is undertaking. As I pointed out previously, these amounts are not all truly described as output initiatives, but let's leave that to one side for the present.

The total of the claimed output initiatives in appendix A for 2002–03 is \$703.8 million. However, at page 27 of budget paper no. 2, which is the table that Treasury uses to show how prudent and responsible the government is, it shows a total of \$477.8 million in so-called output initiatives. In other words, there is a \$226 million discrepancy. How is that discrepancy made up? By \$226 million of reprioritisation in other portfolio areas.

Let me make it clear: the opposition is not criticising the principle of reprioritisation. Reprioritisation is a proper and responsible function of government to make sure that taxpayers get value for money and that limited resources are allocated to the highest priorities. Whether or not any particular reprioritisation is a good thing needs to be debated on the merits of the particular case. However, this is a government which has claimed to set new standards of openness and transparency and yet has chosen to leave these reprioritisations buried, and the public is unable to form a view on their merits.

There is also another big missing piece of information in the budget papers, namely the fate of the productivity dividend. Honourable members will well remember that Labor in opposition roundly condemned the previous government over its 1.5 per cent productivity dividend requirement. The then opposition said we were squeezing out savings where there was nothing left to be squeezed, yet Labor kept the productivity dividend when it came to office. What has happened to it now? The budget papers are completely silent. Has it been secretly axed or has it been secretly retained? An open and transparent government needs to give us an answer.

The government has also made an art form of introducing performance measures without disclosing what the past performance has been on the particular measure concerned. This effectively means the government avoids being able to be judged on whether the measure is getting better or worse in the year ahead.

Some change in performance measures from year to year can be expected, particularly in the early years of a performance measuring regime as was introduced under the previous government. However, the performance measurement regime has now been going on for several years and the system should be settling down, yet if we look at the proportion of targets in the 2002–03 budget, for which figures for 2001–02 were not reported, under the Department of Tourism, Sport and the Commonwealth Games, we see that 57 of 108 targets do not have figures reported for 2001–02.

In the Department of Innovation, Industry and Regional Development, 100 of 231 targets have no previous figures; in the Department of Premier and Cabinet, 43 of 110 targets; in the Department of Natural Resources and Environment, 94 of 265 targets; the Department of Education and Training, 32 of 142 targets; the Department of Infrastructure, 52 of 248 targets; and the Department of Human Services, 34 of 211 targets.

On the other hand a large number of performance indicators that appeared in last year's budget paper no. 3 are not present in this year's budget papers, and I seek leave to have incorporated into *Hansard* the document entitled 'Budget paper no. 3 — performance measures in 2001–02 budget abolished in 2002–03'.

*Leave granted; see document next page.*

**Budget Paper No. 3****Performance Measures in 2001–02 budget abolished in 2002–03****Education****School Education**

- Students receiving funding for shared specialists in small schools
- Year 3 students receiving national benchmarks in reading
- Year 3 indigenous students receiving national benchmarks in reading
- Year 3 students reaching state standards in mathematics
- Year 5 students reaching national benchmarks in reading
- Year 5 students reaching state standards in mathematics
- Students achieving satisfactory standards in Prep reading assessments
- Students in non-metro regions achieving satisfactory standards in Prep reading assessments
- Morale of primary school teachers on a 100-point scale
- Participation rate of 15 year olds
- Transition rate from years 10–11
- Transition rate from years 10–11 in non-metro regions
- Morale of secondary school teachers
- Participation rate of 17 year olds
- School leavers progressing to further education, training or work
- Transition rate from year 11–12
- Transition rate from 11–12 in non-metro regions

**Student Welfare & Support**

- Schools implementing individual school drug education strategies

**Services to Students with Disabilities & Impairments**

- Staff morale of specialist school teachers on a 100 point scale

**Training & Tertiary Education places**

- Industry based contract compliance audits of registered training organisations

**Higher Education**

- Students enrolling in ICT courses
- Participation of stakeholders in consultation process

**Human Services****Mental Health**

- Inpatient treatment capacity (available bed days)

**Clinical community care**

- Community residential treatment capacity (available bed days)

**Public Health & Drugs**

- Immunisation coverage at 17 years of age
- Legionnaires inspections and investigations undertaken
- Food safety training sessions conducted

**DisAbility Services**

- Respite information provided to clients within 3 days

**Infrastructure****Passenger interchange development**

- Cruise ship passenger days
- Approach to market for development proposals for Spencer Street Station precinct

**Major regional road projects**

- Projects delivered in accordance with scope and standards

**Justice****Incident, Emergency and Event Management**

- Proportion of the community who agree Victoria Police is timely in responding to calls for assistance

**Investigation of crimes against the person**

- Number of crimes against the person investigated by Crime Squads and percentage cleared
- Number of proactive targeted operations by Crime Squads and percentage resulting in arrests

**Investigation of illegal drug activity**

- Number of proactive drug investigations by crime squads and percentage resulting in offence detection
- Community rating of Vic Police performance in investigating drug dealing

**Road Traffic Law Enforcement**

- Proportion of the community who think they are likely to be breath tested in next 3 months
- Community rating of Vic Police in making roads safer

**Victims Support**

- Grants made to Victims support networks

**Innovation, Industry & Regional Development****Regional Strategic Leadership**

- Satisfaction rating from Regional Development Victoria clients

**Rural Community Development**

- Local leadership and community event grants

**Natural Resources and Environment**

- Recreation facilities being provided
- Recreation facilities assessed as being in good condition
- Proportion of State forest where SFRI mapping is complete
- Proportion of State forest where sustainable yield has been formally reviewed using SFRI data

**Mr CLARK** — Let me also briefly mention a further discrepancy in the budget papers to which the Minister for Finance may wish to give some attention. Table 4.5 of budget paper no. 3 tells us that \$268.512 million is being sought in appropriation for the Department of Innovation, Industry and Regional Development (IIRD), and that \$313.587 million is being sought for the Department of Tourism, Sport and the Commonwealth Games.

However, if we look at the bill before the house we see that the appropriation proposed for IIRD is \$423.757 million, and for the Department of Tourism, Sport and the Commonwealth Games, \$108.552 million. In other words the budget papers are telling us one thing, but the bill is asking for parliamentary authority for a completely different set of numbers, and the government needs to find out pretty quickly which set of figures are in fact correct.

All of these various factors, all of these confusions, all of these fudges throw a very convenient smokescreen over the government's activities, making it harder for the public or Parliament to find out the truth about either the government's spending or the results or lack thereof that it is achieving. However, one thing that is becoming increasingly clear is Labor's willingness to spend large sums of taxpayers' money on political propaganda. We all recall Labor's promise about this — its open government policy — and I quote:

We will implement the Auditor-General's recommendations for limiting political advertising by stipulating that government information material should not promote or have the effect of promoting its interests above those of other political parties and attempt to secure political support for a political party.

And yet we have today on the Premier's own admission around \$2 million being spent on a newspaper and other advertising campaign just to promote the April business statement. Large advertisements have been published in Melbourne suburban as well as daily newspapers supposedly to attract investment to Victoria! Would the government really have us believe that potential investors in Sydney, Brisbane, London or New York are going to read and be influenced by advertisements published in the *Progress Press* or the *Whitehorse Leader*, much as I love those newspapers?

We also have buried in the fine print of this budget the fact that the Bracks government has now boosted spending on the government information unit in the Department of Premier and Cabinet from around \$7.3 million in 1999–2000 to \$22.3 million today. This is the spin doctors being paid for out of the taxpayers' pockets. What hypocrisy, what humbug! When you go around calling yourself Honest Steve or Honest John and then get caught out doing exactly what you promised you would not do then you are doubly guilty and your conduct deserves to be condemned accordingly.

One of the best tests of any budget is how much of any extra money is going into the hands-on delivery of services, into the hard work of the grassroots, and how much is going into areas like policy and research — public servants sitting around tables debating over cups of coffee, swotting numbers, writing reports and thinking up ideas for ministers who cannot think up ideas for themselves. There are two blatant examples revealed in the budget papers, and I strongly suspect that any further examples have been buried among the fine print of more worthy programs. Let's look at the Department of Education and Training. While school education has received a 3 per cent increase, policy, strategy, and information services have received a

massive 58.5 per cent increase — \$12.4 million more on ideas and propaganda!

In the Department of Premier and Cabinet, funding for strategic policy advice and projects has risen by 15.9 per cent. There will be more public servants to provide ideas for a Premier who lacks them for himself. Yet more of these announced spending increases will go into other areas that do not deliver services the public would necessarily value.

Turning to the Department of Justice, in 2002–03 the number of police fines issued to motorists is expected to almost double, from 903 000 to 1.7 million. The cost of processing fines will increase from \$35.2 million to \$55.1 million — a 56.5 per cent increase! The number of infringements processed by the PERIN system is set to increase from 609 970 to 875 000, with the cost rising from \$17.8 million to \$31.2 million — a 75 per cent increase. Legal support for government has risen by 61.5 per cent, or \$27.1 million. Honourable members will be interested to know that \$26.8 million of that represents funding to run a state election. The Department of Treasury and Finance says that is expected to be held in the 2002–03 financial year, which seems to be rather contrary to the Premier's claim that his intention is that this Parliament will run full term.

**Mr Lenders** interjected.

**Mr CLARK** — To answer the interjection of the Minister for Finance, the previous government did not say that the election was expected in the financial year concerned.

A further shifty fiddle of the figures has been undertaken by the Bracks government — a fiddle that needs to be exposed both for its own sake and to show how petty-minded and political the Bracks government can be. When in budget paper no. 3 the Bracks government reports changes in spending levels, what does it compare them against? It compares them with the figures set out in the previous year's budget. But on the other hand, when the Bracks government reports changes to revenue, what does it compare them with? It compares them with the previous year's revised figures. This almost always has the effect of reporting the highest available figure for spending increases while reporting the lowest available figure for revenue increases. Thus, the government tries to look both generous with its spending and restrained in its revenue raising at the same time.

This fiddle extends also to the way changes in the level of commonwealth grants to Victoria are reported. We

heard ministers waxing eloquent yesterday on the alleged ills of the commonwealth government, but their figures reported in the budget papers compare commonwealth grants with the previous year's revised estimate and not with the budget. Not only does that downplay the role of the commonwealth, but it also makes any commonwealth contribution to increased state government spending look smaller by comparison.

In fact, in education the overall state growth is budgeted at 2.3 per cent, whereas commonwealth specific purpose payments (SPPs) are budgeted to grow by 7.2 per cent. In health, commonwealth SPPs are in fact budgeted to grow by 8.3 per cent, compared with state growth of 7.6 per cent. It is also worth mentioning that money from the commonwealth Medicare grant rose by \$100 million — some 30 per cent of the total increase in acute health expenditure.

State overall spending on home and community care (HACC) has fallen by \$7.9 million, but the commonwealth HACC contribution has risen by \$10.7 million.

Overall spending on drug prevention treatment and rehabilitation rose by just \$2.7 million under this Bracks government, but the state got \$5 million extra from the commonwealth government for Council of Australian Governments drug diversion initiatives.

We have the blow-outs, we have the wage deals, we have the increased administrative costs, we have the concealed cuts, and we have the mysterious lack of explanation about the productivity dividend.

Finally, after all of this, when the true increase in funding for services is looking pretty tattered, we can ask the most important question of all: what are the results that have been achieved from Labor's spending? The answer is clear and stark: the spending is not matched by results.

Let's look at the hospitals. The Bracks government claims to have spent over \$1 billion more on the health system, though on the two key quality-care indicators our health system has got worse. If we look at the number of people on waiting lists for semi-urgent elective surgery, we see the figure has increased from 13 299 in the 1999 December quarter to 14 718 in the 2001 December quarter — a rise of 11 per cent. If we look at people on waiting lists longer than clinically appropriate in the semi-urgent category, we see the number has increased from 4765 in the 1999 December quarter to 6939 in the 2001 December quarter — a rise of 46 per cent.

Furthermore, the number of patients waiting on trolleys in emergency departments for longer than 12 hours has increased from 4032 in the 1999 December quarter to 6096 in the 2001 December quarter — a rise of 52 per cent. This is from a government that said it would fix the health system. It has fixed it all right!

Let us now look at education. Two and a half years after the last state election the Bracks government has still not met its no. 1 election promise to cap prep to grade 2 class sizes at 21 students or less. Despite its rhetoric, indicative class-size figures released earlier this year reveal that 58.6 per cent of prep to grade 2 classes in Victorian government schools have class-size figures that remain above 21 students. Furthermore, 161 individual schools around the state have classes of more than 30 students, and on top of that almost a third of primary classes have 25 or more students.

But there is an even more revealing indicator in the budget papers, and that is the indicator of teacher–student ratios. In 1998 the teacher–student ratio in primary schools was 1 teacher to 18.2 students. The Kennett government cut that ratio to 1 to 17.2 in 1999, and additional Kennett government funding saw the ratio fall further to 1 to 16.9 by the start of 2000. However, since then the ratio has fallen by only 0.3 to 1 to 16.6 in 2001 and remains unchanged at 1 to 16.6 in 2002.

For all the extra funding the Bracks government says it has poured into education and for all the publicity about reduced class sizes, the primary school teacher–student ratio has fallen by only 0.3 students per teacher in the first two years of the Bracks government, compared with a reduction of 1.3 students per teacher in the final two years of the Kennett government.

One might ask: how can that be? The government owes the parents of primary school students and the public at large an explanation of what is going on. On the available public information there would seem to be only two explanations: the first is that much of the boasted education funding increase has simply gone to meet growth in school populations and not on new or better services. Indeed, just yesterday in question time the Minister for Education and Training made an enormously damaging admission when she told this house that a federal government funding increase to schools of 5.7 per cent would cover only growth and consumer price index (CPI) increases and not provide for any new projects.

It would seem to follow as night follows day that if a 5.7 per cent increase covers only growth and CPI increases, a 3 per cent funding increase as provided by

the Bracks government means that Victoria's schools are going backwards. All this talk of education being a top priority for the government is nothing but a fraud!

The second possible explanation of the teacher–student ratio — indeed, in light of the minister's admission, a very likely one — is that while the government has cut prep to grade 2 primary class sizes it has done so at the expense of squeezing out teachers in other areas such as music, physical education or languages other than English. It is one thing to lower class sizes; it is another thing to do so through sacrificing specialist teachers.

Let us now move on to look at crime. Despite the extra police the government says it has added to the police force, latest crime statistics show a significant increase in crime last year, including homicide incidents up 26 per cent, robberies up 26 per cent, assaults up 10 per cent, aggravated burglaries up 44 per cent and motor vehicle thefts up 16 per cent. At the same time as crime is rising, the government is diverting police resources away from fighting crime and into minding prisoners and chasing traffic fines. Prisoner supervision by police in 2001–02 is expected to increase by more than 45 per cent to 480 000 hours compared with a budgeted 330 000 hours.

Contrary to claims by the Minister for Police and Emergency Services on 30 November last year, when he stated that the crisis in police cells was 'under control', with only 90 prisoners in police cells, in recent times up to 350 prisoners have been held in police cells designed to hold only 120. Furthermore, when we look at the number of hours police are expected to spend investigating illegal drug activity, we find that is expected to be 40 000 hours lower in 2001–02 than the target level. In the meantime overcrowding in our prisons has increased, with the average daily rate of prison design capacity utilisation forecast to increase 6.1 per cent to 120 per cent in 2001–02.

While all this is happening we find Labor's election promises about police stations languishing, with long delays in building new stations proposed for Diamond Creek, Maryborough, Rowville and Endeavour Hills, and other police stations not likely to be completed before the next election, including Belgrave, Croydon, Eltham, Kilmore, Preston and Seymour.

Let me just conclude my remarks on the issue of spending by referring to the record of the previous government, something about which honourable members opposite have had a great deal to say. When we look at the figures in table D4 published in this year's budget paper no. 2, we find they provide further compelling evidence on the record of the previous

government. It demonstrates beyond any doubt what this side of politics has been pointing out for years. Certainly in its early years when faced with \$32 billion of debt from the guilty party, an annual interest bill of over \$2 billion and an unchanged policy deficit of \$1.4 billion and growing, the previous government had no choice but to cut spending.

But on the figures in this year's budget papers, we can see that in the period from 1995–96 to 1999–2000, the Kennett government increased spending on police and fire protection by 14.6 per cent, on primary and secondary education by 24.7 per cent, on health by 18 per cent, and on social security and welfare by 22.3 per cent.

In other words, as the debts were paid off, \$800 million of interest savings were achieved, and as economic growth took off the previous government strongly increased spending and boosted services as our economic prosperity gave us the capacity to afford them — and unlike Labor's, our spending produced results.

Honourable members on this side of the house can be proud of what was achieved in improving services under the previous government, and of what we will achieve again upon a return to government.

Let's now look at taxes. Total tax revenue received by the Bracks government in 2002–03, after allowing for the tax revenue now being met from the goods and services tax, is set to reach \$11.495 billion, which is \$2.639 billion — or almost 30 per cent — higher than in 1998–99.

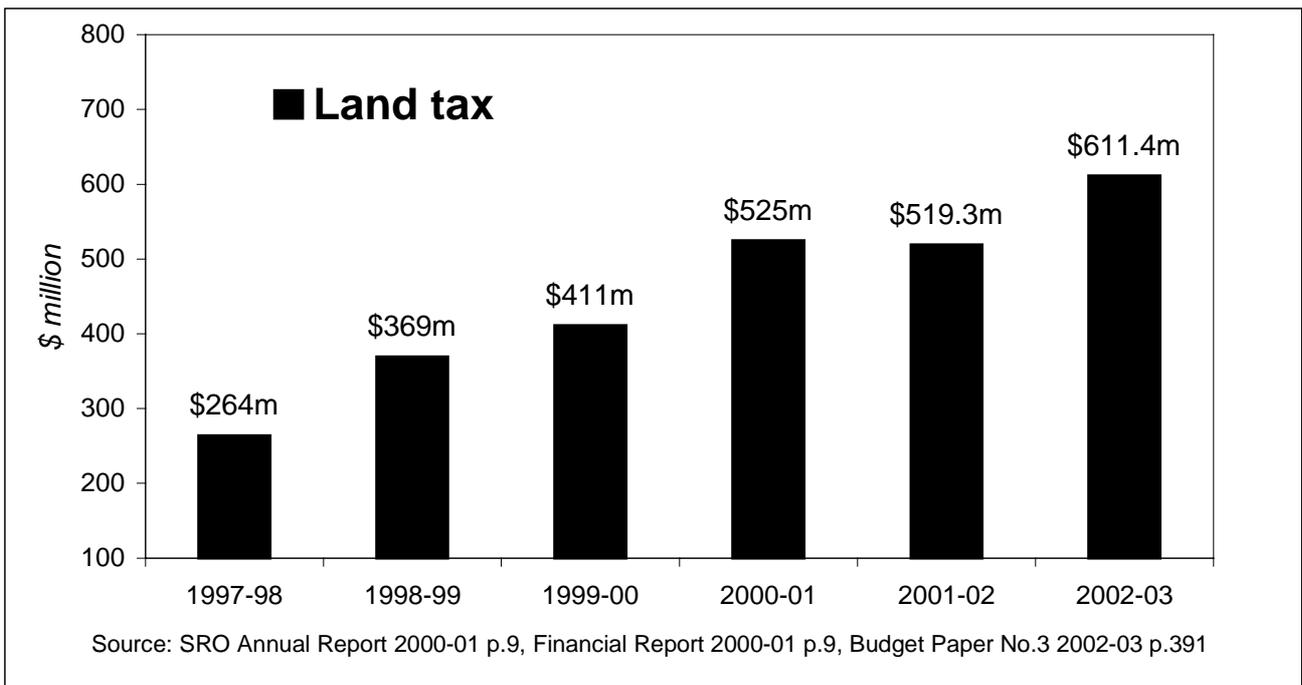
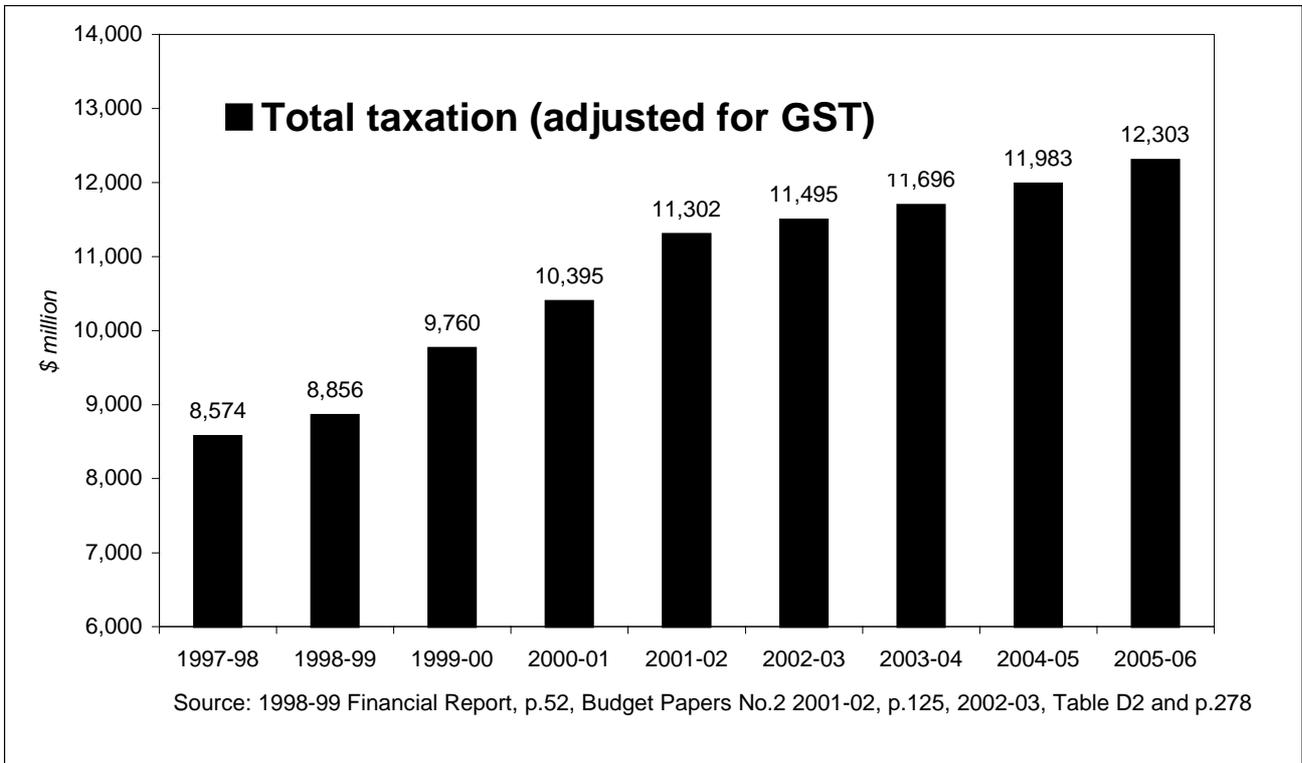
I seek leave to have incorporated into *Hansard* the chart headed 'Total taxation (adjusted for GST)'.

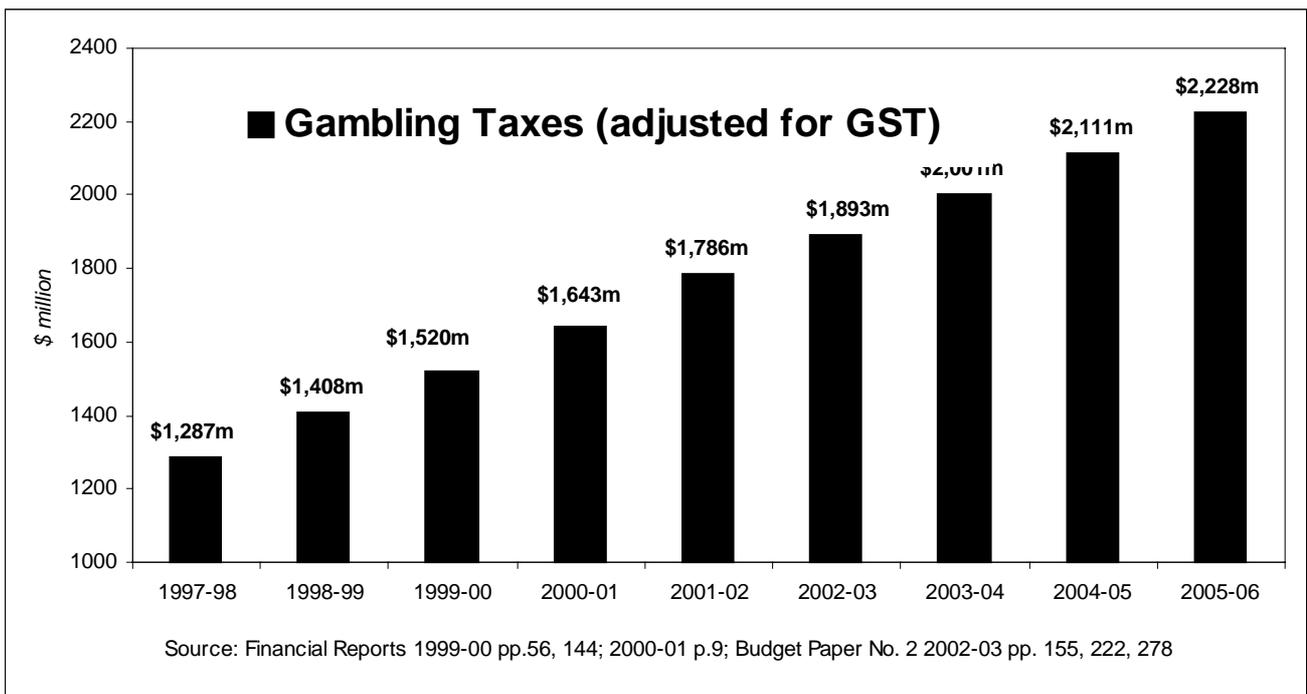
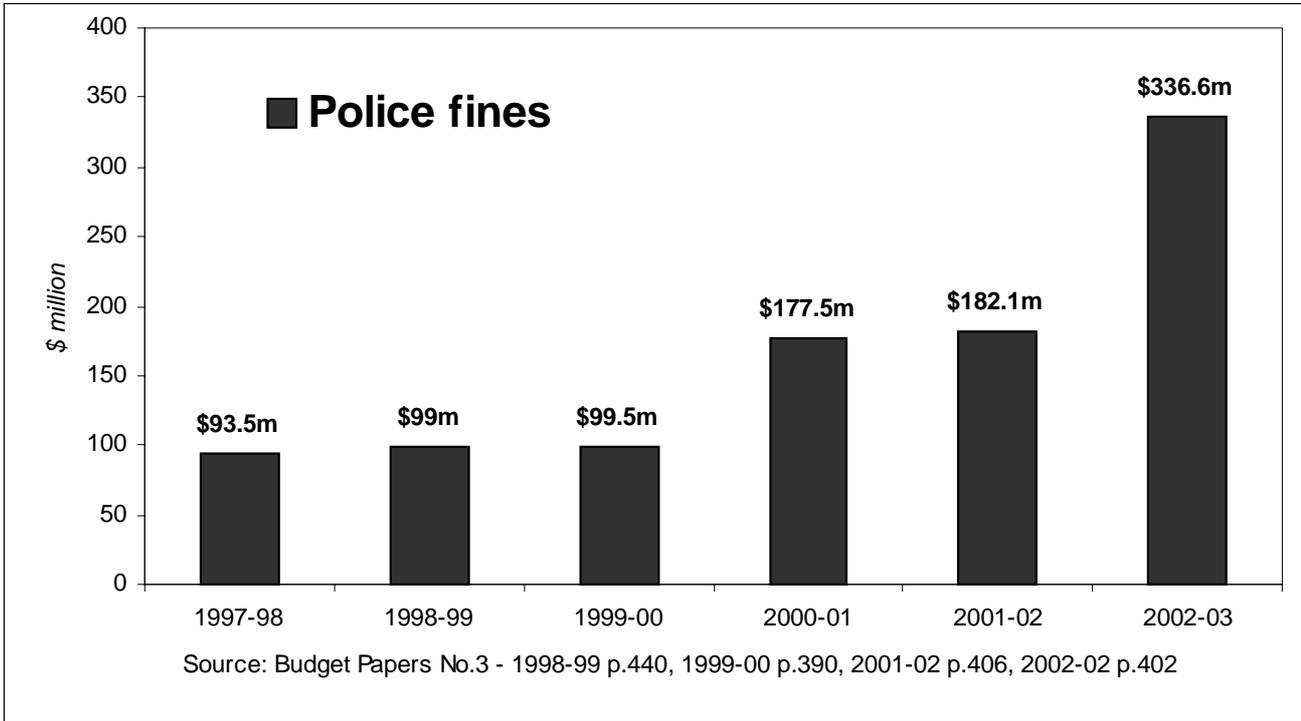
*Leave granted; see chart next page.*

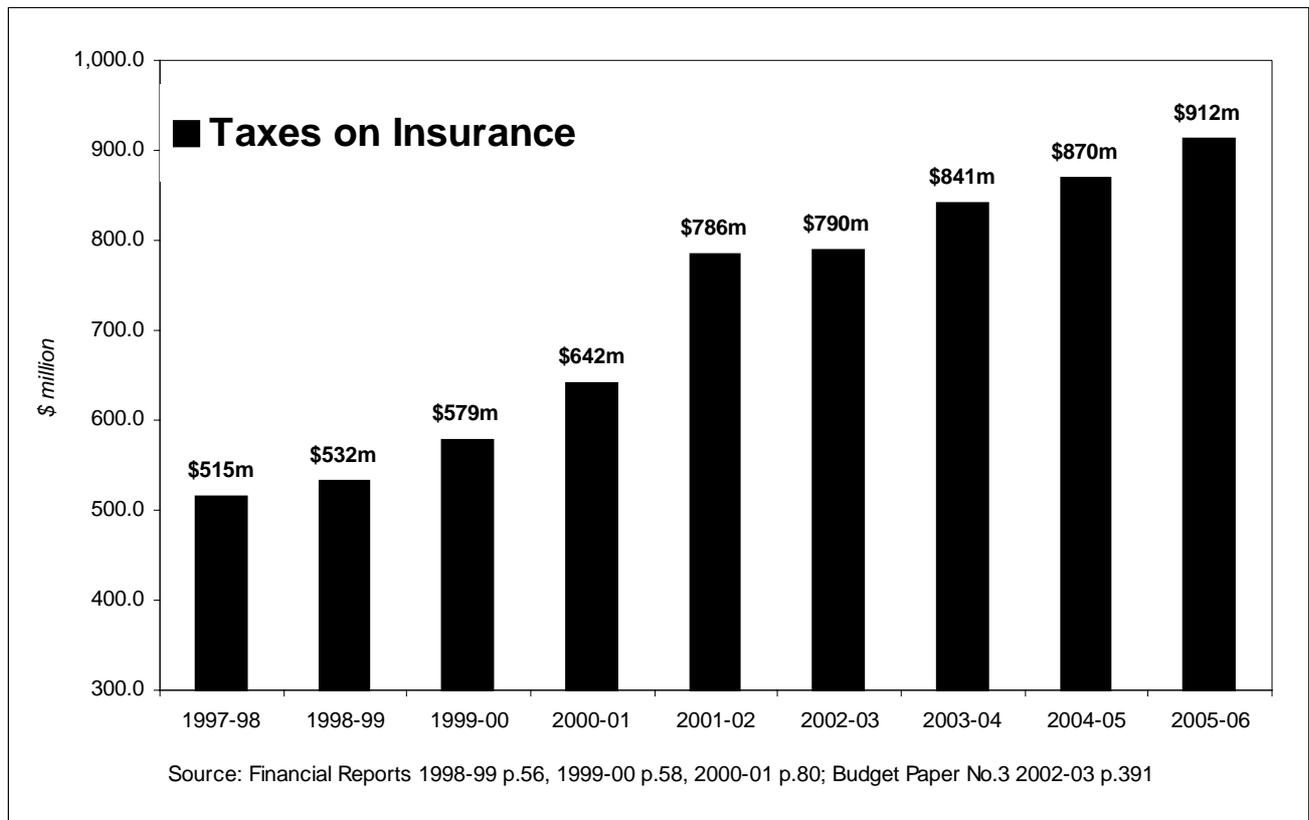
**Mr CLARK** — The increase I have referred to is equal to an amount approaching \$1500 for every Victorian household or family. This is despite Labor's tax cuts.

I also seek leave to have incorporated into *Hansard* tables headed, 'Land tax', 'Police fines', 'Gambling taxes (adjusted for GST)' and 'Taxes on insurance'.

*Leave granted; see charts next page.*







**Mr CLARK** — What these tables show is that from 1998–99 to 2001–02 revenue from stamp duty has increased by 84 per cent. By next year we can expect to see land tax up 66 per cent, insurance taxes up 49 per cent, police fines up a massive 240 per cent, and gambling taxes up 31 per cent. As well as the taxes featured in those charts, by next year we can also expect to see payroll tax up 27 per cent and motoring taxes up 17.4 per cent.

Let’s take a look at some of these taxes in more detail. Since September 1999, the cost of a medium-price house in Melbourne has risen by 37.3 per cent. However, the stamp duty on that house has risen by 54.4 per cent. The difference is due to bracket creep, as a higher and higher proportion of the value of a house is taxed at a duty rate of 6 per cent, which applies to that part of the value above \$115 000.

The stamp duty on a median-price house in Melbourne is now \$14 650, higher even than the standard \$14 000 first home owner grant which applied until recently to purchasers of new homes and the \$10 000 current grant for new homes — and it is certainly much higher than the \$7000 first home owners grant for existing homes. Thus for the vast majority of home buyers around Victoria the first home owners grant provided under the

commonwealth government’s tax reforms is going straight back into the Bracks government’s pockets in stamp duty.

The stamp duty rip-off has been even greater than 54 per cent in a swathe of suburbs across Melbourne. Based on figures to December last year, people in suburbs including Mount Evelyn, Healesville, Maidstone, Chirside Park, Sunbury, Spotswood, Warrandyte, Chadstone, Box Hill, Burwood East, Newport and St Albans have all experienced increases in stamp duty of 80 per cent or more on the typical house.

Among those hardest hit have been suburbs in Labor’s heartland, made up of homes bought by families where dad works shift work at the car plant and mum cleans offices at night in order to make ends meet. They are the sort of suburb I grew up in and know well, and they are the sorts of suburbs where families had trusted in Labor to look after them. The stamp duty on a typical house in Sunshine has jumped from \$3160 when the Bracks government came to office to \$7075 in December last year — a 124 per cent increase. That means that if mum is managing to earn \$10 an hour after tax from her night cleaning job, she has to put in an extra 400 hours of hard work mopping floors,

emptying rubbish bins and not being able to kiss her kids goodnight just to earn the money to pay the extra stamp duty the Bracks government has imposed on the family home. That is the human cost of the tax slug that the Premier and the Treasurer so blithely ignore.

Soaring stamp duty not only affects young families and other first home buyers, it also hits growing families that are looking to move to larger homes, single parents struggling to find new homes after a family breakdown, and pensioners and self-funded retirees seeking to move to smaller homes while trying to live on lower incomes in retirement.

Stamp duty not only has a human cost that is directed at the hip pocket, it also has indirect human and economic costs. It puts a barrier in the way of people needing to move to homes that would suit them better instead of spending their money on renovations or modifications to make the best of where they are now. For the individual and for society, this results in unnecessary and inefficient expense.

The cost is even greater for small businesses, which are increasingly being faced with having to pay 5.5 per cent stamp duty on the cost of buying their initial premises or relocating to new premises. That cost is inevitably reflected in higher prices for goods and services or in the extra cost of staying in less-than-optimal premises because the cost of moving is too great.

Access Economics, a group much loved by the government, has found in a report entitled *The Economic Impact of Reducing State Taxes on Property* that reducing stamp duty on property transactions would have a large positive impact on economic activity. Stamp duty added to the cost of investment means fewer investments than would otherwise be the case, and reducing stamp duty would result in gains in economic welfare, economic activity and investments.

In the case of stamp duties on non-residential properties, the largest beneficiaries would be the wholesale retailer and repair industries, the business services industry, and the accommodation, restaurants and clubs industry. The government's own Harvey report, which was commissioned and then dumped, reached similar conclusions about the adverse impact of stamp duty. I need hardly remind the Treasurer, the Minister for Finance or the house that Victoria has the highest stamp duty rates of any jurisdiction in the country on almost all property values and that Commonwealth Grants Commission data shows that Victoria is more reliant on stamp duty as a source of revenue than any other state.

Stamp duty on conveyancing accounted for 4.05 per cent of Victoria's total revenue base in 2000–01, compared with a national average of 3.24 per cent and 3.09 per cent in New South Wales and 2.43 per cent in Queensland.

The Treasurer and the Minister for Finance have made great play of the lift in the land tax threshold that they have announced, but that professed generosity can be readily rebutted by pointing out that of the \$156 million in the increased annual land tax take since the Bracks government came to office, they have given back just \$3 million.

We can also talk about insurance taxes, where they are profiteering from hardship, and I refer to the HIIH collapse, the crisis in public liability insurance and difficulties with professional indemnity insurance, medical insurance and so forth. For all their professed concern, they are simply pocketing massively increased stamp duty as premium bills soar.

Similarly, the level of police fines is rocketing, undermining the credibility of the safety message and leading to a growing suspicion in the minds of the Victorian public that all this is about is revenue, not safety.

Gambling taxes, of course, continue to escalate, despite all the humbug we have heard in the past from Labor.

We also heard a lot of humbug from Labor about the GST. Labor says it does not like it, but the Treasurer is exploiting it for all it is worth. He knows in his heart of hearts that the new tax system provides one of the best deals for the states in almost 50 years — ever since the introduction of uniform taxation and the states losing their income-tax powers. He knows he is receiving billions of dollars in GST revenue from commonwealth and that he is imposing a tax on a tax through the stamp duty he levels on new homes and insurance.

Yet he has the nerve, in the massive taxpayer-funded advertisements we are seeing day after day, to claim credit for GST-funded tax cuts! In addition, he fudges the facts about the impact of the GST on reduced levels of Victorian taxation when he talks about what is happening to our state tax levels.

The \$1 billion in tax cuts that the Bracks government has been boasting about is aggregated over a four or five-year period, and much of it will be Paul Keating-style l-a-w law tax cuts, which are not likely to come into effect until after the next state election.

To put those so-called tax cuts in context, the alleged tax cuts of \$83 million given for next year in last

month's business statement represent around \$1 in \$30 of the Bracks government's increased annual tax revenue since 1998–99. To look at it another way, the total reduction in tax revenue for next year from the business statement and from this budget is less than \$1 in \$7 of the extra tax windfall gained by the Bracks government in the past 12 months alone.

If one looks at the stamp duty relief measures of the Kennett government in the 1998–99 budget one sees that the cost of those measures as a proportion of total conveyancing duty that year was 4.3 per cent. That compares with the paltry value of 0.8 per cent of stamp duties on land transfers provided by way of the changes to concessions in 2002–03 by the Bracks government. The previous government gave a greater payroll tax rate cut in one budget than the Bracks government has in three budgets. By the end of its term in office the previous government had reduced taxes by \$650 million per annum compared with 1993–94.

Under the Bracks government businesses are the lucky ones. Victorian families have not got any reduction whatsoever in their tax rates. That is all fine by the government — it can just rake in the revenue — but ordinary Victorians out in the community, the forgotten people under the ALP's corporatist approach, can use every dollar they can get.

I wish to also say something about a chart that appears on page 19 of budget paper no. 2. Honourable members may well have noticed it. It is a chart that purports to show that taxes as a proportion of gross state product (GSP) last year fell in Victoria, and likewise in New South Wales and Australia, but the chart shows the fall was fastest in Victoria. All I can say about this chart is it looks like a fraud, it smells like a fraud, and it almost certainly is a fraud.

This table purports to show that in 2001–02, the current financial year, Victorian taxation revenue was around 4.35 per cent of GSP. On the best estimation available to the opposition, taxation to GSP in Victoria this year is closer to 4.6 per cent than 4.35 per cent. Since, after adjusting for GST tax changes, tax revenue has grown by 9.43 per cent over the past year, it also seems inescapable that on any honest presentation the line on the chart should show taxes to GSP in Victoria heading up rather than down.

I conclude the discussion of taxation by dealing with the false claims being peddled by the Premier and the Treasurer about the opposition's tax policies. Just so there can be no possible misunderstanding whatsoever on the part of the Premier or the Treasurer, let me make it clear that the opposition has announced three, and not

more than three, tax policy commitments — policies that mark a clear and stark difference from the present government.

We are committed to cutting payroll tax below 5 per cent; Labor is not. We are committed to giving genuine stamp duty relief; Labor is not. We are committed to abolishing Labor's arbitrary and capricious \$50 motorbike tax. Payroll tax cuts will cost \$150 million per annum from 1 July 2003, with a part-year cost if there is a change in government before then. The motorbike tax removal will cost \$10 million. We will release our stamp duty and overall tax policies prior to the next state election and they will be based on what is affordable once we know how much the Bracks government has left unspent.

I now want to turn to another much-trumpeted facet of the Bracks government, the issue of construction and capital works. I make the point again that construction has not started on a single new major public infrastructure project since the Bracks government came to office. The Minister for Major Projects did not like me pointing this out in a newspaper article last week and he wrote a letter trying to refute it. However, his very reply condemns his government in his own words.

Let's look at the projects he claimed as evidence of Bracks government achievement. The Craigieburn bypass is a fully federally funded project that has been delayed by two years due to planning indecision by the former Minister for Planning. The Geelong Freeway upgrade is a project of the previous government, as are the new County Court and the Eastern Freeway extension. Furthermore, the minister himself, by media press release of 26 April, admitted that the Eastern Freeway extension is behind time and over budget, with no tenderer yet selected and speculation in the marketplace that the tenders came in by tens of millions of dollars over the budgeted figure.

Let's look at the Sydenham rail extension and the Box Hill tram extension, projects that were locked in under the previous government. I pay tribute to the honourable member for Mornington. I can well remember when he was Minister for Transport standing with him in the median strip of Whitehorse Road, Box Hill when the contracts were announced. The media conference he and I held then in those windswept environs was in stark contrast to the lavish, champagne-sipping media conference which the current minister used to ceremonially shovel dirt from a pile into a bucket to demonstrate his commitment to starting work on the project — a most apt symbol of the purely nominal work which the minister actually does.

Let's look at Docklands, another project for which the minister claimed credit and another brought to fruition by the previous government, particularly by the Honourable Mark Birrell. Investment in the Docklands has come from the private sector and has been driven by low interest rates and the clearance of the commercial office glut of the early 1990s.

Let's look at some other Bracks government projects. The regional fast rail project costs have blown out from \$80 million to \$550 million. The *Weekly Times* of 1 May reports the minister saying he does not expect to get any private money for the project. The Minister for Finance might be able to tell us how the government will fund the project and what service improvements will be delivered on the available funds now that the private sector is reportedly not going to put in any money whatsoever.

Let's look at Spencer Street station. I think it is now 14 times that the Spencer Street station upgrade has been announced and reannounced, and we still do not know exactly what is happening with it. We can also ask what has happened to the rail gauge standardisation.

I refer to my own electorate and the Box Hill Hospital car park, which is a vital project for Box Hill. The locals are getting desperate and distraught about the delays in this project which has been bogged down in Treasury and on the Treasurer's desk waiting to be signed off under the Partnerships Victoria program.

There is also, of course, the film and TV studio at Docklands. It is rather curious that what has been announced publicly as a \$40 million loan is included in the budget papers as an asset investment initiative. I would be interested to know whether the government is claiming the same \$40 million both as a loan and as reported fixed asset investment.

A few major projects have been cancelled or have fallen over, including the Dingley bypass and the fast rail to the airport. Incidentally, at page 105 of budget paper no. 3 the Department of Infrastructure is claiming credit for this failure. We are in a sorry state when a department boasts about its failure, but the public is entitled to know how much was wasted on this futile project.

Coming back to hospital car parks, there is the Alfred Hospital car park project where apparently none of the tenders were satisfactory after a lot of time and effort and the project has now gone back to the drawing board.

To date the Bracks government has been a government of empty rhetoric and little action and this budget

confirms that fact. As the actual delivery of key infrastructure projects falls further and further behind, the rate at which the government announces projects is getting faster and faster and is in fact growing at an unsustainable rate. It is as though it thinks more announcements can compensate for fewer results.

Let's look at chapter 1 of budget paper no. 3. Over the past four budgets we can see a steadily declining percentage of funds budgeted for spending in future years on capital works which have not already been committed. In 1999–2000, 33.1 per cent of the funds expected to be spent on capital works in the year following budget year had been left available for future projects. In the first Bracks government that number rose slightly to 36 per cent. However, in the last budget it fell to 15.3 per cent and in this budget it is down to only 14 per cent. In other words, this year's budget has left only \$306 million of uncommitted capital works funds available for the next budget year, 2003–04, compared with \$504.5 million of new capital spending announced in this year's budget for 2002–03.

There are therefore only two ways in which the government can sustain the level of capital works announcements at its current rate. The government must either grow its total capital works spending by around \$200 million or 10 per cent a year indefinitely or else have a significant proportion of its announced capital works spending fall over each year in order to make room for fresh announcements next year. If the government follows neither of these strategies, the dollars announced for new capital works in next year's budget will be forced to be far smaller than the amounts announced this year. However, perhaps we should be confident that enough of this year's announcements will fail to materialise in order to leave room for the same funds to be recommitted to new announcements next year. That is certainly consistent with the government's record to date.

Another telling demonstration of the Bracks government's difficulty in translating talk into action comes from figures published by the Australian Bureau of Statistics (ABS) on infrastructure spending. The statistics on spending on public engineering infrastructure show that last year the New South Wales government spent \$1550 million on such infrastructure while the Victorian government spent just \$45 million. A more specific breakdown of the ABS figures obtained by the opposition reveals the position to be even more stark and completely refutes the argument put forward by the Treasurer that the differences between the states are due simply to the privatisation that has taken place in Victoria. According to these more detailed ABS figures, the New South Wales

government spent \$519 million on roads, bridges and water storage in 2001 and the Victorian government spent only \$29 million.

Needless to say, the Partnerships Victoria program, which is supposed to be the driver of so much of this boasted infrastructure spending, is in complete disarray. It is a case of the longer the policy, the smaller the delivery: as the policy documents have got fatter, the number of projects delivered has shrunk. The credibility of the Treasurer and the Minister for Finance rests on ensuring that there is a bona fide process of assessing the projects above \$10 million in this budget for inclusion as public-private partnerships under Partnerships Victoria. If the Treasurer and the Minister for Finance fail to do that, all private sector confidence in the Partnerships Victoria policy will disappear. To date, we have seen only two projects signed up under Partnerships Victoria: the County Court — which was well advanced under the previous government — and a \$15 million waste water treatment plant at Wodonga.

I turn now to the way the Bracks government deals with debt and liabilities. I want to make the simple point that the figures the government includes in the budget papers in this area are a complete shonk. The government is using the device called Growing Victoria to manipulate the debt path to try to give the impression that future debt is falling when it is in fact rising. It is like saying that I keep my money in two pockets — the left pocket and the right pocket — and when I work out exactly how much money I owe now and in the future in net terms I count only the money in my right pocket and not the money in my left pocket. Therefore, in future I can take money out of my left pocket to pay off debt and make it look as though I am reducing debt. It is not proper accounting.

**Mr Lenders** interjected.

**Mr CLARK** — To take up the very interjection I was hoping for from the Minister for Finance, if he looks at the part of the budget papers which has been signed off by the Auditor-General he will find no mention of the Growing Victoria fund. Mention of Growing Victoria is scattered throughout the rest of the budget papers but the government is not game to take this figure within cooe of the Auditor-General for him to have a close look at because it knows that it does not accord with accounting standards and that it is a shonk. It might be something that you show to the ratings agencies, something for them to take into account, but it is not a fair, accurate, honest and accepted presentation of debt. It is simply there to produce one artificial effect — that is, to make it look as though future debt figures are falling when in fact they are rising.

One of the most embarrassing aspects of this whole saga is that honourable and decent public servants are forced to go out in public, toe the government line and skate close to the borders of the truth in defending what they know is a shonky and reprehensible accounting treatment.

I move now to look at the Victorian economy, which the Treasurer tries to tell us is leading the nation. Let's look at our current position and where we are heading under the Bracks government. Any assessment of the Victorian economy must be put into the context of the enormous success Victoria and Australia have had over the past 20 years or so in transforming our economic performance. Beginning in the early 1980s we saw a transformation take place with largely bipartisan political support at a national level when the federal coalition was in opposition; it is regrettable that that bipartisanship has now almost ceased under the cynical and opportunistic tactics of the federal ALP in opposition.

Under the Hawke and Keating governments we saw the floating of our exchange rate, the opening up of our banking system, the commencement of retirement income policy, the gradual reduction or elimination of tariffs and other import barriers, and introduction of the national competition policy. At a federal level national competition policy has seen the privatisation of the Commonwealth Bank and Qantas by the ALP, as well as the partial privatisation of Telstra.

Governments have also embraced national competition policy at a state level and have built on it to raise standards, reduce costs and introduce choice and competition to a wide range of government business enterprises and government-provided services. Under the Kennett government Victoria went further than most states with its privatisation of electricity, gas and regional ports, the franchising of the public transport system and the restructuring of the water industry. However, even states such as New South Wales which have not privatised their electricity industries have introduced competition and choice among state-owned enterprises.

The states were also the first level of government to bring their expenditure and debt levels under control and return their budgets to surplus while the ALP at a federal level continued to run up deficits and debt. The Kennett government, in particular, paid off the Guilty Party's debts and cut more than \$800 million each and every year from the state's interest bill. After the election of the Howard government the federal government followed suit in bringing its fiscal house into order. Despite a difficult Senate the federal

government has also made considerable progress in introducing labour, market and taxation reforms.

These structural reforms have transformed Australia from a rigid and high-cost economy which had low productivity and an outdated manufacturing sector and was heavily dependent on primary products for its exports into an open, productive and vibrant economy able to win markets with many different products in many different parts of the world. Thus we are fortunate now that we do not have the crushing interest rates and state debt of the 1980s.

Nonetheless, under the Bracks government we have gone from being a state which on many indicators was leading the nation in growth, investment, job creation and business attraction to a state which is midfield and going back through the economic pack. Victoria's economic performance is narrowly based on a property and consumer spending boom with a little help from rural exports. That is not only a conclusion of the opposition, it is also set out in chapter 3 of budget paper no. 2. Even the property boom owes little credit to the present government. The commercial property recovery in Melbourne has been due to the city at last emerging from the overhang of construction of the late 1980s and early 1990s, a legacy of the Cain–Kirner Labor government. The residential boom has been due to low interest rates, the first home owner grants, and the effects of the net immigration to Victoria which has flowed from the economic recovery of the mid-1990s.

However, we are failing in other areas. In the year to February, 21 100 jobs have been lost in manufacturing as companies like Hugo Boss, Orica and Holeproof have closed down, scaled back or left Victoria. Victoria's economic growth is at or below the national average even after being boosted in relative terms by New South Wales's post-Olympic slowdown and the dot-com shakeout. Our growth this year is forecast to be equal to the national average of 3.75 per cent but we are forecast to drop back to 3.5 per cent next year compared with national growth continuing at 3.75 per cent.

If we look at business confidence, we see that business has less confidence in the Victorian economy than in the national economy. The March quarter 2002 Victorian Employers Chamber of Commerce and Industry survey released late last month showed that 45 per cent of Victorian businesses expect the Australian economy to perform more strongly over the next 12 months but only 30 per cent expect that of the Victorian economy, and the rest expect the Victorian performance to be the same or to get worse. The *Yellow Pages* survey for February shows a net 10 per cent

negative view of Victorian government policies among businesses surveyed. This contrasts with a net 20 per cent to 30 per cent positive view of the previous government in the surveys conducted in 1999.

Of the family businesses surveyed for the Pitcher Partners AXA Monash index in June last year, 66.1 per cent had negative expectations of Victorian government policy and 78.9 per cent disagreed with the proposition that the Victorian government was sensitive to family business needs.

As the respected economic commentator BIS Shrapnel put it in its report entitled *State Industry Prospects 2001–2016*, which was released early this year:

The Victorian economy has outstripped the national average over the past five years, largely due to buoyant domestic demand for manufactures and structural improvement in their economic fundamentals. However, growth will lag the national average over the next three years due to the lack of construction and investment drivers and weaker domestic demand, which will impact on Victoria's manufacturing and wholesale and distribution sectors.

The government boasts that Victoria's unemployment rate fell to 5.7 per cent in April, down from 5.8 per cent in March, the lowest of any state in seasonally adjusted terms. However the reduction in the unemployment rate to 5.7 per cent was due to the loss of 11 700 job seekers in that month. In seasonally adjusted terms employment in April fell by 8100, of which 5000 were losses in full-time employment. Full-time employment in Victoria has fallen in trend terms during every month of 2002 from 1 688 300 in December 2001 to 1 683 500, a loss of 4800 full-time jobs. To put it another way, of the 19 400 full-time job losses in Australia over the year to April 2002, 48 per cent, or 9300, were located in Victoria.

Let's look at business investment. The data for manufacturing investment in Victoria shows that in 2001 manufacturing investment was \$2.749 billion, 15.5 per cent lower than a year earlier and 16.7 per cent lower than in the last year of the Kennett government. The level of investment in manufacturing industry in Victoria is now at its lowest level since 1992. Investment in non-residential buildings and structures has declined in every quarter under the Bracks government and is now 40.1 per cent lower in trend terms than when the Bracks government came to office.

What should the state government be doing to contribute to economic prosperity? It should be finding and encouraging areas of strength — as the Honourable Mark Birrell did — such as the motor vehicle industry, pharmaceuticals, chemicals, telecommunications manufacturing and food processing. It should then help

to make things happen in those areas through rapid approvals and by keeping the union movement under control. It should have a competitive tax regime, it should minimise legal uncertainty and sovereign risk, and it should make sure that the necessary infrastructure is there when it is needed.

The Bracks government has been failing on all these scores. The reputation of the Department of State and Regional Development, as it used to be called, has been plunging. It lost Virgin Airlines to Queensland, the magnitude of which is only now being appreciated. Its only significant achievement was attracting the GMH engine plant, which cost lots of money to get and took a disturbingly long time to sign up. It has to be said that the department is not exactly exerting itself to attract new investment. It is setting itself performance targets which are pretty low. If you look at targets for 'New investments facilitated and announced', as well as 'Investment attracted in rural Victoria' and 'Exports facilitated', you see that they are all well below the reported 2000–01 achievement levels set by the department.

In terms of lack of certainty, what better example could we have than the electricity industry, with the overturning of the Regulator-General's recommendations and the uncertainty about the future of the special power payments? Then there are the planning delays caused by the former Minister for Planning in relation to the Calder Highway, the Shepparton bypass and the Craigieburn bypass, and the failure to get an environment effects statement (EES) for Stonehaven under way; the damage to our reputation in Japan and elsewhere caused by the Saizeriya industrial disruption and the subsequent turmoil, which has gone on for months; and the delay in coming up with a metropolitan planning strategy, which was due to be released in December last year — although the budget papers now tell us the best estimate is later in 2002.

In other words, the Bracks government is forcing Victoria to run its economic race with a heavy weight of Labor lead in the saddle. Before investors will invest in Victoria each of these handicaps needs to be overcome: the handicap of stamp duty faced by businesses and their staff moving to Victoria; the handicap of land tax aggregation; the handicap of unchecked union militancy in key sectors; the handicap of a government prepared to stab investors in the back whenever it suits its political games; and the handicap of a government unable to make decisions or stick to them. These are the handicaps which are causing Victoria to miss out, not only through new investments

not arriving but also through existing firms closing down and moving out.

Let me now step back from the detail of this budget and put Victoria, its finances and its economy in a broader context. What direction have we come from over recent years? Where do we stand now? Where are we heading and where should we be heading? Over the last 25 years around the world there has been an enormous intellectual and practical victory for commonsense, human dignity and opportunity. Free markets within a framework of intelligent, just and effective regulation have been almost universally recognised as the engines of prosperity and freedom. Socialism has been rejected.

In Australia, and in Victoria, we have made gains over the past 25 years as great as or greater than those of almost any country in the world and we have benefited greatly from those reforms: Australia is now leading the Western World in economic growth. We are much more prosperous and have far more funds available for public and community services as well as for private use. But we are not in a perfect world and there is still a lot to be achieved. The question that must be asked of any political party, of any government, of any opposition is, 'What is your vision for the future?'

On this score the left of politics today is confused and divided. Some, like Peter Walsh, have consistently supported the market economy and sound government finances as the best way to help the true battlers. Some, like Lindsay Tanner and Clive Hamilton, are sincerely trying to evolve a new philosophy. Some, indeed many, like those on Victorian Labor's backbench, know what they are against but do not really know what they are for. Finally, others, like most members of the current Bracks government cabinet, do not really care what they believe so long as it will get them elected and keep them in office.

Like the pigs in George Orwell's *Animal Farm*, members of the cabinet are now banqueting with the very capitalists they told their supporters they would stand up to only two and a half years ago. A mere change of rhetoric and positioning does not produce good government. The fundamental flaws remain — lack of background, lack of ability and lack of commitment to any ideas or values other than their own short-term political advantage. The question voters have to ask themselves is whether these Orwellian farmyard revolutionaries turned capitalists will run the farm well or whether they will end up sending Victorians to the knackery.

By contrast, the Liberal side of politics is ready, willing and able to build on the achievements of the past

25 years to strengthen what has been successful and to modify and improve where change is needed. The Liberal vision is a vision which gives a sense of direction for Victoria. It is a vision which comes out of our fundamental belief in the ability and the responsibility of individual human beings to build, to create and to achieve, not only for themselves and their families but for their communities and their fellow human beings.

The Liberal vision is not narrowly based on profit-making enterprises, vital and productive as these are, but extends to all contexts in which people come together to help achieve a common purpose — to school councils, to country fire brigades, to sporting clubs, to meals-on-wheels volunteers. It also extends to institutions in the public sector — to hospital wards, research laboratories and police stations.

We want effective use of partnerships between government, the private sector and community organisations; we want effective regulation of business and community activities; we want standards; we want values; we want results; we want an easing of the tax burden; we want personal responsibility in business and in dealings with other people; we want stronger families; we want a balancing of family and working lives and we want a restoration to young people today of a sense of purpose and confidence for the future.

We believe in self-help and in overcoming obstacles — not just in sitting back and waiting for someone else to fix problems, blaming our woes on others or campaigning for government to do what we want without being prepared to work hard to achieve as much as we can ourselves.

We also do not believe in achievement being driven by leaders and by governments through coercion or through centralised control of society; rather we believe in achievement through people freely collaborating on projects to achieve goals held in common or freely interacting to mutual advantage in pursuing their separate creative goals.

Furthermore, the Liberal belief in people's potential for creativity and achievement is in achievement not just by all but for all. We believe not just in achievement by people for themselves or their circle of family and friends but also achievement for others generally. Generosity of spirit, compassion for others and indeed a duty to help flow from a desire to build and achieve which has characterised Australians for generations.

However, a Liberal belief in human potential means also that we do not rush in to judge people who have a

need for help as being incapable of helping themselves, a judgment that too easily can lead to a demeaning of fellow human beings. Nor do we as Liberals fail to appreciate that community organisations, self-help groups and other individuals can often provide through their own voluntary and personally motivated actions far more beneficial help than can governments.

As Liberals we are not starry-eyed about ourselves or our fellow humans. We recognise that from time to time people do the wrong thing either through their actions or through their inaction, and that any political or social system that fails to take account of this is doomed to failure.

From these core beliefs in humanity's potential, together with an understanding of its limitations, many other values flow: self-discipline and personal responsibility, because these are essential to achievement for oneself and for successful and productive interaction with others; the rule of law and the protection of persons and property, without which people cannot create and build, free of disruption by governments or by crime. Governments have an important role to ensure security against crime and lawlessness at home and against external threats from crime, terrorism and war abroad.

We also believe in democracy, diffusion of political power and empowerment of local communities because we believe in self-government rather than government by others and because a diffusion of power is an important defence against authoritarian rule.

We believe in families, which provide the security and support we need and are the best foundation for the vital long-term creative project of raising the next generation. We believe in free enterprise as a system of economic activity which experience shows is, with proper regulation, the structure within which human creativity best meets most material needs.

We believe in cherishing and conserving the value of our environment and our heritage. We believe in the intelligent building of infrastructure to improve our creative potential. We believe in volunteerism and voluntary organisations, both for mutual self-help and to help those in need. We believe in higher education standards. We believe in enthusiasm for research, libraries, museums and the arts, based around the quest for knowledge and excellence. We believe in effective and caring help for those in need. We believe in high standards of public service and we are opposed to red tape and bureaucracy which stifle innovation and achievement.

Under a Napthine Liberal government a budget will be based and shaped around these values and this vision. It will be a budget and a government focused on easing the tax burden to put money back into the pockets of Victorian families and on winning and keeping Victorian jobs. It will be a budget focused on actually achieving results in better or expanded services, not just on spending money. It will be a budget focused on making projects actually happen, not just announcing them or reannouncing them. It will be a budget focused on making decisions on time after proper consultation, but not using reviews as an excuse for the inability to decide. It will be a budget focused on intelligent investment attraction and facilitation based on identifying Victoria's strengths, promoting those strengths and then helping investors actually find sites, get factories built, get jobs provided and get production started on time and on budget.

This is the vision for a budget under a Napthine government, and it is a vision that stands in stark contrast to the budget we have before us today. This is the budget of a fair-weather government that lacks the vision, the principles and the capacity to help Victorians build the sort of future they seek for themselves and for future generations.

*Honourable members applauded.*

**The ACTING SPEAKER (Mr Lupton)** — Order! That sort of applause is inappropriate!

**Dr Napthine** interjected.

**The ACTING SPEAKER (Mr Lupton)** — Order! Are you going to argue with the Chair?

**Mr RYAN** (Leader of the National Party) — It is my pleasure to join the debate on this pre-election budget. I do so in circumstances where those listening to it can justifiably say they have just heard a tremendous contribution by the honourable member for Box Hill. He has focused his attention across the state as a whole; I intend to focus my attention particularly on country Victoria since, from a National Party perspective, it is that all-important area beyond the borders of metropolitan Melbourne in which we have particular interests.

I begin by saying that in this budget this government by its own hand has turned its back on country Victoria. It made that very apparent in the course of the speech delivered by the Treasurer on budget day that such is the case. It has made no bones about it. It is echoed in the Treasurer's own line set out at page 4 of his budget speech under the heading 'Stronger suburbs':

... a major focus of this budget is the expanding suburbs and growth corridors of Melbourne.

These are the places where Victorian families are increasingly choosing to live — and where much of Victoria's future population growth will be concentrated.

That is precisely the focus of this government. What they have done is return from whence they came. This is the 'ET' budget because this government has gone home! It has returned to the suburbs which are its origins and it has set about the task of trying to win back support in suburban Melbourne, and in so doing it has turned its back on country Victoria. By adopting that course it has also continued the process of abandoning pre-election promises which were made to country Victorians. It has continued in its role of maintaining taxes and charges upon country Victorians in a way that we have never seen before in our history. This series of pre-election promises, to which I will refer in more detail as I make this contribution, have been ignored, more particularly in major projects.

I stop to emphasise 'major projects', because, in retrospect, of all the features that people would say represented the banner headline of this government leading into the last election, it was all the squealing it did on major projects. Whilst doing so — and I will return to it in a moment — one of the other big features we need to take into consideration from a country Victorian perspective is that other indicators are emerging. Those indicators have arisen over the past two and a half years since the government took office in October 1999.

They deal with such things as drug injecting rooms. The government attempted to implement that policy but, thankfully, it failed. We look back upon what we would otherwise have in Victoria were it not for the forces of conservative politics, and now we have a situation where we simply do not have the problem on our streets to anywhere near the extent that we had it then. The deaths that occur on our streets because of heroin overdoses simply have been reduced to an extraordinary degree. That is not to say that we do not still have the issue to contend with, but we are contending with it in a way which does not involve the use of drug injecting rooms which this government wanted to foist upon the Victorian community.

We have had legislation from the government on matters such as racial and religious tolerance. Country Victorians never saw the need for it and do not see the need for it now. Mind you, we have seen nothing of it since it was debated, passed and implemented by this Parliament, but by the same token at the time country Victorians said to us that they did not want that

legislation. They saw it as a slur upon all their communities. That was the view from people of all ethnic backgrounds as well as those who historically have constituted our country centres.

Then we had the Fair Employment Bill, which was an endeavour by the government to throw back industrial relations by an absolute age. Again, country Victorians expressed their concerns about it to the National Party. Ultimately it was defeated.

We have just had the debate on the industrial manslaughter legislation — by whatever name it is now known — and although it has passed through this house in only the course of this past week, and by only one vote, the fact is that the conservative parties have indicated their opposition to it because, again, it represents a throwback in industrial relations.

All of us are horrified by the prospect and the fact of deaths and injuries in the workplace. But this sort of legislation is not going to address those issues at all, because it has an entirely different origin. Country Victorians have again made it very clear that they do not want that legislation passed.

Then there is the so-called ongoing review of the activities of the upper house, with, I suspect, the inevitable recommendations to be made to the government. The bottom line is that if all this takes effect the voice country Victorians now have in Parliament will be reduced as the result of a deliberative act by this Labor government. This government complains that the upper house is undemocratic when in fact the rules are very simple: if you win the votes, you win the seats. That is how the system works: that is how it has prevailed for more than 100 years, and that is how it should continue to prevail. But of course this government has another agenda. By a combination of those factors and its failure to deal with major projects, this government has destroyed the trust that country Victorians placed in it to greater and lesser degrees in the lead-up to the last election.

The current discussion on the significant Wimmera–Mallee pipeline project highlights the chicanery which reflects the way this government operates. A few moments ago the Minister for Finance, who is at the table, said by way of interjection during the shadow Treasurer's contribution that there should be some discussion about the Wimmera–Mallee pipeline. I said to him over the table, 'Watch this space', and I am delighted to say to him that now is the appropriate time to look at the Wimmera–Mallee pipeline, not only in the sense of the issue itself and the historical features relating to it but more particularly in

the sense of demonstrating to country Victorians how this government conducts itself. That includes all the smoke-and-mirror tricks in which it indulges and the way it gets the spin doctors to run self-serving arguments when in fact the position is very different. The Wimmera–Mallee pipeline is probably the classic example — although it is one of many which I will talk about later — of how this government conducts itself.

The Victorian Labor government's basic thesis on the Wimmera–Mallee pipeline is that it will contribute \$77 million to the project, without any qualification. We need only have listened to the hysterical commentary of the Treasurer over the past couple of days, more particularly yesterday in question time, to hear that sentiment represented. The government has also said that the federal government has failed to support this project. Now it has moved on to saying that it wants to belt the federal government for its apparent lack of action and to belt the state conservative parties as well — and more particularly, the National Party.

I have the floor now, so I am going to defend the interests of my party and the interests of country Victorians and tell the true tale about this. Some analysis is needed of what has happened over the last little while. I say again that this offers a window into the way in which Labor governments operate. Make no mistake, the way the government is conducting this is typically Labor. It is trying to transfer the devices it employs in metropolitan politics to country politics. I must tell Labor members that they have been sprung. People are gradually coming to the realisation, particularly over a project such as the Wimmera–Mallee pipeline, that such is the case. I must say in that sense that I am a reluctant starter in this style of politics, but Labor has set the agenda and I will not let the opportunity go by without responding to it.

I refer particularly to the editorial in the *Wimmera Mail-Times* of Friday, 10 May. Remember that this is three days after the Labor Party produced its budget. The heading of this article is 'Piping beyond party politics', and the editor of the *Wimmera Mail-Times* is Danny Lannen, to whom I pay tribute. He owes conservative politics nothing, and he does not write his material on the basis of looking to pay regard to anyone in particular. I have seen his articles over the years, and I can say that he writes them straight down the line in a manner which properly reflects the issues of the day. He wrote this editorial, which I think is instructive, so I want to record it in *Hansard*.

The editorial states:

Victorian Premier Steve Bracks and his Labor posse have convincingly upstaged the federal government over support

for piping 17 500 kilometres of Wimmera–Mallee water channels.

Here the Labor government would say, ‘So far, so good’. The editorial continues:

The state government’s all-up \$77 million backing of the project has ostensibly exposed and embarrassed a federal government which was not prepared to commit as much. The commonwealth will put up \$3.5 million to get detailed pipe planning under way but will remain deeply bothered by public perception that it is following a Labor lead.

The editorial then states:

It will console itself with knowledge that people in the real world know that federal member for Mallee John Forest has championed the project in Canberra virtually until his voice box has bled and that the commonwealth has shown its integrity by backing piping in the northern Mallee. The frenzy after the budget has soured events. The project should be 17 500 kilometres beyond party politics.

Isn’t he right! It should be beyond party politics, but Labor cannot help itself. Let’s go back a bit, putting aside for a moment those intuitive comments by the editor of the *Wimmera Mail-Times*, who has picked this up in one and written an editorial accordingly. The first thing is that the Wimmera–Mallee pipeline is old news, being a successor to the northern Mallee pipeline project. These projects have been championed by some of the great figures in the National Party over a period of decades, including Peter Fischer, John Forest, who is still there and going strong, by my colleague from Swan Hill, Barry Steggall, by my former colleague in the seat of Wimmera, the Honourable Bill McGrath, by a current member for Western Province in another place, the Honourable Roger Hallam, and most particularly in recent times by that great member for the electorate of Wimmera, Mr Hugh Delahunty, who will be the next federal member for Lowan — and what an absolute champion he has been for this project!

As I said, the Wimmera–Mallee pipeline is a successor to the northern Mallee pipeline. I must say, and I make this statement advisedly, that I have absolutely no doubt that if you were to stand the backbenchers of this Labor government up and ask them where the northern Mallee pipeline is, let alone where the Wimmera–Mallee pipeline is, you would get a blank stare from 95 per cent of them. I venture to suggest that until a matter of weeks ago most of them had never even heard of the Wimmera–Mallee pipeline. And no names, no pack drill, but I know that until recent times some of them thought the Wimmera–Mallee pipeline was about a gas extension! Some of them reckon gas is going to go through this pipeline. That is the extent of the Labor Party’s knowledge of the Wimmera–Mallee pipeline!

The thing about the northern Mallee pipeline, which is the immediate predecessor to this great project, is that the governments of the day in Victoria and Canberra between them established a process to define how it would be built. It was based on the fact that intrinsically it was a state-based project.

The northern Mallee pipeline was one, and the Wimmera–Mallee pipeline is also a state-based project. This situation is unlike the situation that applies to the roads of national importance — the Scoresby freeway development, for example — where sometimes you get into this business of saying, ‘I’ll show you mine if you show me yours’ and wondering who is going to go first between the federal government and the state government over funding, because there is a defined joint interest in projects such as this. That is not the case with this pipeline project. By its nature it is a state-based project but — and the ‘but’ is very important — the qualification is, and we all understand it, that this is nevertheless a project of extraordinary importance to the Australian nation. It is of importance not only to the state of Victoria and the people who live across in western Victoria who are impacted on by it, but also to the Australian nation.

What happened quite fairly, quite reasonably and quite properly over the years of the development of the northern Mallee pipeline was that governments at different stages interacted to make certain the funding was able to be developed and made available. Something in the order of \$29 million was contributed by each of those respective governments over about seven stages, and there was a clearly defined process. That process occurred on a department-to-department basis. We all understand that it is one thing to stand up in a place like this Parliament or in Canberra and make comments about the issues of the day, but that it is another thing to say that correspondence is exchanged between the Premier of the state and the Prime Minister of the nation regarding projects of importance such as these.

These things do not function on the basis of letters being exchanged at that level. The system does not operate on the basis that the Premier of Victoria writes to the Prime Minister of Australia and says, ‘Dear Prime Minister, In the case of the Wimmera–Mallee pipeline we want you to put up \$77 million’ and the Prime Minister sends him back a letter saying, ‘Dear Premier, Lovely to hear from you. Here’s my cheque’.

That is not how the system works, and this government knows it. What it knows full well from the carefully defined process that occurred in the instance of the northern Mallee pipeline is that the respective

departments within the respective governments interrelate to achieve the outcome of having that funding made available. It is a defined process well known to all; it is subject to scrutiny at all levels; it is transparent; there is an element of cooperation between them; and in the case of the northern Mallee pipeline there were a few jigs and reels on the way through but, in essence, no politics. There were no politics in it because everybody recognised it as being important. That is why the final \$4 million of federal government money was allocated to the northern Mallee pipeline project in the budget the federal government produced this week. That is a great outcome — a fabulous outcome — and the funding is there.

However, the fact is that despite the Victorian government's commentary about the northern Mallee pipeline there is nothing defined in the Victorian budget in relation to it. I refer in particular to table A13 on page 205 of budget paper no. 2 where there is reference to asset investment initiatives, and it shows 'Piping the system — Wimmera-Mallee (state component only)' and a figure of \$7.8 million. What the National Party thinks is that the government of Victoria tried to put within that figure of \$7.8 million the \$4 million which is the last stage of its funding for the northern Mallee pipeline combined with the \$3.8 million which it is contributing to the Wimmera-Mallee pipeline.

But it has made a mistake. In its own budget papers it does not even understand that it has not allocated the money referable to the northern Mallee pipeline. We have had the Treasurer in here squealing about these projects, yet he has made an absolutely awful mistake in the context of his own budget papers. He does not understand them himself. There is nothing within the budget papers that talks about the northern Mallee pipeline. That is just another example that highlights how ridiculous this government's approach is.

Let us have a close look at the Wimmera-Mallee pipeline and what was done. The government of Victoria worked cooperatively with various other agencies to conduct a study in relation to the Wimmera-Mallee pipeline. The report, called the *Sustainable Water Management Study*, says at page 3:

Funding for the study was provided by the federal government, Victorian government (through the State Regional Development Fund), Wimmera-Mallee Water, twelve municipal councils, four catchment management authorities and Powercor.

A partridge in a pear tree is about the only thing missing!

Again, pursuant to an established process, the federal government, the state government and those other agencies and organisations came together to produce this document. At that point in time there was a clear understanding that there was cooperation between the parties. In fact, even the Treasurer in his machinations yesterday during question time spoke about this. Of course I cannot quote the *Daily Hansard* from yesterday because it is part of the current session of this Parliament so it is not the sort of thing I would do, but if I were quoting it I would read out that the Treasurer had said, 'It was our initiative but the federal government joined in'. That is what I would be quoting if I were quoting *Daily Hansard*, but of course I would not do that.

**An honourable member** interjected.

**Mr RYAN** — No. Someone says he is lying his head off. No, he is not lying his head off; not at all. I jump to his defence straightaway. What he did was recognise the basic principle I am talking about, because he said, 'It was our initiative', and of course that carries with it the clear implication that he recognised that the state of Victoria has primary responsibility for this whole project in the sense of government assistance. The state of Victoria took the initiative and went off to the federal government and succeeded in getting some funding to enable this report I have with me to be prepared, and that is a terrific thing — a great thing — but it reflects a clearly defined process which everybody understood to be the basis of this approach.

In the report's conclusions various comments are made, and the last couple of paragraphs on page 19 read this way:

The project has strong support from a wide range of local and regional stakeholders, it is based on a methodology that has been proven through the northern Mallee pipeline project,

there it is again, a reference to the northern Mallee pipeline project —

and it will deliver significant benefits through one discrete project. The diverse benefits of this project —

namely the Wimmera-Mallee project —

are unlikely to be matched by any other currently proposed infrastructure project in Australia.

The study team concludes therefore, that the proposed strategy is sufficiently developed to enable funding discussions to proceed, with detailed design and implementation recommended to occur as soon as possible.

That is how the report's conclusions are finalised.

What is self-evident from that is that two aspects tumble out of this report. Firstly, funding discussions are to be conducted; and secondly, detailed design and implementation is to be done, and that is the second leg of the process. But, again, the overriding factor and the bridge across all of this is that there are no politics. No-one is trying to stand anybody up or make a big man of himself. This is not one level of government against another. There is a cooperative approach between the respective governments, the community and the organisations referred to, all with the intention of achieving an outcome that is absolutely magnificent.

So far so good. Enter the Treasurer. The whole thing has run off the tracks! In his own inimitable fashion the Treasurer of the state of Victoria has pushed this process off the tracks. Why? He did it because he wanted to score a cheap political point. He wanted to make a big man of himself in circumstances where up until now everybody concerned has been very happy to participate on the constructive basis of ensuring we get the outcome we want without getting into all the biff and clout that we have seen over this past week. But, no, this Treasurer could not help himself. So what we saw in the course of this week was an unfortunate chapter of events unfolding in a situation where this carefully defined process that I have described has been abandoned by this government. I have no doubt about who is driving these events: it is our Treasurer who is driving it.

What has happened is that despite the content of this report that refers to 'Piping the system', there has been no formal request from Victoria to the federal government in relation to funding requirements. No-one has turned up at the federal government's door and said, as has been done in the past, 'Okay, we're ready to go. We've got this report here and we're all set. This is a state-based project, yes, but pursuant to this clearly defined principle that applied to the northern Mallee pipeline we want to get under way now with the Wimmera-Mallee pipeline, so let's go'.

So the first stage of that should have been, of course, the money that was needed to achieve this outcome — the finality of the feasibility and the design related to it. But none of those discussions had been held.

So what happened? Instead of talking to the federal government cooperatively, our star state Treasurer, in concert with the Premier, leaked an announcement — pardon the pun — before the budget that the government was going to put \$77 million in funding into this. Then on 7 May he came out with his commitment to fund this project for \$77 million and then proceeded to belt the federal government and the

state National Party in particular! The headlines were about \$77 million, even though it was to be spread over 10 years. But put the 10 years aside; let's stick with the money.

The Treasurer's smart approach to this went wrong. To find out why we need to go back to Danny Lannen and the *Wimmera Mail-Times*. He got onto it because of the sequence of events that unfolded within 48 hours and because he was smart enough. What occurred? The budget papers, which were presented on Tuesday, 7 May, talked about the funding of this project. Interestingly, when you have a look at page 89 of budget paper no. 2, it says:

The construction of a new Wimmera-Mallee pipeline will provide a more secure and higher quality water supply for domestic and stock use. The Victorian government's contribution of \$77 million TEI —

total estimated investment —

is subject to —

and I emphasise this —

commonwealth matching funding ...

That is the first thing. The second is:

... confirmation of the package's feasibility through detailed design.

That is what this Treasurer said in his budget papers. I will read this last bit out again. He said it:

... is subject to commonwealth matching funding —

that is first, and the second is:

... confirmation of the package's feasibility through detailed design.

The government has not put up this \$77 million; rather, it is subject to these important qualifications. Yesterday in question time — and I must own up: it was by way of interjection, which I know was disorderly, but I could not help myself — I said to the Treasurer across the table that this was about putting up money for the feasibility study aspects of it. If I were quoting him, Mr Acting Speaker, and I am not of course, I would say that he said this study is not about the feasibility, this study is about the design.

I will read out again, just in case anyone missed it, what the Treasurer's own budget papers say. The provision of \$77 million:

... is subject to commonwealth matching funding and confirmation of the package's feasibility through detailed design.

How can the Treasurer possibly explain what is patently, on the face of the words, the key conflict in the position he is putting? I will tell you how he explains it: on the basis of cheap gutter politics!

What happened after this? Forty-eight hours later we had the Deputy Prime Minister on radio talking about this project. Bear in mind that at this point in time no application had been made by the state of Victoria to the federal government through the usual departmental sources or through the established processes. Nor has the federal government got anything before it which constitutes the process that normally unfolds. But undeterred, that champion of country people across Australia, John Anderson, was prepared to hit the airwaves — and what a great job he did.

He was interviewed by Libby Price on ABC radio's morning show at 9 o'clock on Thursday, 9 May. Of course, he was being interviewed in a context in which the state government had apparently put up the \$77 million, and people were saying 'Where is your money, Deputy Prime Minister?'

John Anderson is saying, 'No-one has asked us for the money, for heaven's sake!' But out there the spin doctors are working overtime for this current Labor government. So John Anderson said in response to questions put to him by Libby Price:

But I think the courtesy, the normal thing to have done would have been to have approached us, as we did with Scoresby, and said, 'We want to take this forward. Will you join us?'

... on the technical and the feasibility side, the answer is that unless there are some hidden surprises or traps in it, if they approach us, yes, we will join them. And we will do that vital work, \$3.5 million would be our contribution, to establish its full feasibility and complete the technical design of it and then we would take it from there.

I pause to say that that is exactly, precisely, what the Treasurer of Victoria has in his own budget papers. I will read it out again. The money — the \$77 million:

... is subject to commonwealth matching funding —

and there it is, John Anderson has provided it —

and confirmation of the package's feasibility through detailed design.

He, John Anderson, has put it up. Further on in the Price interview he says:

... the central issue here, let's just cut to the mustard on this.

Libby Price says, 'Sure!' and he says:

... people want to know that we support this. I say that of course we do, we always have. We've put up \$29 million and

another \$4 million which we announced towards the end of last year. That will certainly be in next week's budget.

I pause to say that that, of course, relates to the completion of the northern Mallee pipeline project — the final payment, to which I have already referred. He goes on to say:

In relation to what we see as the next stage —

and here he is referring, of course, to the Wimmera–Mallee pipeline —

which is the design and technical side of it, yes, we will, we will join in with Victoria in doing that step.

That is what he said on radio. Further on in the course of the interview Libby Price asks him:

Why would there be any reason that it wouldn't stack up?

To which Mr Anderson says:

Well, I think it is unlikely there will be any reason that it won't stack up. But, I mean, that is just a normal way that I certainly approach things and the commonwealth does, let's do the design work and we'll go from there. That's the way we, for example, usually do it with roads.

He goes on to say on another point:

... what we're saying is, on the design work —

which is stage 1 —

we're saying precisely that. So let's do the design work and then we'll look at how we take it forward after that.

Libby Price says:

So you are saying the design work has not been done?

The penny finally drops! Libby Price suddenly gets it: no design work has been done. She comes to understand, and the little light comes on: the Victorian government is saying, 'We will give you \$77 million to build a house', when there are no plans. No-one has any plans for it! The government says it is going to give \$77 million and no-one knows yet what the blazes it is going to do with it. Why? Because it has not designed it. The government needs \$3.5 million as the first stage to design it.

So Libby Price says:

So you are saying the design work has not been done?

Mr Anderson says:

Well, with great respect, the whole point is that they've put up \$3.5 million to do the design work and asked us to match it. So of course it hasn't been done. That's the detailed technical design work.

The general concept, yes, it has. It's been charged to me. I've talked about it many times with John Forrest and with the advocates of the program.

The implication there is that the Victorian government has not asked in the proper way: no-one has come to it department by department. Mr Anderson concludes his commentary in the interview by saying — more in exasperation, I think, than anything else:

My understanding is that the Victorian government itself has said that it will follow the design work. Our positions would be the same. We want to see the design work and ... I'm not in a position as I sit here right now to say that I know that all of this is going to work.

So, look, I am not going to say right now that we would commit ahead of having that design work completed. That's something that the government will have to consider as we work through it.

But I just want to say to you, this is a good project. It is something that I have always supported, inasmuch as we've got to where we are now. I think it is very cheap indeed to try and paint [us] as non-supporters of it. And we'll take it forward ... that's ... not argued, subject to a successful completion of design work.

He finishes with this, the killer statement in this whole circus:

If the Victorian government wants to approach us in the normal way now, talk about matching the design work, the technical side of it with the \$3.5 million, that's fine, we will run with that.

There you go! Despite having been ambushed by our Victorian government, which has abandoned any notion of decency over the project itself and which has opted rather for in-the-gutter grubby politics for which it is renowned, in the space of 48 hours John Anderson is able to get that money organised and give the commitment on behalf of the federal government that that \$3.5 million will be available for design purposes. He also gives the clear commitment that after the design work is done, and presuming it comes up as anticipated, the government will then look to the rest of the funding. He has no concern about saying on radio, in effect, 'If it comes up, as we all expect it to do, we will support it — just as we did for the northern Mallee pipeline'.

That process was then determined and followed, and we would be following it here were it not for the fact that the Labor government cannot help itself. And it would get away with it but for the fact that, as I have already read out and will read out again, in his own papers the Treasurer, who is running this beat-up, has got written in his own hand that the Victorian government's \$77 million is subject to commonwealth matching funding — and it has now got it. The state

government would have got it before if it had asked for it properly. A confirmation of the package's feasibility comes through after detailed design, and everybody knows the Victorian government will get it.

Yesterday another stage of it unfolded, because his nibs the Treasurer cannot help himself. He swanned in here again yesterday and wanted to give it all another bit of a run to see if he could make a bit more mileage out of it. But what he did not know, or had overlooked, was that Danny Lannen, on the case again at the *Wimmera Mail-Times*, had written another article on 10 May. I venture to suggest that the Treasurer did not know about that!

The Treasurer came waltzing into the house holding up some sort of a dodger, which I think was headed 'Match this'. However, on page 1 of the *Wimmera Mail-Times* of Friday, 10 May, Danny Lannen wrote another article, headed 'Canberra backs piping planning', which states:

Detailed planning of piping of the Wimmera–Mallee water supply will go ahead after Tuesday's federal budget is announced.

The federal government will commit \$3.5 million and allow planners to get on with designing the pipe network and stacking up definitive costs, benefits and drawbacks.

The planning stage will include detailed community consultation.

I will not read it all, but the tenor of it is the same. The article quotes the man now known as Pipeline Forrest through the west of Victoria, the no doubt frustrated Honourable John Forrest, federal member for Mallee, as saying:

There's a process, Mr Bracks and Mr Brumby! It needs to satisfy the Senate estimates and the public auditor, we need a proper, transparent process for these procedures.

The commonwealth is not reluctant, nor is it betraying. We'll match the money all right.

The article continues:

He stressed that the first step was the crucial step and that the project didn't need an immediate \$77 million commitment.

'I want the \$3.5 million, that's important, because it will finally settle a lot of unanswered questions which are being asked', Mr Forrest said.

That's the story of it. Nevertheless the Treasurer still cannot help himself. He still comes into the house grandstanding about it. After reading yesterday's *Daily Hansard* I believe the implication of the totality of what he said is, 'Even if the feds don't commit to this, we are

going to build it'. What an outrageously stupid thing to say. Why would he say it?

He would say it, firstly, because it is a cheap political point, and secondly, because even as he made the comment he knew there was no risk. Why does he know there is no risk? Because he knows that the process, once followed through, will produce a commitment from the federal government to match Victoria's, just as happened with the northern Mallee pipeline project. When the Treasurer comes in here and throws his arms about, preening himself and doing all the usual things, the fact is that he knows he can say what he likes about this because in due course, once the process is pursued, the federal government will provide the money for certain. He knows it is not a risk.

Thirdly, even he would not make such an outrageous statement without at least having some reference to it in his forward estimates. What is in the government's figures? There is \$77 million, but not \$154 million. The government knows very well that there is one lot of \$77 million, not two lots.

There is another feature of this too. The government has made this grandiose commitment to \$77 million over 10 years in circumstances where it is subject to the same sorts of commitments and qualifications which the federal government has imposed and which everybody knows apply. But I will tell honourable members about another little sleeper in all this. At page 16 of the report entitled *Piping the System — A Sustainable Water Management Strategy for the Wimmera–Mallee Region*, which was produced by the committee that is driving this great project, there are a couple of lines that I wonder if the Treasurer in his wisdom has seen. It says:

Increasing infrastructure costs —

this is for the Wimmera–Mallee pipeline:

by 20 per cent still results in an economically viable project.

That came from the fact that at the moment we have an estimate of the overall cost of the project by Sinclair Knight Merz which is thought to be \$300 million or thereabouts, but that could be out by 20 per cent. Yet his nibs came in here and jumped the gun. Even though he has not got the design work done and does not know the proper costs, he is throwing this amount of money around.

I will tell honourable members another thing that is a real lark. None of the money can conceivably be spent for about two years. As I said a while ago, this bunch would actually have us accept that this enormous

amount of money can be committed to a project which is yet to be designed. We all have an enormous amount of faith in it, but we do not yet know its precise form. That is an example of the way the Treasurer runs the finances of the state.

In summary, what has happened? The Treasurer has ignored the process and used the project for cheap political gain. He has tried to play communities off against each other, abusing the trust of decent people such as Stuart Petering, Daryl Argyle and other members of this committee. He has abused the trust those people have placed in him to score cheap political points.

Having I hope put to rest once and forever the mythology running around about the Wimmera–Mallee pipeline, what does it all mean in the broader context of this government's actions? It means that when you look through this window at the way in which government members conduct themselves and practise government, you see that they cannot be trusted. Of course it is absolutely replete of such examples.

Let's look at one of the other great Labor government gems running around. The Treasurer is squawking about the fact that last year the government spent — I emphasise 'the government spent' — \$1.46 billion on capital projects in country Victoria. One of those has to be the fast rail links project. Until today I have not had the opportunity to have a bit of a chat about the fast rail project in any sort of detail. The Minister for Finance and the Minister for Agriculture should sit back and make themselves comfortable, because I want to talk about this for a little while.

I want to talk about it from the starting position that the government cannot deliver this project in the way in which it has painted it. In other words, the government simply cannot satisfy the expectations that have been built up about it. Why do I say it is impossible? You only need have regard to the government's own figures and feasibility studies to clearly see that it cannot be done.

**Mr Hamilton** interjected.

**Mr RYAN** — The Minister for Agriculture is interjecting. I hope he keeps going, because while he is it means he is sitting here, and between times he might learn something. I just want to tell him more about this bit of a gem. The Minister for Agriculture is as close as this government has to a country representative in this Parliament, because he lives in Traralgon.

**Mr Hamilton** — No, Churchill, get it right.

**Mr RYAN** — In Churchill, I apologise, which is not far from Traralgon. He and the Minister for Workcover, who lives in Bendigo, are the only 2 of the 18 ministers who sit at the cabinet table who do not live in metropolitan Melbourne. There is no interjection from the other side of the table which means I have to be right.

What this bunch running Victoria did was to decide on this fast rail links project which, let it be said, as a basic concept is a darn good idea.

**Mr Hamilton** — Very good.

**Mr RYAN** — Yes, it is; I have never said that the basic concept is not good. It is a good idea if you can deliver it — but of course the government cannot deliver it. When the government was looking at developing this concept, and I take these comments from its own material, it went along to the four regional communities concerned — namely, Ballarat, Bendigo, Traralgon and Geelong. It asked the people of those communities: ‘What is your expectation of a fast train? What do you, as communities residing in those four centres, categorise as a fast train?’. It is important to ask those questions, because you cannot spend the sort of capital that is involved in an undertaking such as this unless at the end of the day you are going to smash the culture of the motor car. Otherwise all that will happen is that a huge amount of money will be spent, both public and private — and I will turn to that in a moment — and the outcome you want will never be achieved.

If at the end of the day all you are going to do is have people driving down ever-improving roads parallel to a series of shiny, new train tracks which do not deliver fast rail, then you have a disaster on your hands in financial terms.

The government wisely went along to the communities in those four centres and asked them what they thought was a fast train, what time they expected of a fast train. At Ballarat express trains at the moment take 85 minutes, and the answer from the community was 55 minutes. In Bendigo the express takes 100 minutes, and the answer was 60 minutes. In Traralgon — the Minister for Agriculture will be interested in this, if I could interrupt his discussion for a moment — the express time at the moment is 115 minutes, and the community regarded 60 minutes as being a fast train; the minister can keep talking now. In Geelong the community reckoned 45 minutes was appropriate for a fast train.

This project is all about whether the government is able to deliver the full bottle \$810 million project which it promised and said soon after it was elected it would deliver. In a release from the office of the Premier on 5 September 2000 the government said it was going to deliver these projects. The amount of money appeared in a press release dated 20 October 2000 from the Minister for Transport. The government said that the full \$810 million would deliver the following outcomes: in the case of Ballarat, the people would get 60 minutes instead of the community’s wish of 55 minutes; in Bendigo they would get 80 minutes instead of the 60 minutes which the community regarded as being appropriate; in Traralgon — sorry to interrupt, Minister — the full \$810 million project would deliver 90 minutes, not 60 minutes; and in Geelong it would be 45 minutes.

Of course, over time the thing started to unravel because the government cannot get the \$810 million. It has committed \$550 million but needs another \$260 million from the private sector. We were told in May last year by the Minister for Transport that that money would be available in March this year — no appearance, your Worship. When I asked the Minister for Transport in question time the other day where it was, it was not to be seen. The government does not have the \$260 million, so it is back to \$550 million.

What will the government get for \$550 million? In Ballarat, where the community said 55 minutes was the ideal time, the train will take 70 minutes. In Bendigo, where 60 minutes was the ideal, the train will now take 90 minutes. In Traralgon — wait for it, Minister — where the community said it should take 60 minutes, it will now take 100 minutes. Geelong is still looking at 45 minutes.

The other little gem that runs with this is that all these trains, slow as they are, can only do these times if they run express. Let’s take the Minister for Agriculture’s electorate. He is down there at Churchill near Traralgon. In between Traralgon and the Spencer Street and Flinders Street stations where these rocket trains will leave from we have trains stopping at Dandenong, Warragul, Moe, Morwell and, eventually, Traralgon. This train will run express from Dandenong to Traralgon. I do not know whether the Minister for Agriculture has broken the news to his constituents, but anyone in Moe who wants to catch this train will have to run down the platform at about 155 kilometres an hour as it goes past or be bitterly disappointed.

That is on the basis of this government putting up \$550 million. Of course, the news is worse. The government has already spent \$55 million and is down

to \$495 million; it had to pay \$55 million out of the \$550 million to buy these new trains which were ordered pursuant to an agreement with the former government.

The government is down to \$495 million and it keeps peeling the money away. It is said in some circles, reliably, that the government is down to \$340 million in the pot. The budget papers are instructive. On page 219 of budget paper no. 2, under the heading 'Appendix B: Growing Victoria infrastructure reserve', we see \$32 million under the allocation for the fast rail infrastructure project; that money was allocated in 2001–02. I asked the Minister for Transport in question time the other day what happened to the money, where has it gone, what has it been spent on? We got this absolute waffle about what it is supposed to have been spent on which left us none the wiser.

The other thing that is a bit of a hoot in the context of all of this is that this train is supposed to be running in 2005 — that was the original indication — yet there is an allocation of \$128 million for 2005–06 in the budget papers this year. This does not sound too good.

I want to emphasise that I believe that if the government could deliver the outcomes which people think they are going to get through this project, it would be a great thing. However, it is self-evident on the government's own figures that it cannot do it. The government is misleading people. The awful bottom line is that on the government's own figures, if it built what represents the community's expectation it would cost \$1.75 billion. That is what it would cost to build the fast trains the government has convinced the public of Victoria in those regional centres will be built. It would take \$1.75 billion, when on some estimates we are down to \$340 million. It cannot be done. It would be fabulous if it could be done but the government cannot do it. It all comes down to the fact that, on its own figures, the government is looking at spending something like \$6.8 million for each minute of travel time saved across those four corridors. That is a hell of a lot of money.

The concept is terrific but, just as occurs in the world of Labor politics where they have no idea about commercial realities, the government has again made a promise that it cannot keep. That is the point of all of this. This is the Wimmera–Mallee pipeline mark 2. The Wimmera–Mallee pipeline is a mirage in the sense of the way this government has been conducting itself over the past few days. It will happen eventually, pursuant to a defined process; and the government knows it, but it has interfered with it politically. This next project for the fast rail links is of a similar order.

The government is supposed to have had this thing well under way by now; it said it would start construction by the end of last year but not a track has been laid, not a spike has been driven. It is a mirage.

This is a window into these major projects that the government keeps trumpeting about across country Victoria — it does not exist. Let's have a look at a smaller one. There are some terrific little issues in the budget papers. Let's go down to the other end of the scale in terms of financial allocations and look at the fox bounty. This is a good story.

**Mr Stensholt** — Three million dollars.

**Mr RYAN** — The honourable member for Burwood has reminded me. There are a lot of foxes in Burwood; it is very foxy down Burwood way. The big publicity is the fox bounty. This is a ripper, because last year my colleague in the other place the Honourable Bill Baxter wrote to the Minister for Environment and Conservation and made representations on behalf of his constituents to establish a fox bounty, boom boom!

**Mr Helper** — A visionary man.

**Mr RYAN** — Yes, a visionary man. The honourable member for Ripon agrees — a member of the Labor government.

**The ACTING SPEAKER (Mr Kilgour)** — Order! The honourable member for Ripon is interjecting out of his place and is disorderly.

**Mr RYAN** — He is doing a darn sight better than the Minister for Agriculture, who has just left.

Bill Baxter wrote to the Minister for Environment and Conservation and said, 'How about a fox bounty — a real good idea — how about we have a fox bounty?'. I have in my hand a copy of the response from the minister to the Honourable Bill Baxter on 21 June.

*Honourable members interjecting.*

**Mr RYAN** — I am reading from the document. Is someone going to ask me to table it? No? I will read on. It says:

Dear Mr Baxter

Foxes: Bounty — —

**Mr Maclellan** — On a point of order, if the Leader of the National Party is going to quote from a document I do hope he will make it available because it is such a miracle that he has received a letter from the Minister for Environment and Conservation!

**The ACTING SPEAKER (Mr Kilgour) — Order!**  
Is the Leader of the National Party prepared to make the document available to the Parliament?

**Mr RYAN —** I certainly am, Mr Acting Speaker. The letter to Mr Baxter — and in fact the matter was raised in the adjournment debate by Mr Baxter on 23 May — begins in the usual way and says:

Bounty systems have been assessed worldwide for the control of pest species, and in almost every situation they have been rejected due to ineffective control. Bounties have been found to be counterproductive when compared to more efficient means of control for the following reasons: utilising funds that could be more effectively spent on long-term control techniques; can be subject to fraud and cause no appreciable reduction in numbers; and providing an incentive to harvest.

Fox bounty systems are generally ineffective as they do not allow the targeting of fox control where it is needed.

**Boom boom!**

People collecting foxes for a bounty payment concentrate on areas where foxes are abundant.

**Don't you like that line! Isn't that an absolute screamer? Can I read that again?**

People collecting foxes for a bounty payment concentrate on areas where foxes are abundant.

**You would have to say wow!**

The areas where they are harder to obtain are often those where fox control is most needed ...

**Let me get this: the idea is you catch them where they are not. The minister goes on to say:**

... such as areas where wildlife species are considered threatened or endangered. Bounty systems do not impose a higher level of control that is beneficial for threatened species or even to significantly reduce attacks on most livestock. It is for these reasons that the government does not endorse the bounty system as a means of enhancing fox control.

Scientific assessments of the relative merit of shooting, trapping and poisoning of foxes have strongly indicated that shooting and trapping are heavily biased towards collection of young or juvenile foxes.

**Wait for it!**

Many of these foxes would normally die during their first year of life.

**That is what the minister says. I do not tell a lie, that is what she said in this letter. It finishes — —**

**Mr Maclellan —** Does it finish with 'Yours sincerely'?

**Mr RYAN —** It finishes:

Over the last eight years, the Department of Natural Resources and Environment has been promoting a coordinated group approach to fox control. I would encourage your constituents to contact the local catchment management officer in their area regarding this approach.

Yours sincerely

That is what the letter says.

**Mr Maclellan —** She obviously lost the argument in cabinet — got overruled!

**Mr RYAN —** Everybody was in there the other day when I asked the minister, 'How can this be, or when you wrote that letter were you foxing?' Remember, that is what I asked her. Her answer was, 'Labor listens'.

**Mr Maclellan —** To the foxes!

**Mr RYAN —** What an absolute hoot — 'Labor listens'! Doesn't it give you a window into how this government is run? It is just priceless. So we now have a fox bounty. Many of my constituents have actually rung the Department of Natural Resources and Environment to find out how the bounty system is going to work and no-one knows.

No names are given and there have been no pack drills — they have all been blueing with the Minister for Environment and Conservation about whether they have this. I do not think the Department of Natural Resources and Environment want it at all, which is why they wrote the letter for the minister to sign on 21 June. Confusion reigns over there.

Time is on the wing and I wish to turn to other issues. Rail standardisation: \$96 million. This was trumpeted by the Treasurer last year but it is an absolute mirage. Not a sleeper has been laid nor a spike driven — no appearance, your Worship. Nothing has been done — as I said, it is a complete mirage.

One good one — I cannot help but refer to a city project — is the fast-rail project from Melbourne Airport to the city. Sorry, it did not make the cut. It is bad enough when the government announces these projects and sticks with them but does not build them, but here is one that was announced and completely abandoned.

I have a stack of paper concerning Basslink. This project is good in principle. The problem is that the joint advisory panel established by the governments of Victoria, Tasmania and the commonwealth is simply not following the terms of reference signed off by the Honourable John Thwaites during his time as the Minister for Planning.

I drew the attention of the current Minister for Planning to this issue in a letter written to her on 2 May. I carefully set out how on even a cursory examination of the terms of reference signed off by the Bracks government it is clear that they are not being followed. I set it all out for her and sent her copies of appropriate material.

The minister was good enough to write back to me and send me a copy of the letter she wrote to the Victorian co-chair of the Basslink advisory panel. Not only has the minister not told the panel that it must follow the terms of reference established by the government and which specify that public hearings must be held, or given the co-chair a bit of a crack over the knuckles and told him the panel must comply with the terms of reference, but she has encouraged him not to comply with them.

Her letter basically said that the government wants the panel to get on with this. People out there are urging it to have more public hearings, but the minister says, 'Don't do any of that business — get on with it'. In her letter she says that further limited hearings only should be held and that she wants the report by the end of June 2002.

**Mr Maclellan** — Labor listens.

**Mr RYAN** — Labor listens, as the former Minister for Planning and Local Government says. Funnily enough, the very form of the letter sent by the minister to the co-chair of the Basslink advisory panel is largely replicated in a letter that the Department of Infrastructure has now sent to many of those poor souls whose properties are in the path of the project. That letter from the department reflects the content of the letter from the minister which in turn was directed to the joint advisory panel.

The essence of the matter is that people in Gippsland who for years have simply gone about their own business, living their lives and accommodating the various natural problems that come particularly in the farming environment, now must cope with representatives of the Basslink organisation turning up at their doors and saying it is going to build this project across their land. Those people quite properly protested about the situation, a process was instituted, and just as has happened with people affected by the Wimmera–Mallee pipeline issue in the example I gave before, they are being abandoned by this government which will not require compliance with its own terms of reference.

It is another good message to country Victorians and another step in the chain which leads to a conclusion I will come to shortly. This is completely apart from the fact that if this project is to be built, on environmental grounds the government should do something to assist it to happen so that the cabling can be underground.

**Mr Maclellan** — They did it in Punt Road.

**Mr RYAN** — They did do it in Punt Road; that is quite right. It is not all bad news in the government.

There is a good initiative of a \$13 million package for the lakes. I see we have been joined by the honourable member for Gippsland East and I know that he, quite rightly, accepts that it is a good project. It is a very good idea. It is called — —

**Mr Maclellan** interjected.

**Mr RYAN** — Wait a minute, the punchline is mine; you will get a go later! The government has a \$13 million project for cleaning up the lakes of Gippsland. It is a good idea. But nearby at Dutton Downs, which is 8000 hectares comprising in part the waters of Lake Coleman which, in turn, comprise in part the lakes system, a proposition is being advanced by the current government for a hazardous waste — —

**Mr Maclellan** — Tourist attraction.

**Mr RYAN** — A hazardous waste site which also, in some quarters, is said to double as a tourist attraction!

**Mr Maclellan** — Only Labor would think of it.

**The ACTING SPEAKER (Mr Kilgour)** — Order! The Leader of the National Party is performing very eloquently this morning and does not require assistance from the honourable member for Pakenham, who is out of his place and disorderly.

**Mr RYAN** — A hazardous waste site committee has been established by the government. When you do not have the wherewithal to make a decision yourself, you appoint a committee! What the government has done with this group of people who, in turn, have done their best to accommodate the problems to do with the hazardous waste issue, is sent them off on a task. Essentially the way the task is being run, with due respect to all concerned, is that the committee, per favour of the government said, 'Hands up all those people who would like to have a hazardous waste site on their doorstep?'. Initially about 8 or 10 communities put up their hands.

Gippsland Water, on behalf of Gippslanders, which is how the Minister for Major Projects, the Honourable Peter Batchelor, describes their role in life, recently said that Gippslanders were represented in this process through Gippsland Water. Gippsland Water, a wholly state-owned government authority, has proposed that it be one of the sites for this proposition — immediately adjoining the Gippsland Lakes, including internationally recognised wetlands. As I said, it is close to Lake Coleman, and the ocean is nearby. There are issues of water tables to contend with and, most worryingly, a unique feature of this proposed site which should not escape attention is that it is adjacent to an RAAF bombing range! This is not good.

What is worse, as this committee has worked its way through the process of trying to determine which should be the appropriate site, they have all dropped out! We are left with two in name, but in fact when you get down to it only one is left in the process, and that is Dutson Downs. I have said to Gippsland Water, ‘Our problem can be solved if you withdraw your application. You just write to the minister and say, “Thanks, but no thanks”. That will get Gippsland out of it’. Otherwise what sort of a mockery is it of this process that the committee is supposed to work its way through options and end up with only one option? That is a great way to run a process of this ilk! A \$13 million package for the Gippsland Lakes? Top idea! Sinking the Gippsland Lakes with the use of a facility such as hazardous waste sites? Not a good idea at all! You should not do it.

Time is on the wing, but there are all sorts of other things that demonstrate the incapacity of this government to manage the state’s affairs, and they are reflected in this budget.

There are questions of resource management, such as the issue of forest industries, to which \$80 million is allocated in this budget. For what? Nominally we know what it is for, but what is the detail? Who is going to get what? How is it to be split up? How are communities to be accommodated? What is the future with regard to the hardwood timber industry in this state? Where are the guarantees by this government? Where is the legislative protection for the redefined regional forest agreements or, more particularly, for the sustainable yield that is now said to be appropriate? Where are all these factors? What about the marine parks issue? We will have that discussion soon, too. We have an \$80 million package for compensation for the timber industries and a \$3 million compensation package for the fishing industry.

There are questions about the Snowy River. Where is the water going to come from? Where has the money allocated in past budgets been spent? Where has it gone? Has it gone anywhere? There is not one more litre of water in the Snowy River than there was in September and October 1999. For all the talk, all the spin doctors, and all the smoke and mirrors, that is the fact of it. What about native vegetation issues? The Victorian Farmers Federation is very concerned about that amongst a variety of other things. We have a complete mishmash of the way in which that area is controlled. There is the question of public policy with regard to these things that is absolutely vital to the future of the state.

Albeit briefly, I turn to financial management issues which already have been covered very well by the honourable member for Box Hill. I do not want to deal with them in any detail because I am conscious that others want to make contributions.

The budget papers for this year show that expenditure under this government is expected to rise by \$5.892 billion, or 31 per cent since 1998–99. The public sector wage bill is forecast to rise by \$2.1 billion, or 30 per cent, in that same time. Since 1998–99 the purchase of supplies and services by this government — that is, consultancies and advertising — is forecast to rise by \$3.7 billion, or 69.1 per cent, in 2002–03.

There are some other gems that jump out of these papers. Over that same period of time stamp duty will be up 84 per cent; land tax, 66 per cent; insurance taxes, 49 per cent; payroll tax, 27 per cent; and motoring taxes, 17.4 per cent.

In terms of sheer politics, my favourite relates to gambling. Let me read to you Labor’s pre-election policy in relation to government and the gambling industry. Under the heading ‘Dependence on the gambling dollar’, it states:

Revenue from gaming and the casino has formed an increasing proportion of state budget income. While this situation is allowed to continue, either by the conscious choice of the state government or because of the inadequacy of the state’s revenue base, government is compromised in its role as the responsible regulator of the gambling industry.

Labor will seek a fairer revenue deal from the federal government to reduce the state government’s reliance on revenue from gambling.

That is what it says, but let’s have a quick look at the expenditure which this government intends to reap from gambling. Page 155 of budget paper no. 2 shows a forecast of \$1.455 billion for 2002–03. I will not go

through each annual forecast, but by 2005–06 the figure is expected to be \$1.708 billion, an increase of something in the order of \$250 million.

All the rubbish we have heard from the government about how it is going to rein in the gambling industry, all the stuff about the clocks and turning on the lights, and all the stuff that we are now seeing in the bill presently before the house amounts to absolutely zip! It amounts to absolutely nothing because, on its own forward estimates, the government is going to take an extra \$250 million or thereabouts in taxation out of the pockets of Victorians over the course of the next four-odd years. It is chicanery on the go!

I will not go through all the figures, but in terms of our financial status in Victoria the real question is: what happens when the music stops? That is the worry. At the moment the economy is going okay and the Australian nation is going okay. The real problem is the amount of expenditure built into the bottom line and the way in which such things as unfunded liabilities for superannuation are increasing. They are built into the bottom line and, in the case of unfunded liabilities for superannuation, those increases are there in the budget papers. The fact is that the government has got away with it so far because it had windfall gains on taxation.

I have heard my parliamentary colleagues in the Liberal Party saying that cuts can be implemented. With proper management, I think that is right, but by the same token the real worry is, as I said: what happens when the music stops? When the money stops coming in we will have commitments such as those that are set out in this government's budget and in its forward estimates which will have to be met. The honourable member for Springvale is a recent addition to this place. He should have been here 10 years ago because the music had stopped well and truly. We were all in terrible trouble. We are heading back inevitably to the same track.

What conclusion can be drawn out of all of this for country Victoria? Quite rightly, country Victorians will be — indeed they are — bitterly disappointed with the contents of this budget, and there are three probable reasons. The first is that the promises the government made about major projects — the cornerstone of the government's pre-election promise — have not been met, not at all.

For an example of this government's chicanery I turn to pages 15 and 16 of the Treasurer's speech, dealing with major projects. He mentioned the redevelopment of the Austin hospital — a Melbourne-based major project; the new national neurological centre — a Melbourne-based major project; and the redevelopment

of Australia's greatest sporting ground, the Melbourne Cricket Ground, which is, needless to say, a metropolitan-based major project. I agree with that because it is the home of those mighty Demons and I will be delighted to be in that new stand in due course. It is a good project and it is metropolitan based. The Treasurer tried to claim a bit of credit for the Holden engine plant — obviously Melbourne based. He mentioned the Scoresby freeway — say no more. He mentioned new state-of-the-art sports facilities across Victoria for the Commonwealth Games, but essentially they are Melbourne based.

**Mr Lenders** interjected.

**Mr RYAN** — They are referred to in his speech! The Minister for Finance interjects, 'What about the showgrounds?'. I am simply saying these are the projects that the Treasurer chose to highlight as being the banner. He mentioned two projects in areas beyond Melbourne — the Wimmera–Mallee pipeline, which we dealt with in fulsome detail this morning; and the new regional fast rail links to Bendigo, Ballarat, Geelong and Traralgon, which we also dealt with. They are both mirages as at today. Unfortunately this government is taking people for a ride in the colloquial sense but not in fact.

In the end when it is all rolled up, the budget misses a vision for country Victoria. Nothing in this budget talks about who country Victorians are and what they aspire to in times to come. Nothing in it talks about how we will get the best out of country Victoria infrastructure developments. There is no mention about infrastructure developments in the country environment, only those which happen in a metropolitan environment.

How are we going to bridge that gap? How can we ensure that our industries can compete on an equitable basis, not only to look after communities outside of metropolitan Melbourne but more particularly to look after them in a way that is in the state's interest as well? It is in all our interests that these things happen. What will happen to our kids who are leaving our homes and coming to a metropolitan environment? What will happen to our communities? Ten thousand people have left western Victoria in the last five years. Where is this government's vision to address the sorts of needs which are absolutely apparent — to develop ways of keeping people in western Victoria and other parts of the country? The vision is lacking.

There is no vision in this budget because, as the Treasurer said when he commenced his contribution, Labor is going home; it is going back to the suburbs,

and I can say now that country Victorians will not forget it and will not forgive this government.

**Mr LENDERS** (Minister for Finance) — It gives me great pleasure to speak in support of the third Bracks government budget. I have great joy in doing so. The Bracks government's first budget was one of repairing damage to the social fabric of the state. The second one was on rebuilding the infrastructure of the state. The third one looks forward to the future of the state, particularly in the areas of education and innovation. The theme running through all three budgets is that they are socially progressive and fiscally responsible.

I will go through some of the aspects of the budget that affect the cities of Monash and Greater Dandenong, being the areas I represent as a member of Parliament, and I will also rebut parts of the very long responses from the Liberal and National parties we have heard this morning.

I will commence with a rebuttal of what was said by the honourable member for Box Hill and the Leader of the National Party. I congratulate the Leader of the National Party. He is an entertaining speaker, and I wish him well in a future role as a comedian after this Parliament, because we know well and truly from what is going on in here that he and his party are being stalked and hunted through this place by the Liberal Party, which has the sole objective these days of taking the remaining seats in regional Victoria when the next election comes. I suspect that part of his passion for the Wimmera–Mallee pipeline is also — —

**Mr Robinson** interjected.

**The ACTING SPEAKER (Mr Kilgour)** — Order! The honourable member for Mitcham is interjecting out of his place.

**Mr LENDERS** — I would imagine that part of his passion for the Wimmera–Mallee pipeline comes not only because the Treasurer well and truly got under his skin by announcing and coming forward with an initiative that should be dear to the National Party but also because the Leader of the National Party fears that at the critical time, perhaps the middle of a state election campaign, the federal Liberal Treasurer will announce funding to assist the Liberal Party in its campaign to take Lowan from the National Party.

I will talk more extensively on the Wimmera–Mallee pipeline, which is one of the great initiatives from the Bracks Labor government — one we would like to collaborate on with the commonwealth. We know we can collaborate with local government and users in the

area on this because not only is it an important economic development issue — the Leader of the National Party asked what are we doing to stop depopulation of western Victoria and this is obviously a significant project regarding that — but it is the ultimate conservation and economic development project. The Treasurer has gone through this a number of times in this house. It is a sign of the Bracks Labor government's commitment to govern for the whole state by developing infrastructure and adding to economic development and by being environmentally responsible, and it is an absolute ringing endorsement of the direction of this government.

I will talk about some of the issues the honourable member for Box Hill raised on behalf of the Liberal Party. The honourable member closed his contribution with a Liberal Party vision. Listening to it was like listening to an Adam Smith lecture about economic dry issues. He gave no mention of growing the whole state, no mention of those two magical words 'regional Victoria'. Clearly the honourable member has forgotten the seven long dark years of the Kennett government when regional Victoria was neglected, taken for granted, treated as the toenails. He has not learnt, and neither has the Liberal Party. Not once in his address did he address any issues of regional Victoria other than to knock the government for projects he says are not happening in those areas.

The other thing that was missing in the addresses of both the honourable member for Box Hill and the Leader of the National Party was a mention — not even one mention — of the key word in the budget, 'innovation'. Perhaps the honourable member for Box Hill is dreaming of the days when Jeff Kennett was Premier and Alan Stockdale was Treasurer. Perhaps he is dreaming even further back. Perhaps he and the Leader of the National Party have not thought about it. Perhaps it is because they acknowledge that the Bracks Labor government is leading this state, this country, in innovation. It is such a theme of this budget that I will get back to innovation in more detail.

The honourable member for Brighton asked me to address the issue of tax, and I will be delighted to do so. I will go firstly through the history of tax. The line put by the honourable member for Box Hill was that the Bracks Labor government has done nothing about tax, that it is a high-taxing government and that in the glorious years of Jeff Kennett taxes in Victoria were cut. I remind the honourable members for Box Hill and Brighton that there are many issues relating to tax that they should remember. Firstly, under the Kennett government in May 1993 bank account debit tax rates

doubled and the insurance duty rate increased from 7 per cent to 10 per cent.

**Mr Clark** interjected.

**Mr LENDERS** — The honourable member for Box Hill has the cheek to say that somehow we are responsible for it! Motor vehicle registration doubled from \$70 to \$140. A 10-cent ticket levy was introduced. The tobacco franchise fee rate was increased. They are but a few examples of what the previous government did.

The honourable members for Box Hill and Brighton neglect to consider that every single tax rate in this state, other than the gaming machine levy on the three gaming operators, has remained static or gone down under the Bracks government.

In the limited time available to me I remind the honourable member for Brighton that this government has either reduced or removed more than \$1 billion of taxes in this state! It has not just talked about payroll tax, it has cut it; and it has not only cut land tax but it has reduced the base.

The honourable member for Box Hill in his previous life as parliamentary secretary to the former Treasurer was advocating in this place a broad-based flat land tax which would have slugged every small business in this state. If he is supporting the proposal for putting thousands of dollars of flat taxes onto every small business, it says something about his rhetoric.

The Bracks government has abolished the duty on non-residential leases; it has abolished financial institutions duty; it has abolished the duty on quoted marketable securities; it has abolished the duty on unquoted marketable securities; it will abolish from 1 July 2004 the duty on mortgages, which will assist home buyers and business in this state; and the stamp duty rate on property remains unchanged from the levels it inherited from former Treasurer Alan Stockdale.

The honourable member for Box Hill also says Victoria has the highest stamp duty rates in the country. If he compares the per-head-of-population rate with New South Wales he might change his tune.

This government is happy to talk about tax; it is happy to talk about the history of the Stockdale regime; it is happy to talk about the history of the honourable member for Box Hill who wanted to broaden the land tax and put a slug on small businesses; and it is delighted to talk about the history of the Bracks Labor government, which has cut business taxes more than

any other government and brought Victoria below the national average, in particular below New South Wales.

Where to on tax under the Liberal Party? It is very interesting that the honourable member for Box Hill came in with a one-liner and succinctly cut the subject of tax down to three single issues. Firstly, he talked about motorcycle licences — which is an issue for the Transport Accident Commission and not the budget, so I am surprised he is raising that in the budget debate — and he then went on to talk about two other issues. Over the past few months the Liberal Party has come out with eight separate tax proposals on various issues which, if they were to be introduced, would blow the budget and force the government to cut services, but today the honourable member for Box Hill is down to three issues.

I wonder why he is down to three? Members of the house are familiar with a number of the opposition's policies, but today we are down to just three. Is that because the honourable member for Box Hill is distancing himself from the announcements of his leader, the honourable member for Portland? Is he distancing himself because he thinks the former shadow Treasurer and the Leader of the Opposition have been irresponsible in what they have been promising in cuts? That could be the case. Was he qualifying that approach today when he said that a Liberal government would look at genuine duty reform? Does that mean he is again distancing himself from the ideas of his leader? I leave those fairly important questions with the house.

Payroll tax is one of the most fundamental issues on which the parties differ. It is fine for the Leader of the Opposition to ruminate in statements on Ballarat radio that payroll tax should be abolished, and it is fine for the honourable member for Box Hill to say we should cut payroll tax by another 0.5 per cent, but what they are not saying in this debate is what they will cut. Are they going to run this state into a deficit or will they start slashing education by cutting teacher numbers in schools again? Will they cut police numbers again? These are the questions that must ultimately be addressed in this house.

I turn to other areas of the budget. The honourable member for Box Hill asked rhetorically what Labor is doing in particular areas. He got particularly excited about some of the areas of education in budget paper no. 3. He was incredibly critical that the government was focusing on having a policy and a strategy in education and spending money on strategic advice in education. I suggest to the house in general and the honourable member for Box Hill in particular that any government that is concerned — as this government

is — to have an educated work force into the future, jobs for young people and a future for Victoria as an innovative state, must focus on education. If a government is to focus on education, it has to put some effort and energy into planning where it wants to go on education because if it is without a plan and a vision, it will just stagnate.

This government is focusing on where it is going, and if it is addressing key issues such as the middle years of schooling and what it will do to keep kids in school so they complete their schooling and go on to do a range of things, it needs to have a strategy, it needs to think and it needs to plan. They are all issues that the honourable member for Box Hill criticised in his speech. They are key issues in schools in my electorate, which incorporates the cities of Monash and Greater Dandenong. This government is leading the way. The opposition when in government closed schools and cut teacher numbers and did not really care about what happened to the system.

As I said, neither the honourable member for Box Hill nor the Leader of the National Party mentioned the word 'innovation', which is a key feature of this budget. That again says something about what their priorities are and where their attention lies.

The next theme running through the Treasurer's budget speech was stronger communities. I will address two aspects of that issue. One is safety in communities. The honourable member for Box Hill, trying to frighten the house, referred to a number of crime statistics. He was very selective and they were taken out of context. The fundamental underpinning of security in any community is a decent and well-equipped police force. The Kennett government in those seven dark years of administration of Victoria slashed the police force. It is little wonder that crime rates went up in Victoria during that time, because if you do not have a police force to enforce the laws, of course crime rates will go up.

The Bracks government committed itself to bringing 800 more police into Victorian communities to make them safer places. Those 800 police are in place and so there are more police on the beat. That is the most positive contribution any government could make to reducing crime in the state. Again, this is a key issue in the cities of Monash and Greater Dandenong in my electorate.

The honourable member for Box Hill was very critical of the government's health initiatives. He was scathing in his comments and tried to use selective statistics in the budget papers to show there is not a good story on health. What the honourable member for Box Hill did

not acknowledge was that the demand funding put into health by this government was extraordinary because it addresses the key health issues.

The government is putting more nurses and other medicos into health because that is important if waiting lists are to be reduced. The honourable member for Box Hill did not mention that this budget provides for 30 000 extra patients being dealt with in the Victorian health system. He skirted over that particularly important matter while he was finding little areas of the budget to niggle and carry on about. He did not mention the ambulance bypass rates being down or the improvements in that area. He did not mention the issues that are important to the people in the cities of Monash and Greater Dandenong in my electorate and to the rest of the state.

I will touch on capital works. In this budget the Bracks Labor government has committed \$3 billion for capital works in this state. The figures for capital works in the budget papers in the last years of the previous Kennett–Stockdale government were less than one-third that amount. The regional fast rail, the Scoresby transport corridor and the Wimmera–Mallee pipeline are all critical infrastructure projects for growing this state, but they are just not acknowledged by the opposition. The honourable member for Box Hill challenged me to name a single project that is up and running, and my colleague the honourable member for Ivanhoe reminded me that construction of the Austin hospital — a major project — has commenced.

Speaking as someone representing an electorate in the eastern suburbs of Melbourne, I can inform the house that the Scoresby transport corridor is good for the economic development of the state.

**Mr Helper** interjected.

**The ACTING SPEAKER (Mr Kilgour)** — Order! The Minister for Finance does not need the support of the honourable member for Ripon who, once again, is interjecting out of his place and is disorderly.

**Mr LENDERS** — The final thing I will say about infrastructure in this state is that the government is putting in resources where it matters. Whether it be the regional fast rail links out to our communities or the Scoresby integrated transport corridor, they are very important issues to the state.

The final matter I will touch on in transport is the injection of funds into improving bus services throughout the regional interface councils of Melbourne. That initiative has been acknowledged by

local communities as being important and it is one in which I take great pride.

I will touch very briefly on business investment in the state, which the honourable member for Box Hill was trying to talk down, saying that things are not good and all is gloomy in Victoria — ‘It is all spin’ were the words he used. He would well know that in the current year business investment figures in this state have increased by over 10 per cent, which is more than double the national average. That is a ringing endorsement of where we are in this state. I contrast where the Bracks government stands with the shameful comments made overseas by Tony Abbott, the federal Minister for Employment, Workplace Relations and Small Business, when he talked down the state of Victoria and said it is not a good place to invest. He should be ashamed of himself and I call upon the honourable member for Box Hill to distance himself from those comments of Tony Abbott.

I pass now to the comments on the budget made by the Leader of the National Party. I mentioned before that he is quite entertaining. He is a good speaker, and I give him full marks for that, but I am surprised by his attack on the suburbs. Growing the whole state involves vast resources being put into regional Victoria by this government but it also involves the necessary resources being put into the outer suburbs of Melbourne. It is particularly churlish that the Leader of the National Party should attack the government on that point.

If he hates the city so much he will have some difficulty taking part in his coalition negotiations with the Liberal Party. I suggest that if he ever hopes to govern again in Victoria it will need to be in coalition with the Liberal Party. His speech was really a rehash of the speech he gave to the National Party State Council in Shepparton a few weeks ago. He had a bit of a trawl around social issues and set out what would be necessary for the National Party to form a coalition with the Liberal Party again. He says his is an independent party, but he ruled out any strategic alliance or coalition with the Labor Party because we are deadbeats — or whatever else he thinks we are.

The Leader of the National Party went through the process of justifying a return to coalition with the Liberal Party. The key issue, according to the speech on the National Party web page, anyway, was that of a commitment to the Wimmera–Mallee pipeline. No wonder he is so upset about the inability or unwillingness of the federal government to commit to that pipeline, because it puts his grand strategy of re-forming the coalition in some difficulty.

He spent a lot of his time defending the federal National Party and the honourable member for Wimmera — and I think the honourable member for Wimmera is a very good man. It is interesting that his focus is on the National Party’s vulnerability to the Liberal Party in the seat of Lowan at the next election. That is probably an underpinning of the contradiction the National Party faces at the moment. It is trying to distance itself from the Liberal Party as an independent party while trying to pretend there is a common goal between the two, yet in the end it is inevitably part of a conservative coalition. It will remain part of that, even as it tries to distance itself from its real enemy, the Liberal Party, which will continue to be so.

What we have heard today is an interesting series of contributions from the opposition parties on this budget. The Treasurer came out last week with a fantastic budget which is an ongoing commitment to the state of Victoria, which looks to the future and which asks, ‘Where do we as a government and community need to take this state into the future? How do we deal with the competitive pressures of our region? How is our community best positioned to go into that area? What sort of issues do we have in our own community? Where do we see ourselves? Where should we go?’.

So this is about the big picture, or the vision. Both opposition speakers today have used the word ‘vision’, but theirs looks into the past — —

**Mr Robinson** — All the vision of a rear view mirror!

**Mr LENDERS** — As the honourable member for Mitcham says, ‘All the vision of a rear view mirror’. Very well put!

They were not looking to the future, they were looking to the past. They were critical of any initiatives of this government. They skirted over the huge issue of innovation and where that places Victoria into the future. They did not mention it; it was of no interest to them. They selectively skirted over the issue of taxes. They did not acknowledge the fact that every tax rate that has not gone down is one we inherited from the previous government. This is just a bit of a scare campaign on taxes; it is not about looking to the future. They want to cut taxes, but do not identify which services they will cut.

The previous government cut thousands of teachers and closed hundreds of schools, slashed health services and cut the police force. Is that what the opposition is planning to do again? The opposition speakers did not mention that; it was not important to them. All they did

is put on the spin that they will deal with that if they ever get into government.

The opposition has no vision, whereas the budget speech presented by the Treasurer on behalf of the Bracks government has a vision — for example, a vision of what we as a state can do in education and how we can help the good people working in that area to deal with the challenges they face.

The opposition does not acknowledge or is not prepared to deal with the issue of community building as we are dealing with it. We want to go out into communities to revitalise them and give them a chance. They are not important to members of the opposition — or if they are important to them they remain very silent on them because of the leadership shown by the Bracks government.

In concluding, I have a list of dozens and dozens of community groups which have endorsed the budget of the Bracks government for various reasons, including the fact that it is innovative and is leading us places. They include the Victorian Farmers Federation, which talks about the pipeline boost for western Victoria and about a number of other projects. Agriculture is a winner in this budget. We have endorsements from Environment Victoria for what we are doing for healthy rivers and for the four rivers in particular that we are helping out. We have endorsements from the Australian Industry Group, because the budget provides a useful stimulus for industry. The Association of Australian Medical Research Institutes is also on the list.

This is a budget which leads, which builds the state and which shows vision. I commend it to the house.

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

**Debate interrupted pursuant to sessional orders.**

**Sitting suspended 12.57 p.m. until 2.03 p.m.**

## QUESTIONS WITHOUT NOTICE

### Latrobe hospital

**Dr NAPTHINE (Leader of the Opposition)** — Given that the Premier misled the people of Victoria in his comments regarding the demolition contracts at the Latrobe hospital, forcing the government Queen's Counsel to again advise the building industry royal commission that the Bracks Labor government had acted inappropriately in delaying the awarding of a contract to the lowest and best tenderer, Able

Demolitions, simply because it refused to sign a deal with the Premier's Construction, Forestry, Mining and Energy Union mates, I ask — —

*Honourable members interjecting.*

**The SPEAKER** — Order! I ask government benches to come to order.

**Dr NAPTHINE** — Can the Premier advise the house in what way he and his government behaved inappropriately, and can he assure the people of Victoria that this will never happen again?

**Mr BRACKS (Premier)** — I thank the Leader of the Opposition for his question. The government's position has been made very clear by senior counsel for the government to the royal commission. That is the true and correct position and I have nothing further to add to that position.

### Docklands: investment

**Mr MILDENHALL (Footscray)** — Will the Premier advise the house of recent developments concerning major investment in the Docklands?

**Mr BRACKS (Premier)** — I thank the honourable member for Footscray for his question. I was very pleased to be at the Docklands precinct with the Minister for Major Projects today for a major announcement of some further development and further investment and jobs in the Docklands area.

We have a different policy position on the Docklands to the previous government. We have deliberately invested in trunk infrastructure by allowing the Docklands authority to build the extension of Collins Street — the \$38 million extension of Collins Street — into the Docklands precinct. With the Minister for Major Projects today I heard that that deliberate act by the government of not putting that onto private developers by having it as trunk infrastructure, which the state undertakes, has resulted in millions and millions of dollars of new investment. I heard today as part of the announcement, for example, that the development would not have occurred this year or next year but would have been put off into the future except for the construction of the Collins Street bridge and having a Collins Street address in the Docklands and having the whole of the city opened up to the Docklands.

I am very pleased today that on the Batman Hill precinct, a 10 hectare site, 3 of those hectares have been given under tender arrangements by the Docklands authority to the Kuok group for a \$700 million

development which will generate up to 500 jobs a year for the next eight years — a great project! This development will include four residential towers with a total of 720 apartments, a commercial tower, a 300-room hotel plus 300 serviced apartments; and will also, importantly, restore the historic goods shed for a fresh food market and food hall as well.

Construction of this major development is expected to start early next year, 2003. It is further evidence that the Docklands precinct is going to be such a marvellous thing for Victoria, for Melbourne and for our city! This announcement will bring the total value of construction works announced or under construction currently to about \$6.4 billion on the Docklands precinct.

I am very pleased that with our change of policy to ensure that trunk infrastructure is met by the state and not the developers in certain circumstances we have brought forward these important construction projects. This one has clearly been brought forward. This is \$700 million and 500 jobs. We are leading the country in construction and development, and Docklands is powering ahead.

### **Agriculture: farmers rights**

**Mr STEGGALL** (Swan Hill) — I commend the Minister for Agriculture for his Living Together in Rural Victoria package and his rural mediation service, both of which go part of the way to solving right-to-farm problems in the state, but I now ask: when will the minister act to amend the nuisance provisions of the Health Act to enshrine farmers right to farm in Victoria.

**Mr HAMILTON** (Minister for Agriculture) — I thank the honourable member for his question and his interest in this important area, which is colloquially called right to farm. The government has acted on the recommendations of the working party which was set up some 12 months ago.

**An honourable member** interjected.

**Mr HAMILTON** — The honourable member interjecting thinks that things happen overnight. The Kennett government had seven years to do something about this and it did nothing. It has taken a Labor government to progress this important area, which is important not only to farming communities but also to non-farming communities, especially those interface areas that surround the Melbourne metropolitan areas. We need to make sure the practices and policies are implemented in proper time, with due diligence, so that there is an obvious and clear benefit to all those concerned.

The working party's recommendations did not come up with a legislative recommendation that we should legislate a right-to-farm act. The recommendation was responsible and constructive and I believe will give good outcomes. The honourable member indicated that the government has already implemented most of those recommendations. He did not add that the model legislation, local law for local government, is being implemented again through local government. That is really about the right to move stock backwards and forwards on roads. Most honourable members will recall the rather unfortunate incident in the Western District involving cows being moved along the road.

As the honourable member indicated, the government has implemented the rural disputes mediation centre, which was launched by the Attorney-General and me in February this year. That process is working well and is becoming an important part of people understanding not only their rights but their responsibilities. An important outcome is the responsibility for farmers in Victoria to make sure they are using the latest and best farm practices to ensure they protect not only their own rights but those of their neighbours.

The honourable member for Swan Hill knows that the government has introduced legislation, which I hope will be passed, in relation to the section 32 part of the planning act which will make sure a caveat is placed on the sale of rural land, especially in interface areas, so that people are aware that they will have farming neighbours.

The last part of the honourable member's question related to the review of the Health Act. That is going on. I am sure the honourable member knows — he is experienced enough and has been around this place long enough to know — that these changes have to be made so that there are no unintended consequences. One of the problems the Kennett government encountered on many occasions as a result of its bash, rush and push-through style of operation was that it ended up with a lot of unintended negative consequences. This government will not do that. It will take proper precautions, ensuring that it evaluates all arguments and consults with the widest group of people so that it will end up with a good outcome which will be totally and completely supported by all Victorians.

### **Federation Square**

**Mr WYNNE** (Richmond) — Will the Minister for Major Projects inform the house of the impact of the government's changes to the management of Federation Square and how this is helping to fix up the mess made of this project by the Kennett government?

**Mr BATCHELOR** (Minister for Major Projects) — To understand the numerous steps that the Bracks government is taking to fix up the mess left behind at Federation Square by the Kennett government, it is necessary to understand the genesis of the problem — what caused it. Back in 1996 the Kennett government set aside \$110 million for the square project. By 1997 this had increased to \$128 million, and at that stage some alarms bells were ringing with the Melbourne City Council, which asked to have its contribution capped at \$64 million.

In the same year, following the architectural competition but, significantly, prior to letting the tenders, the Kennett government was told by its quantity surveyors that the winning design would cost some \$249 million. That is a 100 per cent blow-out, but worse was to come.

The Kennett government delivered its king hit to financial responsibility and cost control the following year, 1998, when it made the extraordinary management decision not to novate the design contract to the managing contractors. That is the real cause of all the problems down at Federation Square, because in doing so the state of Victoria had to accept all the risks from the omissions, the discrepancies and ambiguities ranging from the design and documentation of the project works.

This was a reckless and irresponsible decision and was contrary to the original intentions and agreement with the managing contractor, where those risks were to be borne by the contractor and not by the state. At the end of 1999 this government inherited a project that had no target end cost, no target program, was behind schedule and was haemorrhaging.

I am pleased to say that this government has reversed this process and has begun to take control of the trend blow-outs that were created by the previous government's gross mismanagement. If the Bracks government had not put the brakes on these project costs, who knows where the project would have ended up — \$600 million, \$700 million, who knows?

Over the past 12 months the government has made it clear that the publicly funded component of the Federation Square project should not exceed \$400 million for the construction costs. Of course that does not include the tenant fit-out costs. I have also told the Federation Square management company that the government will be very unhappy if costs are not kept within those parameters. It has been told that any additional funding above this will be required to come from sponsorship or from loans. To put it in the

vernacular, I have told the Federation Square management that if it wants more money it will have to beg, borrow or steal. I have laid it out clearly.

Under this government Federation Square is no longer open-ended, unfunded or badly managed, as it was under the previous government. I am pleased to advise the Parliament that this morning I was down at Federation Square with hundreds of workers who have worked hard and long, both in the architectural offices and on the building site, to help build this project, and together with this government we will turn Federation Square into a project that not only the workers on the site but all of Melbourne can be proud of.

### Hospitals: nurses

**Mr DOYLE** (Malvern) — I refer the Minister for Health to a recent memo from Royal Melbourne Hospital management which tells its nurses that they may work extra shifts but for those extra shifts they will be given a second separate employee number, a second separate pay slip and a second separate group certificate. Is it not true that this dodgy and possibly illegal practice may cheat nurses of their full wage entitlements, avoids the government's ban on agency nurses and creates a phantom work force of nurses?

**Mr THWAITES** (Minister for Health) — The honourable member for Malvern has no credibility when it comes to any of these claims. Last week he produced another memo which allegedly said that a whole lot of beds had been closed at the Royal Melbourne Hospital. He took that to the media —

**Dr Napthine** — On a point of order, Mr Speaker, the minister has commenced to debate the issue. I suggest he address the question as asked.

**The SPEAKER** — Order! At this point in time I do not uphold the point of order raised by the Leader of the Opposition.

**Mr THWAITES** — The honourable member for Malvern claimed to have a memo stating that the Royal Melbourne Hospital had closed all those beds as a result of the nurse agency strategy. The hospital said that that was completely false. Two months ago the honourable member for Malvern made a similar claim to the one he has made today.

**The SPEAKER** — Order! The Minister for Health should relate his comments to the question posed.

**Mr THWAITES** — The difficulty I face in answering questions from the honourable member for Malvern is that they are based on false and misleading

statements. Once again the honourable member for Malvern has based his statements on — —

**Dr Napthine** — On a point of order, Mr Speaker, the minister is defying your ruling and debating the question. If he believes that the allegations are false, let him say so.

**The SPEAKER** — Order! I do not uphold the point of order raised by the Leader of the Opposition. I was listening intently to the Minister for Health in view of the directive I had given him moments earlier and he was exploring the content of the question. I will continue to hear him.

**Mr THWAITES** — The government was forced to take action in relation to nurse agencies because they had increased their charges to hospitals by up to 100 per cent: hospitals were having to pay up to \$195 an hour to the private agencies. The Royal Melbourne Hospital would have gone broke if it had continued to pay those exorbitant fees. The Liberal Party in this state is once again showing its true colours — it is just the mouthpiece for those private agencies and it wants to privatise the nurse work force. Since this agency measure was introduced the Royal Melbourne Hospital has done the right thing. The hospital is employing more nurses and the opposition is opposing that. The honourable member for Malvern is opposing the fact that the hospital is employing more nurses. I am pleased to advise that on the last statistics I was given the Royal Melbourne Hospital has been able to engage an extra 63 nurses for its nurse bank.

I am pleased to advise the house that across the health system our hospitals have employed an extra 1000 nurses in the nurse banks. The honourable member for Malvern and the private agencies are the only people opposing this. The Royal Australasian College of Surgeons has backed the government and said it is doing the right thing. The hospitals, doctors, nurses and the Australian Nursing Federation have all said that the government is doing the right thing — but the opposition obviously wants to go back to the dark days of the Kennett government and privatise. The government is not into privatising nurses. It is into having more public nurses and it is delivering on that. That is providing much better value for government money: we can treat more patients, we do not have to close beds and we get a better service.

### **HIH Insurance: policy-holders**

**Mr LIM** (Clayton) — Will the Minister for Consumer Affairs advise the house of what is being done to address the plight of consumers awaiting

consideration of domestic building claims by the Housing Guarantee Fund and what obstacles there are to this action?

**Ms CAMPBELL** (Minister for Consumer Affairs) — I thank the member for his question. Members would know that in 2001, in the wake of the HIH collapse, the house passed the House Contracts Guarantee (HIH) Bill. Members were concerned about the effect the collapse of HIH Insurance would have on consumers. We had people coming to our electorate offices and Parliament House who knew the effect the collapse of HIH had had on them personally and their families. This Parliament passed legislation that would enable people to be in the same position in relation to their insurance claims for incomplete or faulty home construction and renovation. The government has provided a \$35 million package under which claims can be assessed. That package is for claims that have already arisen and claims that will be made in the six-and-a-half-year warranty period. The claims are being administered through the Housing Guarantee Fund, with \$5.1 million in claims having already been approved. As of 10 May more than \$4.5 million had been paid to Victorian consumers.

The government has introduced an amending bill, the House Contracts Guarantee (HIH Further Amendment) Bill, to provide for consumers who should have been able to claim under the principal act but were prevented from doing so because of technical interpretation difficulties. Those consumers include people whose building contracts have a cease-to-trade provision, meaning that the policy collapses if the insurer closes down, and people affected by certain HIH policies where it was the builder who was insured and not the actual home owner. The bill also seeks to clarify the stated purpose of the principal act which is not for the benefit of developers. The stated purpose of the act is for domestic buildings; big developers were not the subject of the legislation.

Many of those consumers have contacted the Housing Guarantee Fund and the electorate offices of members on both sides of the house. A number of them have written directly to the Leader of the Opposition and sent carbon copies of those letters to their local members. They have also sent letters to me which they have carbon copied to the Leader of the Opposition. However, the opposition still says to more than 200 families, ‘You are out in the cold; we are not looking after you’.

**Mr McArthur** — On a point of order, Mr Speaker, if the Minister for Consumer Affairs is going to go down this track, she should advise those 200 people

that if she withdraws the retrospective provisions of the proposed legislation, we will pass it tomorrow.

**The SPEAKER** — Order! The honourable member for Monbulk is not taking a point of order but attempting to make a point in debate.

**Ms CAMPBELL** — The government has written to these 200 people who live in Pakenham, in Narre Warren, in Berwick, in Sunshine and in Frankston. They are spread throughout this state and they need this legislation passed before winter. The Nationals and the Independents have supported the government. They know that domestic building was covered by this House Contract Guarantee (HIH Further Amendment) Bill. The Liberal Party continues to close its eyes to domestic — —

**Dr Dean** — On a point of order, Mr Speaker, it is a rule of this house that it is not appropriate for any member of this house to criticise any decision of the upper house. This minister has now strayed into that area and is attempting to criticise a decision made by the upper house in amending that piece of legislation.

**The SPEAKER** — Order! I do not uphold the point of order raised by the honourable member for Berwick. I certainly did not hear the minister criticising a decision of the other house. However I point out to the minister that under sessional orders she needs to be succinct and she should conclude her answer.

**Ms CAMPBELL** — Thank you, Honourable Speaker, I would have thought the honourable member in this case might have acted for his constituents and supported them so that they were eligible — —

**The SPEAKER** — Order! The minister should address her remarks to the Chair.

**Ms CAMPBELL** — The Liberal Party has argued that the initial act created rights that in fact it does not contain. All the Liberal Party wants to do — —

**Dr Napthine** interjected.

**Ms CAMPBELL** — Stop frothing!

**The SPEAKER** — Order! I ask the Leader of the Opposition not to interject in that vein, and I ask the minister not to respond to interjections. I have already indicated the need for the minister to be succinct, and I ask her to conclude her answer.

**Ms CAMPBELL** — On behalf of those 200 consumers who are waiting for this house to act, I say congratulations to the Independents and congratulations

to the National Party. Those 200 people in Pakenham, Berwick, Narre Warren and country Victoria are eagerly waiting for the opposition to get a little more insight.

### **Royal Melbourne Institute of Technology**

**Mr HONEYWOOD** (Warrandyte) — I again raise with the Minister for Education and Training the matter of the \$32 million Royal Melbourne Institute of Technology loan for its Vietnam campus and I refer the minister to her answer in the house yesterday when she said:

The government also sought and received support from the commonwealth government ...

I ask: how does the minister reconcile her statement with the fact that the commonwealth Minister for Education, Science and Training wrote to the vice-chancellor of RMIT on at least two occasions stating that the commonwealth government would not support this venture, act as guarantor or underwrite the Vietnam campus?

**Ms KOSKY** (Minister for Education and Training) — I thank the honourable member for Warrandyte for his question. I am not quite sure what point the honourable member is attempting to get at. He is trying to denigrate the reputation of RMIT, a fantastic university, with a chancellor, Don Mercer, who was the chief executive officer (CEO) of the ANZ Bank between 1992 and — —

**Mr Honeywood** — On a point of order, Mr Speaker, I refer to your rulings regarding debating. Why is the Minister for Education and Training supporting her former employer rather than answering the question?

**The SPEAKER** — Order! That is not a point of order. I ask the minister to continue her answer.

**Ms KOSKY** — Don Mercer, the chancellor of RMIT and former CEO of the ANZ Bank between 1992 and 1997, is very highly respected among the business community and the academic community. I would have thought that he has much more of a financial background and knows far more about matters of business than the honourable member for Warrandyte. It is outrageous that he is attempting to attack the reputation of very good people at RMIT.

There was indeed support from the commonwealth government for this project. The former Minister for Education, Training and Youth Affairs, the Honourable

David Kemp, MP, wrote to me on 19 November 2001 indicating that:

The commonwealth has given its in-principle support for the project ... Specifically, the commonwealth considers that the RMIT International University Vietnam project has the potential to bring benefits to RMIT, Vietnam and Australia.

But it gets better:

The commonwealth Treasury also advised that it briefed Australia's representative on the World Bank to support the project.

The Minister for Foreign Affairs, the Honourable Alexander Downer, MP, wrote to the vice-chancellor of RMIT on 17 September 2001 advising that:

The Australian government has indicated strong support for the project. This includes my personal participation at last year's RIUV launch in Vietnam, and the support provided by the Australian government representatives at our diplomatic missions in Hanoi and Ho Chi Minh City in obtaining the Vietnamese government's approval of the project ... I see the project as a positive initiative and significant for Australia's profile in the region.

It is a shame that the honourable member for Warrandyte comes into this house not only ill-informed but worse still to denigrate the reputations of people at RMIT, which is a fine university. Clearly, the commonwealth government agrees with the Victorian government that this project is very important. I hope that the honourable member for Warrandyte will clarify his position in this matter.

### **Employment: rural and regional Victoria**

**Mr HARDMAN** (Seymour) — Will the Minister for Employment inform the house of the latest developments concerning employment in regional Victoria, including the impact of the federal government's decision to shut down Employment National?

**Mr PANDAZOPOULOS** (Minister for Employment) — Honourable members may recall that last month when the regional unemployment figures came out the honourable member for Brighton told the house how outrageous it was that in regional Victoria unemployment had increased to 7 per cent. At the time I said that the question was disingenuous, coming from a party that did not care about jobs. It did not care about them when in government, and neither do its federal colleagues.

The figures that came out today prove just how disingenuous that question was. They also prove how lazy opposition members are. They criticise the government for a one-off monthly figure when

unemployment goes up, but are they asking questions today and congratulating the government because the regional unemployment rate in country Victoria has gone down from a revised figure of 6.8 per cent — not 7 per cent — to 6.2 per cent in the month of April?

*Honourable members interjecting.*

**Mr PANDAZOPOULOS** — No, we do not. The government does not expect the opposition to issue press releases congratulating it, but it does show how hypocritical this mob is. The figures show that the Bracks government cares about country and regional Victoria. It is doing what it can about growing jobs across the whole state, and it is working to improve the economies of country and regional Victoria.

Over the last 12 months the average unemployment rate in country Victoria has been 6.4 per cent, compared to an average of 8.2 per cent in the last 12 months of the Kennett government. Between October 1999 when the Bracks government was elected and April this year the number of people in work increased by 36 500. The participation rate increased from 59.5 per cent to 61.4 per cent. One would think that those figures mean that country Victoria is now feeling a part of Victoria and that the benefits are not just in Melbourne.

Comparing the last 12 months with the years prior to October 1999 under the previous government, you can see that over one-third of the new jobs have been created in country Victoria, which again is good news. For the benefit of the house I advise that metropolitan unemployment has also gone down from 6.3 per cent to 5.6 per cent.

The honourable member for Seymour asked about the impact of federal programs. Unfortunately the commonwealth government does not care, nor does it listen. It made two announcements in the federal budget that will impact on Victoria. One of those is the disgraceful announcement that it is taking 200 000 Australians off disability support pensions and putting them on unemployment benefits.

Of course that will have an impact on Victoria. But the federal government is closing Employment National around Australia, and what does that mean for Victoria? It means 200 jobs disappear from Employment National. And what does it mean for many country towns that Employment National is in? It means no Employment National in Ararat, Benalla, Bairnsdale, Ballarat, Bendigo, Echuca, Geelong, Horsham, Kerang, Maryborough, Mildura, Morwell, Moe, Sale, Seymour, Shepparton, Swan Hill, Traralgon, Wangaratta and Warragul. It is a shame. It is outrageous. The federal

government does not care about jobs. We are doing the best we can. Unfortunately the federal government keeps doing the wrong thing and gets in the way. We need a change of government up there. There is obviously going to be an election two years away. We are doing what we can for the state.

### **Royal Melbourne Institute of Technology**

**Mr HONEYWOOD** (Warrandyte) — My question is again to the Minister for Education and Training. I refer to the \$64 million development of the RMIT campus in Vietnam, of which \$32 million is a state government-approved loan. Is it a fact that a further \$30 million for the RMIT Vietnam project has come from a Bermuda-based identity, Mr Charles Feeney, who is a longstanding major donor to the Irish Republican Army, and did this raise any concerns with the minister at the time?

**Ms KOSKY** (Minister for Education and Training) — I again thank the honourable member for Warrandyte for his question. RMIT got both financial and verbal support from a range of different organisations. I have already mentioned the verbal support. The organisation to which the honourable member is referring is a major philanthropic organisation that is recognised worldwide for having put major funds into a whole range of projects worldwide including not only academic, research and university support for Third World countries but also major funding for biotechnology around the world and here in Australia. It is a major philanthropic organisation and it has provided large support. This is a person who has had an extremely successful business background and has seen fit to provide some of the profits he has made in his private work and put that money into fantastic projects around the world.

What I cannot understand is that in raising the matter in this way the honourable member for Warrandyte is not only attempting to have a shot at me; he is having a major shot at RMIT — at such people as Don Mercer, as I mentioned before — and also at the commonwealth government and the World Bank. Worse still, it demonstrates his absolute incapacity to have any views or any policies on education. He just chooses to denigrate other people who have made fantastic contributions, not only in Australia but around the world.

### **Taxation: government policy**

**Ms GILLETT** (Werribee) — Will the Treasurer advise the house of the policies the government is implementing to provide genuine tax relief for

Victorians, and whether he is aware of other policies announced recently in this area?

**Mr BRUMBY** (Treasurer) — I thank the honourable member for her question. At the outset, I say that the Bracks government is very proud of its record on tax cuts. Very proud indeed! Last year we provided \$774 million of tax cuts and this year we provided a further \$262 million in tax cuts. In total, there have been more than \$1 billion in tax cuts, and we have done that in just one term of office — our first term! We have cut payroll tax; cut land tax; abolished duty on non-residential leases; and of course we are abolishing stamp duty on mortgages from 1 July 2004.

From 1 July this year we will abolish stamp duty on unquoted marketable securities.

**Mr Perton** interjected.

**Mr BRUMBY** — The honourable member for Doncaster has asked what they are. I have an article from the *Australian Financial Review* of 6 May headed 'Exodus risk adds to stamp duty pressure'. This article indicates that there is a potential for the transfer of thousands of new jobs from Sydney to Melbourne as a result of this single tax initiative by the Bracks government.

The government's position on tax is very clear, unlike the opposition's, which is simply all over the place. The opposition is all over the shop in terms of its tax policies. We all know that the opposition has six tax policies but it cannot decide which one to focus on. Around midnight last night in Melbourne — —

**Mr Clark** — On a point of order, Mr Speaker, as with the previous similar question, the Treasurer is commencing to debate the question by canvassing policies other than government policy, and I ask you, Sir, to bring him back to the question.

**Mr BRUMBY** — On the point of order, Honourable Speaker, I was asked what steps the government is taking to provide genuine tax relief and whether there had been any recently announced alternatives to this policy. I am about to go to the question of recently announced alternatives to this policy, which is what I was asked about.

**The SPEAKER** — Order! On the point of order raised by the honourable member for Box Hill, I am not prepared to uphold the point of order. However, I indicate to the Treasurer that he must confine his remarks in that area to government responsibility.

**Mr BRUMBY** — As I said, last night in Melbourne we had the Australian premiere of the Star Wars movie, *Attack of the Clones*. Just 10 hours later in Parliament this morning we had the Attack of the Clowns!

**The SPEAKER** — Order! The Chair is having some difficulty with the remarks of the Treasurer. I ask him to come back to answering the question.

**Mr BRUMBY** — We saw it all this morning: there were backflips, somersaults, juggling — more circus acts than Ashton's Circus!

This morning the shadow Treasurer said that the opposition had just three tax plans. He said the first was that he would cut payroll tax.

**Dr Napthine** — On a point of order, Mr Speaker, the Treasurer is clearly debating the issue. There is plenty of opportunity for government members to debate the budget during the budget debate. There is no need to waste question time on the Treasurer debating this issue.

**The SPEAKER** — Order! I once again ask the Treasurer to come back to answering the question.

**Mr BRUMBY** — The fact is we had the opposition's budget response this morning, and we had three new tax policies that will throw the state budget into deficit.

**Dr Dean** — On a point of order, Mr Speaker, having advised the Treasurer to come back to the question from where he was, he got up and repeated exactly what he had said before you asked him to do that. He is clearly disobeying your instructions.

**The SPEAKER** — Order! I ask the Treasurer to come back to answering the question and to cease debating it.

**Mr BRUMBY** — What's that? The third point of order today from the honourable member? You are doing very well indeed! The honourable member for Pakenham is very impressed.

**The SPEAKER** — Order! I ask the Treasurer to address the Chair.

**Mr BRUMBY** — The honourable member for Pakenham has spent most of question time laughing through the points of order made by the honourable member for Berwick.

**The SPEAKER** — Order! The Chair is growing weary of the Treasurer's response to this question. I ask

him to come back to answer the question and to conclude his answer.

**Mr BRUMBY** — This year the Bracks government produced a budget which forecasts a surplus for 2002–03 of \$522 million. We are determined to maintain that surplus position. We are doing it while increasing the number of teachers in our schools, the number of nurses in our hospitals and the number of police on our streets, and we are determined to continue to do that in the future.

I am pointing out to the house that the irresponsible fiscal promises made by the opposition would throw that budget into deficit, and if the opposition was ever elected to government it would be sacking teachers, sacking nurses and sacking police to pay for these irresponsible tax promises!

The government is committed to this. This morning we had the unedifying spectacle of another three different tax policies by the opposition.

**The SPEAKER** — Order! The time for questions without notice has expired, and a minimum number of questions has been answered.

## APPROPRIATION (2002/2003) BILL

### *Second reading*

#### **Debate resumed.**

**Ms ASHER** (Brighton) — Business has been very polite in its response to the Bracks government budget. However, I do not feel constrained to observe such similar courtesies. The budget that we saw brought down in this place is a fraud on business, and the entire \$2 million campaign based on the slogan 'Building Tomorrow's Businesses Today' is big on spin and not big on much else.

In terms of what the government is offering business I will go through what these amendments mean. Government is offering business a payroll tax cut in the rate from 5.45 per cent to 5.35 per cent from 1 July 2002. That cost to government in the 2002–03 financial year is \$43 million, minuscule when compared with the government's increased tax collections in this area. The government has also offered to business an increase in the payroll tax threshold from 1 July 2002 from \$515 000 to \$550 000 and again the cost in that financial year is a total of \$23 million — very small in terms of the government's overall tax collections and small in terms of expenditure by this government.

The government is offering a further reduction from 5.35 per cent to 5.25 per cent in the rate of payroll tax from 1 July 2003. Again in relation to land tax, which is the tax also impacting primarily on business, it has offered an increase in the threshold payable from \$125 000 to \$150 000 at the paltry cost to government of \$3 million in the next financial year, so we have seen very small tax concessions. They are big on spin, they have had a big beat up, but they are very small tax collections in revenue forgone to government.

But if we look at the government's increased tax collections we can see that for the 2002–03 financial year the government is expecting a 17.7 per cent increase in land tax collections and a 3.9 per cent increase in payroll tax collections. Likewise, taxes on insurance and taxes on motor vehicles are also increasing. Again we have heard big on spin from the Treasurer and from the Premier in relation to the business climate in Victoria. But I think it is instructive to look at the Victorian Employers Chamber of Commerce and Industry survey of business sentiment. The shadow Treasurer referred to this, and I am referring to a release put out by VECCI on 29 April 2002 which graphs business sentiment and business confidence in Victoria and in Australia.

What we saw prior to the election of the Bracks Labor government is that, in the entire period from the start of collections of these statistics from September 1996, business sentiment in Victoria was always above the level of confidence that existed overall in Australia. What we have seen — surprise, surprise — reflected in the December 1999 quarter figures since the election of the Bracks Labor government in September 1999 was a change to that. Ever since this government has been in power we have seen sentiment in Victoria below that of what exists at a commonwealth level. So business may well be polite in its response to the government's budget, but the VECCI sentiment index says it all — that is, that business confidence in Victoria is down as compared with business confidence in Australia overall. Indeed, if you look at the government's own budget papers, you see that the government does not have a particularly good outlook for business.

In terms of exports facilitated, which I would have thought was one of the primary performance indicators in the budget for the Treasurer in his capacity as Minister for State and Regional Development, we see a progressive decline in what has been achieved. At page 165 of budget paper no. 3 we see that in the financial year 2000–01 \$830 million of exports were facilitated by this government. The expected outcome for 2001–02 has dropped to \$600 million, and the target for 2002–03 remains static at \$600 million. If you were

to believe all the rhetoric and spin of the Treasurer, you might expect these targets to be increasing rather than decreasing.

To give the house a comparative view, the actual exports facilitated in 1998–99, the last full year of the Kennett government, were over \$2 billion. That provides yet another neat contrast.

The second significant performance indicator is investments facilitated and announced. At page 164 of budget paper no. 3 we see a similar trend, whereby the government has lowered its sights rather than raising them. Investments actually facilitated in 2000–01 were \$1689 million. The figure for expected outcomes for 2001–02 rose to \$1800 million, but the government's target for 2002–03 has been lowered. The target is down to \$1200 million, again indicating a government that is lowering its sights and reducing its effort and is content to rest on its laurels.

In manufacturing we have seen the loss of just over 21 000 manufacturing jobs. Labor promised during the last election campaign that it would have a 5 per cent unemployment rate, which it described at the time as realistic, but again we see that Labor's own budget confirms that it will not meet this target. I refer to page 55 of budget paper no. 2, where the government itself states that the actual unemployment rate for 2000–01 was 6 per cent, with a forecast for 2001–02 of 6.25 per cent and a forecast for 2002–03 of 6 per cent. The government itself acknowledges in these budget papers that the great promise it came up with will not be met.

A cause for alarm for the opposition is the reduction in full-time employment. We heard the Minister for Employment waxing lyrical about the employment figures, but if he conducted a deeper investigation into those figures he would soon see that full-time employment has fallen in trend terms during every month of 2002. Of the 19 400 full-time job losses in Australia to April 2002, 48 per cent were located in Victoria. There are some real warning signs for the government if it cares to look further into those figures.

I found it very interesting that the Minister for Employment made reference to commonwealth employment programs, berating the commonwealth for its alleged cuts. The minister needs to look at his own budget papers, because he too has cut employment programs. I refer to budget paper no. 3, which shows that in 2000–01 this government had a target of \$64.9 million for employment services, but in actual terms it spent only \$43.8 million on those services. The expected outcome for 2001–02 was \$62.7 million, but

if he cares to look at his own budget papers the minister will see that for the year 2002–03 he himself has cut his own employment programs to \$46.3 million. I find it extraordinary that he can criticise the commonwealth for doing what he has actually done himself.

I will make a couple of comments on major projects. Of course, not one major project of the government's own initiative has been commenced in this term. Indeed the previous Minister for Major Projects, who is now the Minister for Employment, was sacked — I assume for having no major projects of his own. In fact the only achievement of the Minister for Major Projects — either the former one or the current one — has been to appoint James Cain as head of the major projects unit and to move major projects from the Department of Infrastructure to the Department of State and Regional Development and then back to the Department of Infrastructure. That was it — moving the major projects unit around and creating yet another job for the boys!

However, I have a report card on the seven state-funded major projects that this government inherited from the previous government. Again, the government has blown out the time line on every single one of them. The netball and hockey centre, Federation Square, the National Gallery of Victoria, the Sidney Myer Music Bowl refurbishment, the Vodaphone Arena, the state library and the museum — every single one of the seven inherited projects is now delayed.

We see in this year's budget papers a desire by the government to hide major projects and reclassify them. At page 129 of budget paper no. 3 the government has attempted to put road projects into major projects. It now has a new classification — 'Metropolitan transport infrastructure and public development projects' — but a reclassification will not fool the Victorian public. The Victorian public is well aware that the government has not commenced one single major project.

In turn, under major public construction and land development in this year's budget we see a total output cost of \$3 million. The government advises us that the previous figures are not available; however, they are available, and if you look at last year's budget papers you will see that the major projects portfolio was allocated \$6 million. Actual funding for major projects that are classified in the budget has been cut by half.

I turn now to the toxic waste dump, which is the only idea the government has had for a major project. The budget reveals what I think everyone knew all along — that the government wants to defer the decision on the placement of a toxic waste dump until after the next election. The decision date was going to be June 2002,

but the Minister for Major Projects gave a one-month extension to the committee — one of 700 committees and task forces Victoria has under this government. We now see at page 133 in budget paper no. 3 that the government intends not making a decision until December 2002. I am prepared to lay money on this government not announcing where the toxic waste dump will go before it calls an election!

We are waiting on some major projects to start. Perhaps Spencer Street could start. We look forward to the refurbishment of the showgrounds starting or even to some of the federally funded projects that the state government wants to take credit for. We will be observing the government's performance, but I will be very surprised if it commences one major project of its own in this term. At page 105 of budget paper no. 3, under the heading of significant achievements, the government lists the doomed airport rail project. The fact that it pulled a major project is now listed in the budget as a significant achievement!

I turn now to the big loser in this budget, which is tourism. I have to say that the government's performance in tourism since it has been elected to office has been nothing but disgraceful. I will run through the statistics in the budget papers on domestic visitor nights, which are probably the key indicator of tourism performance. In 1998–99 there were 55.4 million domestic visitor nights, but in the first year of the Bracks Labor government — the following year — that had dropped to 52.5 million visitor nights. So in the first year of the ALP government we saw domestic visitor nights drop by 2.9 million. That is this government's performance on tourism. Notwithstanding that the figures in the budget are fudged, in 2000–01 there were 54 million domestic visitor nights, which is still not at the level achieved under the Kennett government. The expected target for 2002–03 is now listed as 52 million to 54 million, which is still not at the level achieved under the previous government.

Likewise, in terms of international visitor nights, the performance has been appalling. In 1998–99 there were 24.6 million visitor nights; it dropped in the first year of Labor to 20.5 million. The target now is a broad target — somewhere between 20 million and 22 million — and I would expect, given that in 2000–01 only 20.6 million was achieved, which was at the level previously reached by the Kennett government, that the government's performance in international tourism will not bring any credit upon it.

I make the point that all of these failures occurred prior to the Ansett collapse, and indeed prior to

11 September. It is no wonder the strategic plan for tourism, which is meant to cover the years 2002 til 2006, was only released this week. Indeed, the government has the embarrassment of a reference to this plan being in this budget when in fact the budget was released before the strategic plan.

Again, we are seeing tourism funding cuts in the budget. I fully understand that the \$10 million was meant to be a one-off rescue package by the government, but notwithstanding that, on the government's own budget estimates, funding is down 3 per cent — a very poor performance.

But what is of enormous concern to the opposition is that some major tourism projects which are much needed have been virtually ignored in the budget. Two million dollars has been set aside for a feasibility study into the extension of the Melbourne Convention and Exhibition Centre. We need two projects here: we need a 5000-seat plenary convention centre, and we need an extension to the exhibition centre. Land has been purchased — the old Mazda site — to enable the latter to occur, and the previous government left behind diagrams and a whole range of planning for the convention centre. But that has been ignored.

More alarmingly, if you look at the annual report of the Melbourne Convention and Exhibition Trust, you will see that a huge amount of research has been done by that trust for the government which the government has either ignored or has not had the capacity to implement.

I quote from Bob Annells, the chair of the trust, on page 4 of the trust's annual report for 2000–01:

The trust has developed over the last two years, detailed proposals for the future expansion of the centre's facilities.

He goes on to say:

Detailed market assessment, economic impact assessment and financing studies have been completed, in addition to building concept development.

He went on to argue very strongly that Melbourne needs this centre immediately. As stated at page 13 of the annual report, we see that the trust has developed:

... a precinct master plan in relation to the future development of Melbourne's convention and exhibition facilities. A detailed competitor and market analysis has been undertaken which indicates that Melbourne requires the development of an integrated convention and exhibition facility with capacity for 5000-delegate conventions ... The trust has also undertaken, with the assistance of KPMG, significant research into possible financing options including a Partnership Victoria approach to the funding of such an expansion. In addition, KPMG have also undertaken a

significant economic impact assessment of the effects of the expansion on the Victorian economy.

Currently the proposal is before government ...

All of these studies have been done — how many studies have I mentioned here: five, six? — and what does the government do in this budget? It allocates \$2 million for a feasibility study. What the government should do is just get on with it.

As I said, tourism is a big loser in this budget — no convention centre, no expansion to the exhibition centre, a budget cut which will impact adversely on regional tourism, and I think a fairly disgraceful approach to tourism from the minister and from the government.

I wish to conclude by raising a local issue, that is, I am particularly disappointed not to see in this budget funding for Brighton Secondary College. The minister is well aware — and I raised this prior to Christmas — that there is a hall where children play basketball and other games, and that hall has been built particularly badly. Residents in East Brighton have had their amenities spoiled by very noisy games of basketball, which is obviously a natural consequence of basketball halls. In short, what is needed is somewhere between \$100 000 and \$180 000 to fix the problem for the residents. We need that money to ensure that my residents in East Brighton have quiet enjoyment of their own premises.

I think it is a disgrace that this issue is festering. In the budget we see funding for capital works for a range of schools, including marginal schools, and I saw a couple of million dollars for schools in the Premier's electorate of Williamstown. This is a desperately needed amount of money for Brighton Secondary College.

This has an impact on the children because it controls when they can access the courts; but most importantly my residents are being affected. They have a right to quiet enjoyment of their own properties. It is a disgrace that the government is allowing this issue to fester.

Money has been spent on schools all over Victoria but not on this project. It is a disgrace, given that I first raised this issue with the former Minister for Education prior to Christmas and again with the current Minister for Education and Training. This is a desperately needed noise attenuation project in my electorate and I call on the minister to fund it now — not in next year's budget, not next month, not next week, but now!

**Mr TREZISE** (Geelong) — I am pleased and proud to speak in support of the Appropriation (2002/2003) Bill. In doing so I state that I am also very proud to be a

member of the Bracks Labor government — a government that has delivered, is delivering and will continue to deliver for all Victorians, including people living in regional and rural Victoria.

The Bracks Labor government is governing for all Victorians and delivering on education, health, community safety and — very importantly — jobs. In addition, the Bracks Labor government is employing more nurses, more teachers and more police. This budget is all about investing in the future of Victoria: in real jobs through a competitive economy; in excellence in education; and in growing the whole of the state.

The 2002–03 state budget has been hailed in my electorate of Geelong as a budget for the people — and it delivers to the community of Geelong, as it has across Victoria. It delivers to Geelong on education, health and importantly, as I said before, jobs. In education, Geelong primary schools, the Gordon Institute of TAFE and kindergartens are the big winners.

The inner suburban primary schools in my electorate in Geelong were totally neglected by the Kennett regime. Classrooms were crying out for maintenance and were absolutely bursting at the seams with students, while teachers were expected to teach and work in absolutely overcrowded conditions. This Bracks budget has delivered on major refurbishment for numerous schools across Geelong and I can assure honourable members that schools like Chilwell Primary School, East Geelong Primary School, Tate Street Primary School, South Geelong Primary School — and the list goes on, Mr Acting Speaker — were celebrating the budget last week. Each of the four schools I have named has received about \$1.5 million to completely refurbish its premises. Those school communities will benefit from new classrooms and other facilities that will take them well and truly into the 21st century. Combine that with the 925 teachers who have been recruited, and the effect is that education and students are major winners and major beneficiaries of this Bracks government budget.

Kindergartens are also beneficiaries of the Bracks budget and there are plenty in Geelong that did not miss out: kinders like St Luke's Kindergarten in Highton and the Geelong West kindergarten received significant funding for outdoor works and safety.

At the other end of the education scale the Gordon Institute of TAFE is close to beginning its major refurbishment stemming from funding of \$15.6 million in last year's state budget. All in all, education in Geelong has moved forward in leaps and bounds under the Bracks government.

I am also pleased to report that other major beneficiaries of the Bracks budget in Geelong include the health sector. There is not a better place to start talking about the health sector in Geelong than at the Grace McKellar Centre. That centre really highlights the difference between the Kennett regime and the current Bracks government. It was once a proud institution in Geelong but was left to rot by the Kennett government and had the 'for sale' sign placed on it. The Kennett government was going to sell off Geelong's Grace McKellar Centre and, make no mistake about it, Kennett was going to sell it to the highest bidder.

Under the Bracks government the sell-off plans were scrapped and we now have a commitment to totally rebuild the Grace McKellar Centre. Under this Bracks government budget \$3 million of additional funding is added to last year's \$19 million allocation for stage 1 of the Grace McKellar Centre upgrade program and that will ensure the ongoing operation of that magnificent Geelong institution for many decades to come.

The Grace McKellar Centre is only one of the beneficiaries in the Geelong health sector under the Bracks government budget for 2002–03. At Geelong hospital the first change to be noted is the 160-plus cohort of additional nurses employed over the past 18 months. This budget, in addition to supplying nurses, has set aside \$700 000 to replace ageing cardiac catheter equipment. Replacement of that equipment will ensure that people with heart disease will not have to go to Melbourne for treatment, which may have been the case had the current equipment broken down — and, as I understand it, that was on the cards. The \$700 000 for the cardiac catheter equipment is a major step forward for the Geelong hospital and the people of Geelong.

Importantly, \$50 000 has been allocated for nurse safety. A duress system for nurses working in patients' homes will be updated through the allocation of that funding. Like education, health was another big winner under the Bracks 2002–03 budget.

As a former shipping manager at the port of Geelong I fully understand and appreciate the importance of a strong port link to other transport modes such as road and rail. The allocation of \$5.1 million to link Lascelles Wharf with a dual gauge rail line will boost the port of Geelong significantly. The dual gauge rail link will add to the \$30 million already invested by the private operator in Lascelles Wharf in Geelong, and the future benefit of the government's allocation of \$5 million to rail is best described in the words of Mr Keith Gordon, manager of Toll Geelong Port, as reported in the *Geelong Advertiser* of yesterday, 15 May, to the effect

that there is potential for further development around the rail link that could be worth \$60 million. The new rail link, he said, would spur Toll Geelong Port's plan to promote rail freight for containers and bulk goods in the port of Geelong.

This is great news for the port of Geelong, the Geelong community and the state of Victoria. The government is to be commended for its initiative in allocating funds for the rail link into the port of Geelong because the bottom line means more jobs for the community of Geelong.

During my contribution to the debate I have only had time to touch on education, health and transport. I could continue with items such as the \$64 000 allocated to the Geelong regional library; \$1.1 million to the important vulnerable families program, which is run by the City of Geelong; \$5000 to Lifeline; \$7600 to Scope; and money to Noah's Ark and to Gateways — which are all magnificent community projects that have been supported by this Bracks budget. The list goes on.

This magnificent budget has delivered major benefits to Geelong. It has won praise from across the Geelong community. I refer to a couple of quotes reported in the *Geelong Advertiser* of 8 May, the day after the budget was handed down, which are testament to this fact. For example:

Geelong business leaders lauded the budget's prudence and the prospect of future surpluses.

Geelong Chamber of Commerce president Norm Lyons said business ... welcomed investment in schools and health.

John Kranz, the secretary of the Geelong Trades Hall Council, a magnificent organisation that has supported Geelong for many years, is reported as saying:

It definitely gets the tick from us ...

Statements by representatives of the City of Geelong are reported in the paper:

The state budget heralded strong employment growth in Geelong and new opportunities to attract growth industries, city hall chief Geoff Whitbread said yesterday.

...

Mayor Barbara Abley said ... I'm absolutely delighted by the focus on human services.

Finally, the editorial in the *Geelong Advertiser* of Wednesday, 8 May states:

A responsible financial document ... a positive and confidence-boosting budget.

As I said, this budget has won praise from across the Geelong community. It is an investment in Geelong's future — in education, health, and jobs. Therefore I commend the state budget to the house.

**Mr LUPTON (Knox)** — I do not know whether I am in the right place. I thought we were talking about the Appropriation (2002/2003) Bill. I just heard the honourable member for Geelong quote a number of erstwhile citizens talking about what a magnificent budget it is. After examining the budget I have a great deal of difficulty accepting that it is magnificent.

Basically it is a budget that has been put up by someone who could be a snake oil salesman. Through the budget we have been fed a lot of lies, innuendo, and fudging of the figures. In the area of education this budget refers to some \$50 million-odd that was supposed to be allocated last year, was not spent, and then put in this year's budget — and then the honourable member for Geelong says it is a magnificent budget! It is a matter of light and shade and is an absolute fiddle.

I take up the comments made by two excellent speakers, the honourable member for Box Hill and the Leader of the National Party. They pulled the budget apart, particularly when the Leader of the National Party talked about the very fast train and the Wimmera–Mallee pipeline. Anybody on the government benches who can say that the people of Victoria, particularly those in country Victoria, have been told the truth in this budget did not listen to what the honourable member said.

I refer to my own area and some things that have been promised by the government in the past 12 to 18 months. Waverley Park was going to be saved by the Bracks Labor government. A commitment was given and still stood even when everybody knew the Australian Football League would not have a bar of it and that this government would not put any money towards it. Labor went to the last election with the promise of saving Waverley Park, but it will never have football played on it as it was in the past.

The Knox hospital was promised by the Kennett government. It was to be a tertiary hospital for people in the outer east and was to provide facilities for open heart surgery and other benefits. I refer to a press statement from the *Knox News* of 27 May 1998, in which statements by the honourable member for Albert Park, the current Minister for Health, are reported as follows:

A state Labor government, if elected at the next poll, would build a 'genuine' public hospital in Knox, the opposition health spokesman, John Thwaites, said last week.

'We believe a public hospital should be built in the outer east', Mr Thwaites said.

Since then the government has changed its mind and gone back on the deal. It has gone to the press and the public and said the money would be spent on the Angliss Hospital because the previous Kennett government was going to close down and downgrade the Angliss and Maroondah hospitals.

I quote from the *Knox News* of some months later, 15 December 1998:

The state government is rethinking its plans for the new Knox public hospital with a larger scale project now on the drawing boards.

...

Mr Knowles —

then the Minister for Health —

said the original plan had proved too small to provide tertiary services at the level needed. It would provide services not currently available in the outer east, such as complex cardiac and respiratory services and neurosciences.

Yet the Minister for Health has been telling the people in the outer east that the previous government was going to close down the hospital. I thought more of the Premier, but he has perpetuated this story.

I turn to deal with some of the documents leaked only the other day about the Royal Melbourne Hospital. The documents reveal the hospital was operating at 22 beds below capacity on 1 March this year and that the hospital planned 37 further bed closures from 13 March; still further bed closures on weekends, with 10 day beds to close; a 20 per cent reduction in capacity in operating theatre availability with two theatres closing; closure of 8 emergency department cubicles; a refusal to accept patients from other hospitals; and a refusal to accept out-of-postcode admissions. Despite the fact that the Royal Melbourne Hospital is one of the hospitals that has to be utilised by the people in the outer east because they do not have a hospital in our area, the government is not prepared to build the Knox hospital which is so sorely needed.

I turn to the Scoresby freeway. In 1990, as mayor of the City of Knox, I was fortunate enough to launch the project. Honourable members will remember that when the government came to office it cancelled the Scoresby freeway project. It then said, 'Yes, we will build it, but we have not got any money'. In May last year the federal government gave a commitment to fund the Scoresby freeway, which was to be a road of national importance, and said it was prepared to put its money where its mouth was. Over the next few months the

Bracks Labor government continually moaned and groaned and said that no money was available and that no money had been put up by the federal government, despite its commitment.

In November last year the money to pay for its share, some \$40 million-odd, was put on the table by the federal government. Despite that, there was still no money from the Bracks Labor government. It was only in the last budget that money was allocated for the Scoresby freeway, which is a vital project. It is no longer just the Scoresby freeway but the Scoresby transport corridor. However, the money has been made available only in this year's budget, which will take a while to come to fruition.

I refer to some other particular items that this government has foisted on the people of Victoria. In the six months to December 2001 compared with 2000, there was a \$27 million or 12 per cent increase in taxes on insurance.

There has been a \$46.8 million or 8.9 per cent increase in motor vehicle taxes and \$37 million or 5.1 per cent in gaming revenue. In July 2002 Victorian families are going to pay \$1500 a year more in taxes since this government came to office. That is after allowing for the taxes which were replaced by the GST.

Land tax is up 66 per cent, from \$369 million to an estimated \$611.4 million. Insurance tax is up 49 per cent, from \$531.7 million to \$789.9 million. If you say it quickly this does not sound like a lot of money but we are talking big money here. Payroll tax is up 27 per cent from \$2131.9 million to \$2710.1 million. Large employers will pay an extra \$102 million, and you wonder why employment could be looking a bit shaky! Motor vehicle tax is up 17.4 per cent from \$895.2 million to \$1050.8 million. Police fines are up 240 per cent from \$99 million to \$336.7 million. But these fines are not revenue raisers, Mr Acting Speaker; they are there to save lives!

I will give you an example of how they save lives. One morning I was driving to Parliament. At about 10.30 a.m. I came off the off-ramp at Wellington Road and there were the police setting up a speed camera at the top of the off-ramp. They had four police cars ready to burst out and chase motor vehicles speeding down the Monash Freeway. If that was not a revenue-raising exercise I would be very disappointed! That was a situation where four police cars plus a couple of police manning the camera were simply sitting at the off-ramp to catch speeding motorists. I must say the road toll on that section of the Monash Freeway would not be excessive. There certainly have not been any mass road

accidents in which people were killed. This was purely and simply a revenue-raising exercise by the Victoria Police to apprehend motorists who may have been going over the 100 kilometre-an-hour speed limit on a three-lane highway. On that subject, there are expected to be more than 800 000 traffic tickets issued next year.

Gambling revenue has increased 31 per cent from \$1407.9 million to \$1893 million after adjustment for revenue through the GST. We have heard all about how we are going to pick up jobs in this state: 21 000 manufacturing jobs have been lost with the closure of Hugo Boss, Orica and Holeproof, just to quote a few.

The government has announced a number of projects. In some places they are reannounced projects that were previously promised. Construction has not started on one new major infrastructure project since this do-nothing government came to power.

I have mentioned the Knox hospital and Waverley Park, et cetera; now I would like to talk about education in my electorate. Rowville is probably the fastest growing area in the Knox electorate. Despite the fact that I asked the then minister in the previous government to investigate the possibility of the construction of a new or additional primary school — granted that the report was brought down in 2000; however it was flawed and I immediately asked the former minister to have this matter revisited — nothing has happened. In Rowville we have schools such as Heany Park Primary School, which was originally built to accommodate 450 students, with 812 students. Lysterfield Primary School, built to accommodate 450 students, has 625. Park Ridge Primary School, which was up to roughly 1000 students, has now dropped to 745. Karoo Primary School has grown to 622 students, and Rowville Primary School, once one of the largest schools in Victoria, has 739 students.

I am concerned that Heany Park and Lysterfield primary schools are bursting at the seams. Their sites are very small and the schools are exceeding their numbers quite dramatically. The government has been unable to come up with a report to determine whether a new site should be provided.

I wrote to the Minister for Planning only a few weeks ago advising her that a proposal had been put to the Waverley Golf Club for its removal and the development of its land for residential properties. Nothing has happened. I do not believe anyone in the education department has done anything about it. It is disappointing that despite this opportunity members of the department are apparently sitting on their hands. If

something is being done, no-one has had the courtesy to speak to me about the matter.

Wattlevue Primary School in my electorate has received an enormous boost of \$1.178 million. The disappointing part about it is that the parents of children at that school must find \$230 000 to complete the capital works. The area around Wattlevue is not a wealthy one but an area of battlers, yet they are expected to find this sort of money. I do not know where the minister's figures come from.

I have raised the question of the Mountain Gate Primary School before. It is a very good school with growing enrolments. Members of the school council came to see me because the school was below the necessary standards for facilities, particularly in relation to office accommodation. After raising the matter with the former Minister for Education I received a reply from her dated 21 November 2001 which states:

I am advised that the area of the existing permanent staff-administration facilities at Mountain Gate Primary School is actually over entitlement. The department's data indicates a total existing staff-administration area of 306 square metres against an entitlement of 273 square metres at the current enrolment level.

After some investigation I found that what they had done was measure every nook and cranny, every cupboard and every bit of coat space. The figures were fudged and the school will be revisited because it has been deprived of the essentials necessary to run a school of this type. Kent Park Primary School has been seeking additional funding for years and at long last it has been placed on the list for additional planning.

I have previously raised in the house a well-known case in relation to a disabled child who wants supervised bus transport — about which I have still not received a reply. I went to the former Minister for Education, who referred me to that magnificent pillar of integrity and genius, the Honourable Theo Theophanous in another place. I followed the matter up and was advised that on Friday of that week the letter would be signed and sent to me.

The following week Parliament was sitting, so members of my staff followed the matter up. They were told that the letter was not in the office of the former Minister for Education but had been referred to the Honourable Monica Gould, Minister for Education Services, as the person overseeing supervised bus transport. Inquiries to her office brought the advice that the matter had been referred to the current Minister for Education and Training. Her office then told me that the matter had again been referred to the Minister for

Education Services and, what do you know? I received a letter from her office — —

**Mr Baillieu** — This is turning Victoria around.

**Mr LUPTON** — Really going around. I received a letter from the Minister for Education Services saying that the application had been rejected. I then wrote to her to explain that some of the information provided to me by the parents of the disabled child was incorrect. Lo and behold I received — and bear in mind, Mr Acting Speaker, that I had written to the Minister for Education Services asking for clarification of the matter — a letter from the Minister for Education and Training advising me that the letter I had written to her — which was never written — had been referred to the Minister for Education Services because it was her portfolio. That shows the mentality of the Bracks government and the way it is running its business.

It is a bit like the other day, when the Minister for Planning read the wrong second-reading speech. Victoria is not going anywhere and nothing has improved.

**Mr Viney** interjected.

**Mr LUPTON** — I take up the interjection of the honourable member for Frankston East.

**The ACTING SPEAKER (Mr Plowman)** — Order! Interjections are disorderly and should be ignored by the honourable member for Knox.

**Mr LUPTON** — I would like to, but I am speaking on the budget. The budget pays for the bureaucrats who administer the offices of the ministers. The money that is spent should be closely examined. I have quoted two examples of things going off the rails.

I now turn to the situation of roads in the electorate of Knox. Rowville is a growing suburb that includes part of Wellington Road between Taylors Lane and Napoleon Road. This particular road is a two-lane highway. The morning peak starts at about 6.30 a.m. and goes through until about 9.30 a.m. Residents cannot get out of their neighbourhood areas because the traffic is bumper to bumper.

I wrote to the Minister for Transport requesting funding because it is estimated that the upgrading of this road will cost \$7 million. There is a proposal to develop a shopping centre in the area but it cannot be built until the road is duplicated. The shopping centre will create 550 jobs and bring ongoing employment. However, there is no money allocated to this project in the budget. Basically there is no money at all for roads in my area

despite it being bereft of any sort of good road system. Kelletts Road, Wellington Road and Napoleon Road are all two-lane highways which are crammed to capacity.

The budget has not looked after the eastern suburbs, particularly the electorate of Knox and the suburbs of Rowville, Ferntree Gully and Lysterfield. The Knox tram has been proposed, but that will not come to the City of Knox for a number of years. As I said, there is no money for any new works in my electorate. As the elected member for the area the budget is disappointing to me, but it will also be a disappointing budget for the people of Victoria when they sit down and analyse the fact that every family will pay \$1500 a year more in taxes. Despite the government saying it was not going to introduce any new taxes, every motorcyclist in the state will be slugged \$50 a year on some dream it believes may happen when it has done nothing of any real consequence or taken any progressive actions. It is a disgrace.

**Ms KOSKY** (Minister for Education and Training) — Obviously I rise to speak in favour of the Appropriation Bill. As was quite clearly stated when it was brought down last week, it really is an education budget. There is an added \$550 million in education and training initiatives, and that builds on the \$2.2 billion of additional funds that this government has put in due to its commitment to education and training in this state. That will mean an extra 925 teachers from this last budget, and that increase builds on the 3000 additional teachers and staff that we have put back into the system since we have been in office.

We are not putting those funds into education for extra teachers or to build new buildings but to make sure our teachers are the best that we can buy and that our schools are the best that we can build and so we make sure our educational outcomes are the best around Australia.

The government put in \$216 million to construct new schools and to modernise existing schools and TAFE facilities. We put in over \$43 million over a four-year period to further reduce class sizes from prep to year 2 in order to improve the standards of literacy and numeracy around the state, particularly in those early years where it matters the most. We also put in over \$34 million over a three-year period for 150 additional early years numeracy teachers to lift the mathematics and numeracy skills of our students so that in those early years we can be assured that they are getting the best education and, obviously, in later years they build on the education they have gained in those early years.

The government also put in over \$81 million for a new initiative, Access to Excellence, which acknowledges that some schools have to address more issues such as the socioeconomic status and language background of students than other schools. In order to deal with this the government has provided 300 additional secondary teachers for those schools that have higher than average absentee rates and lower than average of year 12 or equivalent completion in order to lower the student–teacher ratio in those schools so that students can gain more direct attention.

The government has also provided over \$84 million over a four-year period for a new middle-years reform package which will provide grants to primary and secondary schools to employ 70 teachers, but also to develop innovative solutions to keep students actively engaged in education in those important years — years 5 to 9. I will come back to this later if time permits.

Also, over \$47 million over four years has been provided to employ 120 extra teachers to assist in the statewide implementation of the new Victorian certificate of applied learning, a certificate that has been trialled this year and has been unbelievably successful. It sits alongside the Victorian certificate of education (VCE) and is aimed at those students who prefer to learn in an applied learning style rather than an academic style. It is part of the national training framework and is a credential that will be broadly recognised both educationally and also in the work force.

Of course the government cannot go it alone in terms of making sure that education and training is the best possible for the state. We need the support of the commonwealth government, and we need the support of other organisations in order to ensure that our students — from primary right through to higher education — are getting the best education that they can. Therefore I was disappointed, to say the least, when this afternoon there was an unfair attack in this house on a person who has a fantastic reputation in terms of making a major contribution to education and training, not only here in Victoria but across Australia and around the world.

I refer to the attack made by the honourable member for Warrandyte on Mr Charles Feeney, who is known as Chuck Feeney. I will refer to a couple of articles that have been read about this extraordinary man. He is well known around the world and has made major contributions to education, to health and to non-government organisations around the world. I refer to an article that was circulated to the press gallery and

which appeared in *Higher Education Ireland*, 8 February 2002. It is headed, ‘Mystery funder unveiled’ and states:

Mr Feeney has given away most of the fortune he made through duty-free shops. The University of Ulster, Queen’s University Belfast, Trinity College Dublin, Limerick [university] and University College Cork have previously benefited from the organisation’s help. Mr Feeney has also donated hundreds of thousands of dollars to Sinn Fein’s Washington office, and is reputed to have helped broker the IRA cease-fire of 1994.

The article goes on to say:

Higher education projects account for 63 per cent of the organisation’s charitable spend in 1998–2000 ...

Not only is Mr Feeney concerned about education around the world, he is also concerned about peace, having assisted in the Irish Republican Army (IRA) cease-fire of 1994. I would have thought that this was a man whom we should regard highly and not demean within this house.

The *Time* web site has an article dated 29 December 1997–5 January 1998, vol. 150 no. 28. It refers to Charles Feeney and states:

The recipients did not know why the gifts came, or how to ask for more. But still the money drizzled in, to universities and hospitals and service groups around the globe, paid in cashier’s cheques and accompanied only by word that the giver wished to remain anonymous. In January the shroud lifted, revealing a tale of such unsung goodness that some almost wished its secrecy had been preserved.

Charles F. Feeney, 66, a businessman from New Jersey, had during the past decade given away more than \$600 million through his two charitable foundations. At least \$3.5 billion more ... remains in the trusts’ coffers. Feeney’s beneficence already ranks among the grandest of any living American and may some day make him the most generous philanthropist of all time.

The only thing that astonished more than the size of Feeney’s largesse was his determination to keep it hidden.

The article continues:

For years *Forbes* magazine listed him as one of the 400 richest Americans, even though he has reportedly bled his wealth of all but \$5 million; Feeney abhors the list, but he let the fiction persist rather than betray his charity.

I refer to the same article, which indicates the commitments by program that have been provided from Mr Feeney’s philanthropic trust.

Between 1998 and 2000 higher education received 63 per cent of the grants, so \$832 million was provided to education across the world by this philanthropic trust. Health received 16 per cent, or \$215 million. The non-profit sector received \$152 million; pre-collegiate

education, \$98 million; ageing, \$26 million; and 'other', \$19 million.

So this man, who has given almost all his wealth to ensure that the world is well educated and the health of the world is looked after, was demeaned today in this house using parliamentary privilege.

A very important Australian who would be well known to all members of this house was referred to in an article on page 22 of the Saturday *Age* of 1 April as follows:

Ron Clarke was a great runner. Now he is leaping hurdles to get business to give to the community.

...

Mr Clarke announced this month that he was the Australian representative for one of the world's largest but formerly shyest private charitable funds, the multibillion dollar United States-based Atlantic Foundation and Trust, which is believed to have quietly distributed hundreds of millions of US dollars in donations around the globe from its inception in 1982 to when its cover was blown in the late 1990s.

Mr Clarke says that in his first 18 months of representing the foundation's Atlantic Philanthropic Services company to December 31 he has assisted in \$163 million of anonymous donations to Australian projects, including to medical researchers and disability support groups.

I raise this in the house with some concern, because this is a man who prefers to remain anonymous in contributing to many organisations around the world, including, indeed, Australia. But I have risen to my feet to speak about this man and his organisation in order to preserve his reputation, given that it has been attacked absolutely unfairly in this house.

I have to say that it has taken me probably all of 1 hour to gather this information — it is not hard to find — on the Internet. Did the honourable member for Warrandyte bother to find this information, or did he in fact know all of it and only choose to present some of it to this Parliament in order to make an outrageous attack on this man and on the Royal Melbourne Institute of Technology?

I call on the honourable member for Warrandyte to come into this house to apologise publicly to the people he has defamed today, because they do not deserve cheap shots. They have worked all of their lives to make sure that education is improved across the world, and for him to take cheap shots in this place just so he can get a 1-minute grab on the radio is demeaning and unfair to this house and certainly unfairly attacks the reputation of this organisation.

If the honourable member is unprepared to come into this house and make a public apology, I ask that the Leader of the Opposition asks him to do so, because I

am concerned that this will have an impact on the quality and reputation of education and training in this nation and in this state. I am sure that over the coming days I will not be the only person who complains bitterly about this attack. I am sure that people who have supported this philanthropic trust and are in admiration of this man will come to the opposition and ask for a withdrawal of the comments that have been made in this house. If the honourable member for Warrandyte does not come into this house and make those apologies, then he is a lesser person than I thought he was.

We can all make mistakes. Most of us are able to move through the Internet pretty quickly, but he obviously cannot. However, I will provide him with the Internet links so he can gain all the detailed information, some of which, I have to say, he handed out to the press gallery — although he just did not quote all of it in Parliament. He used this place to take cheap shots just because he is desperate for air time on the radio.

**Debate adjourned on motion of Mr SMITH (Glen Waverley).**

**Debate adjourned until next day.**

## STATE TAXATION LEGISLATION (FURTHER AMENDMENT) BILL

*Second reading*

**Debate resumed from 15 May; motion of Mr BRUMBY (Treasurer).**

**Mr CAMERON** (Minister for Local Government) — I would like to thank honourable members for putting their various views on the legislation. Certainly, Madam Deputy Speaker, you will appreciate that the government is looking forward to the passage of this legislation.

**The DEPUTY SPEAKER** — Order! As it is now 4 o'clock I have to interrupt business pursuant to the house's resolution of Tuesday, 14 May.

**Motion agreed to.**

**Read second time.**

*Remaining stages*

**Passed remaining stages.**

## PATHOLOGY SERVICES ACCREDITATION (AMENDMENT) BILL

### *Second reading*

**Mr THWAITES** (Minister for Health) — I move:

That this bill be now read a second time.

Pathology services are a vital part of Victoria's health system, not only for individual patient diagnosis but also for public health programs. Many of our public health programs rely on pathology tests, which must be of the highest standard. For example, cervical screening has been responsible for more than a 40 per cent drop in deaths from cervical cancer since its inception.

The people of Victoria must have confidence in the pathology system which underpins the program, the quality of which is also vital for patient diagnosis.

Advances in medical science are occurring at a very rapid pace. It is important that our pathology services not only remain at the cutting edge of quality control but that Victoria's regulation also remains at the cutting edge.

Pathology services in Victoria are regulated by both state and commonwealth governments. It is an offence to undertake pathology testing in Victoria without accreditation under the Pathology Services (Accreditation) Act 1984. The Commonwealth Health Insurance Act 1973 provides that a pathology test cannot be paid for by Medicare unless the pathology service is accredited under that act.

The purpose of this bill is to amend the Pathology Services (Accreditation) Act to enable the Pathology Services Accreditation Board to impose limitations or restrictions on the type of pathology testing that may be carried out by an accredited pathology service; and remedy certain identified anomalies in the act.

The recent series of events, publicised in the media, relating to a laboratory and the standard of testing undertaken by this laboratory and other laboratories, has exposed some significant deficiencies in the act. These deficiencies impair the ability of the board to act in a timely manner to ensure that public health is protected.

It is very important for the protection of public health in Victoria that the board is empowered to act quickly and decisively to impose limitations on a laboratory's accreditation. However, we are mindful that a wholesale review of the accreditation regime in Victoria is required, particularly in light of a broader

national review of pathology accreditation being undertaken by the commonwealth government. Notwithstanding any future review or new directions, it is important to ensure that immediate action can be taken by the board to protect public health.

This is as important for public health as the ability to withdraw a food product which is the cause of a food-poisoning outbreak.

The Pathology Services (Accreditation) Act 1984 currently provides for the accreditation of pathology services by the Pathology Services Accreditation Board in one of five categories specified by order in council. These categories mirror the categories adopted by the National Association of Testing Authorities and the Health Insurance Commission for their accreditation purposes in order to ensure consistency with commonwealth requirements.

The categories are:

**G (General)** — a pathology service consisting of a laboratory or group of laboratories at one location where tests in one or more divisions of pathology are performed and where there is direct full-time or equivalent professional and scientific accountability and supervision by a pathologist or scientist.

**B (Branch)** — a pathology service in which the range of pathology tests provided and the standard of the work is under the direction and control of a designated pathologist or scientist employed in an accredited category G service. The service must have an on-site scientist providing day-to-day supervision and an agreement with the category G service for direction and control and be either an integral part of the category G laboratory, except for its location, or part of a regional pathology service.

**M (Medical practitioner)** — a pathology service in which tests approved by the board are performed by or under the supervision of a registered medical practitioner only for patients of the medical practice in which the practitioner works.

**S (Specialised)** — a service which performs only a limited range of tests approved by the board where those tests are either conducted on a particular target population or are of a specialised nature and are performed under the supervision of a person having special qualifications and skills acceptable to the board in the field of those tests.

**U (Unspecified)** — services approved by the board which do not fall within any other category.

The various categories relate primarily to requirements for the supervision and control of a pathology service in that category rather than to the type of tests performed. The act and regulations do not currently attempt to specify the types of tests that may be carried out by an accredited pathology service.

Neither does the act provide the board with specific powers to place limitations or restrictions on the accreditation of a pathology service, for instance, to prevent the service from performing a particular type of test that services in that category are otherwise entitled to perform.

There is a regulation-making power in the act which enables regulations to specify tests or types of tests which may or may not be performed in particular categories of accredited pathology services. However, given the very diverse variety of tests that are performed in category G and B services, it is not feasible to prescribe the types of tests that may be performed in these services.

The bill empowers the board to impose limitations or restrictions on a pathology service in Victoria. The bill empowers the board to impose these limitations either at the time of an initial application for accreditation or at annual renewal of accreditation or at any other time during the accreditation period. The bill will allow limitations to be placed on the type of testing being conducted by services with both deemed and full accreditation under the act.

Both deemed and fully accredited services will then be subject to suspension or cancellation if any limitation or restriction is breached by the service. The performance of a pathology test outside the range specifically authorised by the terms of a laboratory's accreditation will be an offence.

These provisions will give the board power to limit the types of testing a pathology service can carry out.

The bill will thus achieve a better protection of the public health.

In addition, the bill contains a number of consequential amendments which give effect to the central provisions of the bill.

I commend this 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 one week.

**Mr DOYLE (Malvern) —** On the question of time, the Liberal opposition is delighted to agree with the government that this bill should have an adjournment period of only one week. I hasten to say that it does not see this as a precedent. The normal period of adjournment is, of course, two weeks, but for the sake of certainty and the peace of mind that we hope this bill will give a number of women who undergo these very important screening procedures, we think that a one-week adjournment is entirely appropriate.

**Motion agreed to and debate adjourned until Thursday, 23 May.**

## DOMESTIC BUILDING CONTRACTS (CONCILIATION AND DISPUTE RESOLUTION) BILL

*Second reading*

**Ms DELAHUNTY (Minister for Planning) — I move:**

That this bill be now read a second time.

Following the 11 September disaster in New York, the collapse of HIH and ensuing problems encountered obtaining satisfactory re-insurance and the insurance industry's move to reassess insured risks, insurers informed the government that they could no longer be certain of obtaining adequate re-insurance, and therefore of continuing to underwrite builders warranty insurance, if changes were not made to the statutory product before their re-insurance treaties were due to be renegotiated. The government acted promptly, with the New South Wales government, to negotiate a 10-point plan intended to avoid the prospect of a future decline in underwriting.

The ability of builders to obtain warranty insurance on behalf of consumers is critical to consumer protection. The compulsory insurance is designed to protect consumers where their builder has been unable to address defective or unfinished work.

Part of the 10-point plan involves changing the content of compulsory builders warranty insurance to make it feasible for insurers to remain in the builders warranty insurance market. High-rise residential developments of more than three storeys were made exempt from 10 April, and the monetary threshold for building work that must have insurance will be increased from \$5000 to \$12 000. The changes to the nature of the compulsory builders warranty insurance requirements will be effected by means of a new ministerial order to be made under section 135 of the Building Act.

The 10-point plan includes provision for a catastrophe fund to ensure that purchasers of high-rise dwellings were protected in the event of major structural faults. In Victoria there is compulsory professional indemnity insurance for all building practitioners, which is not the case in New South Wales. Discussions are continuing as to how best to integrate builders warranty catastrophe protection for high-rise in Victoria with professional indemnity insurance.

The other major response of this government to the insurance problem is to introduce a coordinated scheme, a building advisory service, designed to strengthen existing consumer protection measures and promote a better standard of building. This building advisory service builds on existing systems. It will consist of a coordinated inquiries, information, conciliation and dispute resolution system and will promote a one-stop shop approach to the handling of building inquiries, complaints and disputes, combining the resources and expertise of Consumer and Business Affairs Victoria and the Building Commission into one seamless service for consumers. The service will be funded by a new levy on building permits.

Consumers and builders will be able to access the new service by phoning a dedicated line. Consumer Affairs will handle many inquiries by phone and will also provide a suite of information products. Where the issue cannot be addressed by these means alone, Consumer Affairs will endeavour to resolve disputes by a dedicated conciliation team. If a dispute cannot be resolved and relates to technical issues, Consumer Affairs may refer the dispute to technical experts overseen by the Building Commission to conduct an on-site examination of the disputed domestic building work. Builders who do not rectify work judged by a technical expert to be defective or substandard may face disciplinary action by the Building Practitioners Board.

Some of the features of the new service cannot be satisfactorily delivered under the current legislation. Accordingly, this bill makes a small series of amendments to the Domestic Building Contracts Act 1995, the Building Act 1993 and the Victorian Civil and Administrative Tribunal Act 1998.

Part 2 of the bill introduces amendments to the Domestic Building Contracts Act 1995 to give the Director of Consumer Affairs a new conciliation power; to expand the scope of technical inspections by Building Commission-appointed inspectors; to specify certain requirements for reports prepared by the building practitioner inspectors; and to enable the

Director of Consumer Affairs to exchange information with the Building Commission.

Part 3 of the bill introduces amendments to the Building Act 1993. These amendments provide for the ministerial order in relation to required insurance to be amended from time to time; make failure to carry out the recommendations of an inspector's report a ground for disciplinary action against a registered building practitioner; make provision for an increase from 1 July 2002 in the building levy payable in respect of building permits, to provide funds for the new building advisory service; and enable reports prepared under the Domestic Building Contracts Act to be used as evidence in proceedings under the Building Act and regulations.

Part 4 of the bill makes an amendment to the Victorian Civil and Administrative Tribunal Act 1998 to enable the tribunal to request either the Director of Consumer Affairs or the Building Commission to provide the tribunal with information in relation to a domestic building dispute.

The scheme introduced by the bill will facilitate prompt resolution of domestic building disputes.

I commend the bill to the house.

**Debate adjourned on motion of Mr BAILLIEU (Hawthorn).**

**Debate adjourned until Thursday, 30 May.**

## **BUSINESS LICENSING LEGISLATION (AMENDMENT) BILL**

*Second reading*

**Ms CAMPBELL** (Minister for Consumer Affairs) — I move:

That this bill be now read a second time.

The bill amends the Associations Incorporation Act 1981, the Business Names Act 1962, the Estate Agents Act 1980, the Motor Car Traders Act 1986 and the Travel Agents Act 1986 to enable transactions under each act to be delivered online via the Internet. The bill also proposes a number of further amendments necessary for the efficient operation of each act.

The ability to transact business with government online will deliver improved services to business, to associations and their members and to consumers. It will result in increased convenience and improved efficiency, particularly for rural and regional businesses

and consumers. Over time, most licence applications and renewals, applications for the registration of a business name or applications to form an incorporated association will be able to be made online. Changes to registered details, lodgment of an association's annual statement and lodgment of an auditor's report will also be able to be conducted online. Consumers will be able to identify the proprietors of a business they are dealing with, or to satisfy themselves that a person holds the appropriate licence, by conducting an online search of a public register. Online transactions will be quick and convenient.

Although the Electronic Transactions (Victoria) Act 2000 enables documents lodged electronically via the Internet to be authenticated by use of an electronic signature or other agreed method, specific amendments to each act are required to remove other impediments to conducting business under the legislation online.

The bill will remove existing requirements that a document lodged with Consumer and Business Affairs Victoria or the Business Licensing Authority be signed by more than one person and existing requirements that a document be accompanied by a statutory declaration.

Steps will be taken to ensure that business risks are not increased by these changes. For example, online transactions will be verified by use of a 'pass code' issued to the person authorised to conduct the transaction on behalf of a business. Where changes are made to registered details in relation to a business name, Consumer and Business Affairs Victoria will confirm the changes with the business owners by letter.

The bill also makes significant changes in relation to the public registers established by each act. The public registers play a vital role in consumer protection by enabling a consumer to access information about a person with whom they are doing, or proposing to do, business.

The bill will insert a purpose for each register and will clarify the contents of each register. These changes will enable both consumers and business to know what information is publicly accessible via the register and will assist with meeting privacy obligations in relation to personal information.

The bill also inserts provisions that will enable a person to apply to have public access to their personal information held on a register restricted where there are exceptional circumstances. These provisions will, for example, allow a person to apply to have public access to their residential address restricted in circumstances

where the release of this information may jeopardise a person's safety.

The bill will also make a number of other amendments necessary for the efficient administration of each act.

For example, the bill will make a number of amendments to the Associations Incorporation Act 1981. Significantly, the bill will:

enable small associations to appoint an unregistered liquidator to oversee a voluntary winding up; and

allow an association to apply to the registrar for approval to adopt an alternative process for alteration of the association's rules.

The Business Licensing Authority Act 1998 is amended to enable the authority to delegate many of the routine decisions it makes on a day-to-day basis.

Consultation with consumer and industry groups indicates widespread support for the online services that will be facilitated by this bill

I commend the bill to the house.

**Debate adjourned on motion of Ms BURKE (Pahran).**

**Debate adjourned until Thursday, 30 May.**

## CORRECTIONS (INTERSTATE LEAVE OF ABSENCE) BILL

### *Second reading*

**Mr HAERMEYER (Minister for Corrections)** — I move:

That this bill be now read a second time.

This bill enhances the operation of the criminal justice system. It builds on the government's commitment to creating a safer community and to the development of a corrections program which constructively and humanely enforces orders of the courts and assists the rehabilitation and reintegration of prisoners.

For technical reasons concerning the complementarity of jurisdictions' laws, it is not currently possible to grant Victorian prisoners leave for temporary attendances interstate in spite of the provisions in the Corrections Act purportedly for that purpose. This means that even if the corrections authorities have no concerns about granting a prisoner temporary leave, the prisoner cannot travel interstate for a family member's funeral, cannot travel interstate to visit a person who is seriously ill, cannot travel interstate for urgent medical

care. In short, the prisoner cannot travel interstate for any compassionate purpose. This bill addresses that problem.

The bill also enables the recognition of special kinship and family obligations of Aboriginal prisoners and the need to support attendance at funeral services, burials, and other occasions of special family significance in line with recommendation 171 of the Royal Commission into Aboriginal Deaths in Custody.

The bill recognises the government's commitment to enhancing community safety. It will ensure that Victorian prisoners travelling interstate on leave remain in lawful custody. In almost all cases, prisoners travelling interstate will be escorted. In appropriate circumstances, however, this requirement need not apply.

The safety of the community is further protected by this scheme as it enables prisoners from other states on leave in Victoria to be apprehended and returned to their state of origin if they fail to return or fail to comply with conditions of the permit. Victorian prisoners who escape whilst on leave interstate may be apprehended under the provisions in the interstate legislation and returned to Victoria.

The vast majority of current prisoners from other states held in Victorian prisons are from NSW. It is important that the current technical problems concerning the need for substantial correspondence between Victoria's and NSW's laws, which have prevented the operation of the scheme in NSW, are overcome, provided that it does not compromise the safety and security of the prisoner or the community. The amendments in this bill will overcome the technical problems whilst at the same time maintaining the safety and security of the prisoner and the community.

It is also expected that the scheme will operate effectively in most other jurisdictions.

On balance, the criminal justice system will operate more effectively and compassionately as a result of this legislation. It is a small but significant measure in addressing the needs of prisoners, whilst being ever-mindful of the primary consideration of community safety.

I commend the bill to the house.

**Debate adjourned on motion of Mr WELLS (Wantirna).**

**Debate adjourned until Thursday, 30 May.**

## NATIONAL PARKS (MARINE NATIONAL PARKS AND MARINE SANCTUARIES) BILL (No. 2)

### *Second reading*

**Ms GARBUTT** (Minister for Environment and Conservation) — I move:

That this bill be now read a second time.

The National Parks (Marine National Parks and Marine Sanctuaries) Bill (No. 2) will establish a world-class system of marine national parks and marine sanctuaries for Victoria and, in doing so, will implement one of the government's key environmental policy commitments. It will also contribute to the nationally agreed objective of establishing a comprehensive system of protected areas representative of Australia's biological diversity.

Thirteen marine national parks and eleven marine sanctuaries will be created. They will protect representative samples of Victoria's beautiful, distinctive and diverse underwater environments. Rocky reefs and sandy beaches, spectacular limestone canyons and plunging granite slopes, intertidal mudflats and tidal channels, waters exposed to the full force of the Southern Ocean and the more sheltered waters of bays and inlets will all be represented. So, too, will towering kelp forests and seagrass meadows, mangroves and salt marsh, and an extraordinary variety of fish, corals, sponges and other animals of many colours and shapes, from tiny organisms to large sea mammals such as visiting whales, dolphins and seals. Visitors will be encouraged to enjoy, appreciate and learn about this magnificent marine heritage.

The no-take marine national parks and sanctuaries will cover some 54 000 hectares, or 5.3 per cent, of Victoria's marine waters. By way of comparison, it is useful to place this area in a broader national context. For example:

    fishing is prohibited in zones covering some 1.7 million hectares (or 4.7 per cent) of the Great Barrier Reef Marine Park;

    in Western Australia, there are substantial areas of no-take sanctuary zones in Shark Bay and Ningaloo Reef marine parks, and the whole of the 132 000-hectare Hamelin Pool Marine Nature Reserve is a no-take marine reserve; and

    no-take areas have also been established in New South Wales and Tasmania.

### Concern for the whole marine environment

The subject of marine national parks has generated much public interest and debate. I acknowledge the divergent views on the matter, often strongly held, which have contributed to that debate, both inside and outside Parliament. However, what is apparent is that, regardless of the position taken on marine national parks, there is a common interest in ensuring better protection and management of our precious marine environment.

The government shares that concern, which is reflected in its commitment to sustainable management of the whole of the marine and coastal environment. The government is committed to tackling the external threats to our marine environment. For example:

it has produced a new Victorian coastal strategy which contains a range of initiatives and commitments relating to protecting and improving the condition of our coastal, marine and estuarine environments and reducing adverse impacts on them;

it is revising the state environment protection policy for the waters of Victoria to ensure that there is a clear framework for the protection and, where necessary, rehabilitation of Victoria's aquatic environments for the next 10 years;

it is increasing the focus on managing the impacts on coastal waters caused by activities in the catchments;

it is implementing a stormwater action program to minimise the impact of stormwater discharges on aquatic environments;

it has recently released the Port Phillip Bay environment management plan, which focuses on the management of nutrients entering the bay and marine pests;

more broadly, the government is implementing a strategy that aims to prevent the introduction of marine pests, which includes improving the management of ship ballast water and ensuring a rapid and effective response in the event that an introduction does occur;

it has produced the state environment protection policy for the waters of Western Port and its catchment, with the aim of protecting and rehabilitating Western Port; and

it is undertaking a major program to improve the condition of the Gippsland Lakes with a focus on reducing nutrient inputs.

The government is also committed to ensuring that our important fisheries are managed on an ecologically sustainable basis. It has shifted the rock lobster industry onto a quota management system, it has recently released an approved management plan for the Victorian abalone fishery, and it is currently initiating management planning processes for the rock lobster, giant crab, and bay and inlet fisheries.

Nonetheless, the government also recognises that Victoria's marine environment is special and that it is entirely appropriate to protect representative samples of this natural legacy in a system of highly protected marine national parks at the same time as implementing measures to ensure the sustainability of the whole of the marine environment.

### Development of the bill

The system of marine national parks and sanctuaries included in the bill is the result of more than 10 years of detailed investigation, extensive public consultation and ongoing debate. It has its genesis in the special investigation into marine, estuarine and coastal environments which the former Land Conservation Council (LCC) commenced in 1991 and which the former Environment Conservation Council (ECC) continued, presenting its final report in 2000. During that time, there were six periods of formal public consultation generating 4500 submissions, as well as numerous meetings and discussions with a wide range of community and industry groups. I take this opportunity to thank the former members of the LCC and the ECC and their staff for all the work they carried out so diligently.

Following receipt of the ECC's final report, the government subsequently embarked on a period of extensive consultation with many stakeholder groups before introducing a bill into Parliament in May 2001. Although the bill was subsequently withdrawn when it became obvious that it would not be supported by the Liberal opposition, the government has continued to pursue its goal of establishing a world-class system of marine national parks.

The government has listened to the concerns which were raised in the community regarding the 2001 proposals and has endeavoured to address those concerns in the development of its 2002 proposals.

The government released a proposals paper on 26 March 2002 which broadly flagged the

government's intention to reintroduce a bill to create marine national parks. Following this, the government then released a draft bill on 10 April for a period of public comment. The government has since consulted with key stakeholders and negotiated with the Liberal opposition over the proposals and, in the light of those consultations and negotiations, has further modified the proposals to produce the bill which is now before the house.

### **Helping the fishing industry to adjust**

In deciding to establish a system of no-take marine national parks and sanctuaries, and in developing the bill, the government has been mindful of the potential impacts on the commercial fishing industry and associated communities. It recognises the need to provide measures to assist the industry to adjust to the introduction of the marine national parks. It has also listened to the concerns raised over the 2001 bill.

Consequently, the draft bill released in April 2002:

- retained the 2001 proposal to delay the prohibition on fishing in some of the marine national parks and a marine sanctuary (until 1 April 2004);

- included a compensation scheme in the legislation for eligible rock lobster and other specified fishery licence-holders;

- included an independent compensation assessment and appeals process involving a compensation assessment panel and a compensation appeals tribunal;

- extended the compensation scheme to cover specified increased operating costs, as well as reduced catch, that can be reasonably attributed to the fishing prohibition applying to the marine national parks and four (instead of one) marine sanctuaries; and

- excluded any provision to amend section 85 of the Constitution Act 1975 in relation to the jurisdiction of the Supreme Court.

Following the subsequent consultations with key stakeholders and the negotiations with the Liberal opposition, further amendments were made and are reflected in the current bill. Of particular note are the following changes and additions to the draft bill:

- the boundaries of Discovery Bay, Twelve Apostles, Port Phillip Heads, Corner Inlet and Cape Howe Marine National Parks have been amended to reduce the impacts of the parks on the commercial and

- recreational fishing sectors and fishing charter boat operators, and a boundary to Ricketts Point Marine Sanctuary has been agreed;

- the period for compensation for reduced catch for eligible fin fish and other specified fishery licence holders has been extended from one to three years;

- the basis for calculating the compensation to be paid to eligible fishery licence holders for reduced catch has been clarified;

- provision has been made to compensate eligible fishing charter boat operators for increased operating costs which can be reasonably attributed to the marine national parks;

- there is a provision for interim payments to be made to those eligible fishery licence holders and charter boat operators who can demonstrate financial hardship;

- a provision has been included to enable boats carrying priority species (notably rock lobster and abalone) to stop in Point Hicks Marine National Park; and

- a requirement to prepare reports on the condition of specified fisheries and to table them in Parliament has been included.

The government will provide a once-off rebate of up to \$1000 for eligible rock lobster and other specified fishery licence holders and eligible charter boat operators who seek professional advice in relation to the applications which they may wish to make under the compensation scheme.

The government remains firmly committed to significantly increased fisheries enforcement and compliance measures. These will particularly benefit the abalone sector. It therefore reaffirms its commitment in the 2001–02 state budget to providing an additional \$14.3 million over four years and \$3.4 million each year thereafter. This will enable:

- twenty-one new regional field-based fisheries officers to be appointed to achieve an enhanced level of compliance, particularly in relation to abalone theft;

- three strategically located regional investigations officers to be appointed to plan coordinated major, intelligence-based, joint-agency enforcement operations;

the special investigations group to be expanded to include three additional intelligence analysts and investigators to concentrate on illegal abalone activities;

a permanent fisheries station to be established between Geelong and Warrnambool; and

a new fisheries patrol vessel to be purchased to strengthen the at-sea compliance capacity on the Gippsland coast.

The government will work closely with the seafood industry to ensure that this increased enforcement effort is effective and targets the illegal take of priority species.

The additional fisheries enforcement effort will be complemented by 18 new positions for on-ground management and planning of the marine national parks and sanctuaries. These will be located in centres along the Victorian coast from Portland to Mallacoota. An agreement between the Department of Natural Resources and Environment and Parks Victoria will ensure that there is a complementary enforcement effort across the marine environment.

The government has also initiated discussions with New South Wales over complementary enforcement measures which could be put in place on the state border. These, together with the strong enforcement provision included in the bill in relation to Cape Howe Marine National Park, will help to reduce abalone poaching in that vicinity.

The government also reaffirms its previous budget commitment to provide the abalone industry with scientific and technical support to help identify and survey areas of currently under-utilised resource that can help to replace the existing fishing grounds within the parks and sanctuaries.

### **Other assistance**

The government anticipates that, following the introduction of marine national parks, commercial fishers will be able to adjust their fishing operations to take account of the new circumstances. As previously mentioned, the legislation includes a statutory compensation scheme to assist the holders of specified commercial fishery licences as they adjust their fishing operations to areas outside the marine national parks and marine sanctuaries.

It is important to remember that, quite apart from the statutory compensation scheme established in the legislation, there is a variety of government enterprise

improvement, regional assistance and employment programs available through the Department of Innovation, Industry and Regional Development. Should they be required, these programs are available to provide assistance to businesses to help them to adjust to the introduction of the marine national parks, as well as offer support to affected workers in obtaining alternative employment.

Fishing charter boat operators, which are also included in the statutory compensation scheme, are involved in carrying passengers for hire and reward on a vessel for recreational fishing. While those operators will be able to visit alternative areas to fish following the introduction of marine national parks, the government will provide access to programs to facilitate their adjustment to the parks, should it be required.

The regional network of the Department of Innovation, Industry and Regional Development is available to provide information to businesses, communities and individuals and to work in partnership with them to access assistance programs that will help them to adjust to the introduction of marine national parks, if required. These regionally based staff will be able to monitor local circumstances, and if exceptional cases emerge, the government will ensure that they will be considered quickly and a decision made on whether a specific assistance program is warranted beyond the scope of standard assistance programs.

### **Recreational fishing**

The government continues to strongly support recreational fishing along the coast, and it has demonstrated this commitment in several ways. For example:

in the 2000–01 financial year, over half of the 208 commercial fishing licences in bays and inlets were bought back at a cost of almost \$8 million, and commercial fishing has now ceased in Andersons, Shallow and Tamboon inlets;

in January 2002, the government announced funding of \$1 million to improve recreational boating facilities to help make Victorian waters safer and more accessible for boat users — many of these projects involved constructing or improving jetties and boat ramps at various coastal localities, including Limeburners Point in Corio Bay, Altona, Werribee South, Patterson River, Safety Beach, Stony Point, Warneet South, Tooradin, Corinella foreshore, Marlo and Cape Conran.

The government has taken into account the potential impacts of the marine national parks on recreational

fishing. As a result of the consultations and negotiations which have occurred since the government's 2002 proposals were released, the following boundary changes in particular will benefit recreational anglers:

Discovery Bay Marine National Park now excludes an extensive length of coastline;

Port Phillip Heads Marine National Park excludes a 300-metre wide passage between the Swan Bay jetty and the entrance to Swan Bay, and part of Lonsdale Bay;

the boundary of the marine sanctuary at Ricketts Point has been drawn to exclude an area near Quiet Corner.

However, it is important to remember that, in the overall context:

nearly 95 per cent of Victoria's marine waters remain available for recreational fishing, including 98 per cent of Port Phillip Bay, 94 per cent of Western Port and most of Corner Inlet; no other inlet and none of the Gippsland Lakes are affected;

not one pier, jetty, wharf or breakwater is included in any marine national park or sanctuary; and

very few popular recreational fishing locations will be affected — of more than 300 coastal fishing locations identified in the 2001 Victorian fishing atlas, only 15 are located in marine national parks and sanctuaries.

### **The bill**

I now turn to specific aspects of the bill.

Part 1 states that the National Parks (Marine National Parks and Marine Sanctuaries) Act 2002 will come into operation on 16 November 2002. All 13 marine national parks and 11 marine sanctuaries will be established on that day.

Part 2 amends the National Parks Act 1975 to create the marine national parks and marine sanctuaries, provide an appropriate management and enforcement framework, and prohibit certain activities, including fishing. However, fishing will be allowed to continue until 1 April 2004 in Discovery Bay, Twelve Apostles, Corner Inlet and Cape Howe Marine National Parks and in that part of Point Cooke Marine Sanctuary where fishing is not already prohibited.

The descriptions of the marine national parks and marine sanctuaries are included in schedule 1 and refer, in the standard manner, to plans lodged in the central

plan office of the Department of Natural Resources and Environment.

Most of the marine national parks will incorporate parts of national or other parks already established under the National Parks Act. Clause 20 technically excises areas from the existing parks to the extent that there is overlap with the new marine national parks and sanctuaries. This is justified because the land is merely being transferred from one category of park to another under the National Parks Act, and the protection being afforded to the areas is not diminished. The National Parks Advisory Council has advised that it does not oppose such excisions.

An important aspect of the bill is to ensure that fish, as well as other fauna, in marine national parks and sanctuaries are fully protected after the fishing prohibition applies. Clause 16 inserts new sections into the National Parks Act to ensure that there are appropriate offences, penalties and powers to deal with illegal fishing activity and encourage a high level of compliance, particularly in connection with the high-value commercial species, abalone and rock lobster, that require a significant level of enforcement to prevent their illegal take.

Because of the inherent difficulties in detecting fisheries offences committed underwater, clause 16 inserts section 45A(5) in the National Parks Act to create the offence to possess priority species on a boat in a marine national park or marine sanctuary. However, it will be a defence to be travelling through the park or sanctuary by the shortest practicable route. In addition, no-one would be prosecuted if they were legitimately securing the safety of the vessel in a marine national park or marine sanctuary due to stress of weather. Section 45B enables a boat carrying priority species to stop in Point Hicks Marine National Park, notwithstanding section 45A(5).

The new offence provisions in the National Parks Act are in addition to various offence provisions in the Fisheries Act 1995 that might also apply in marine national parks and marine sanctuaries. The insertion of section 45C in the National Parks Act, which applies various enforcement and evidentiary powers in the Fisheries Act to fisheries offences under the National Parks Act, will also ensure that there is a common enforcement regime applying to fisheries offences across all marine waters, regardless of which act they are committed under.

Part 2 and part 4 (which amends the Extractive Industries Development Act 1995 and the Mineral Resources Development Act 1990) will prohibit

mineral exploration and mining, and the searching for and extraction of stone in the marine national parks and sanctuaries. Part 2 — clauses 11 and 12 — will also prohibit petroleum extraction and prohibit petroleum exploration and new pipelines and sea-floor cables except in specified circumstances. Petroleum exploration may only be permitted in a marine national park or sanctuary if it does not have a detrimental effect on the sea floor or flora or fauna of the park.

Part 3 of the bill establishes the statutory compensation scheme for rock lobster and other specified fishery licence holders in relation to reduced catch and increased specified fishing operating costs and for eligible charter boat operators in relation to increased specified operating costs. Part 3 also establishes an assessment and appeals process involving a compensation assessment panel and a compensation appeals tribunal, and includes provision for interim payments to be made to eligible applicants in cases of financial hardship.

Part 5 revokes the fisheries and wildlife reserves specified in schedules 2 and 3 respectively.

### Conclusion

The introduction of this bill into Parliament in 2002 reinforces the government's commitment to establishing a world-class system of marine national parks and marine sanctuaries in Victoria. However, the introduction of the bill reflects not only the government's long-held commitment to the creation of marine national parks. It also reflects a groundswell of community support for the establishment of marine national parks. I would therefore like to take this opportunity to thank all those who have supported and encouraged the government's actions, particularly those who have held on to the ideal of establishing marine national parks in Victoria through what has been a very long process.

I also wish to thank all those in the community who have contributed to the lengthy debate, regardless of their particular point of view. As I have previously mentioned, the government has listened and it shares the common concern for the marine environment which runs through the divergent viewpoints.

The government has also listened to the arguments of those who claim that they will be affected by the proposals and, as should be abundantly clear, it has framed its response to take those views into account. In this regard, I thank the representatives of the Liberal opposition who have worked in good faith through the issues with the government in the last few weeks to

arrive at a position which it would appear that both major parties now support.

The creation of this magnificent system of marine national parks and marine sanctuaries will be a major achievement for Victoria and a leading example for marine conservation worldwide. It will be a system in which all Victorians can take pride and will be a splendid legacy for future generations.

I commend the bill to the house.

**Debate adjourned on motion of Mr PERTON (Doncaster).**

**Ms GARBUTT** (Minister for Environment and Conservation) — I move:

That the debate be adjourned until Thursday, 30 May.

**Mr PERTON** (Doncaster) — On the question of time, Madam Deputy Speaker, the presence of many people in the gallery today is to some extent an indication of the interest that the community is taking in this legislation. The consultation period has gone on for almost 10 years and literally thousands of people have been involved in the consultation from the environment movement, from commercial fisheries and from recreational fishing groups. Indeed many members of the Liberal Party who represent communities in coastal electorates have worked very hard on the consultation and the resultant principles that — —

**The DEPUTY SPEAKER** — Order! The honourable member for Doncaster is speaking on the issue of time!

**Mr PERTON** — The adjournment period moved by the minister is two weeks, and within that time we will examine the legislation to make sure that it complies with the principles that have been agreed. Joining with the minister and the comments she made in the second-reading speech, I note that there has been a great deal of consultation and great deal of hard work. I also thank the minister and her officers for the work they have done.

**Motion agreed to and debate adjourned until Thursday, 30 May.**

## UTILITY METERS (METROLOGICAL CONTROLS) BILL

*Second reading*

**Mr BRUMBY** (Treasurer) — I move:

That this bill be now read a second time.

The purpose of the Utility Meters (Metrological Controls) Bill is to extend the operation of current trade measurement laws to utility meters which are used to measure quantities of reticulated electricity, gas or water.

In 1990, all states and territories except Western Australia agreed to the adoption of uniform trade measurement legislation (UTML). UTML was designed to ensure that transactions involving quantifiable measures are conducted accurately and consistently across all states and territories. The incentive for UTML was to promote commercial certainty and bring about a reduction in business costs and greater efficiency in the trade measurement industry that services the marketplace and that the confidence of consumers in the market should be maintained through suitable protection provisions.

The Victorian Trade Measurement Act 1995, along with the Trade Measurement (Administration) Act 1995, forms the basis of Victoria's UTML commitments.

Some trade transactions however (and the measuring instruments employed in making them) have been exempted from UTML through section 6 of the Trade Measurement Act. Among the exempted items are utility meters used to measure the consumption of reticulated electricity, gas and water.

The utility meter exemption was agreed at a time when utilities were publicly owned. Since the 1990s however, privatisation and corporatisation of utilities in Victoria means that direct government control no longer applies.

While the commonwealth regulates the design of utility meters (under the National Measurement Amendment (Utility Meters) Act 1999) to ensure their initial accuracy, responsibility for ensuring ongoing accuracy once meters have been installed rests with states and territories.

This bill will ensure that utility meters will be subject to the same regulatory framework and scrutiny that currently applies to other measuring instruments under Victorian trade measurement legislation. Effectively this means that those utility companies responsible for meter accuracy will now be subject to oversight by Trade Measurement Victoria inspectors and licensees.

The bill provides for separate commencement in respect to each of the utility sectors (gas, electricity and water) and will ensure a consistent and systematic approach to ensuring utility meter accuracy that will enhance both business and consumer confidence in

relation to the ability of utility providers to accurately measure consumption.

I will now deal briefly with the main provisions of the Utility Meters (Metrological Controls) Bill.

Part 1 of the bill deals with definitional matters and explains what is meant by use of a utility meter 'for trade'. Consistent with the Trade Measurement Act 1995 the bill binds the Crown.

Part 2 of the bill is concerned with the administration of the act, and the functions and powers of the administering authority.

Part 3 of the bill deals with the use of a utility meter for trade. It prohibits the use of a utility meter unless the utility meter bears an inspector's or licensee's mark. The bill will create the offences of supplying, installing or using for trade a utility meter that is incorrect or not of an approved pattern, or causing a utility meter that is in use for trade to give an incorrect reading.

Part 4 of the bill relates to reverification and certification of utility meters. Servicing companies may be licensed to certify the accuracy of utility meters. The requirements for reverification and certification of a utility meter are that it must operate within the appropriate limits of error that may be tolerated under the National Measurement Act, be of an approved pattern, and meet the requirements of the National Measurement Act for metric graduations. Part 4 also makes it the responsibility of the administering authority to arrange for the reverification and certification of utility meters that are in use for trade.

Part 5 of the bill relates to licensing. A person who certifies a utility meter is required to hold a servicing licence or be the employee of a licensee. Individual service personnel will not be licensed but the licensing authority is able to exclude dishonest or incompetent personnel from the industry by issuing an order that they may not be employed to certify utility meters. The bill makes provision for disciplinary action to be taken against licensees in certain circumstances and outlines an appeals procedure.

Part 6 of the bill sets out the powers of inspectors in relation to search, entry, inspection and seizure of instruments and records. The powers are almost identical to those under the current Trade Measurement Act 1995. Inspectors may at any reasonable time enter and search a building or a place for the purpose of investigating an offence against the act or the regulations. The bill proposes that an inspector is not entitled to enter a part of premises used for residential purposes, except with the consent of the occupier or

under the authority of a search warrant. In addition, part 6 provides for an increase by five times the maximum penalty for any offence committed by a body corporate and makes the director of a body corporate guilty of the same offence committed by the body corporate if the director knowingly authorised or permitted the offence.

Part 7 of the bill is concerned with general matters. Under current arrangements, some utility service providers operate in accordance with codes of conduct forming part of their contract with the Essential Services Commission. The bill provides that the administering authority may adopt and approve a code of conduct which applies in respect of utility meters used for trade in an industry and is in force on the relevant prescribed date for the industry. Part 7 also makes provision for the Governor in Council to make regulations for or with respect to any matter or thing required or permitted by the act.

Part 8 of the bill relates to consequential amendments. This part essentially places a limit on the power of an authority to make by-laws under the Water Act 1989 which are inconsistent with the Utility Meters (Metrological Controls) Act 2002.

In conclusion, the bill will provide for a consistent and systematic regulatory framework for ensuring the accuracy of utility meters used for trade, and is consistent with current Victorian trade measurement legislation.

I commend the bill to the house.

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

**Debate adjourned until Thursday, 30 May.**

## LIQUOR CONTROL REFORM (PACKAGED LIQUOR LICENCES) BILL

*Second reading*

**Mr BRUMBY** (Minister for State and Regional Development) — I move:

That this bill be now read a second time.

The purpose of the bill is to amend the Liquor Control Reform Act 1998 ('the act') to ensure that Victoria's liquor licensing framework promotes the responsible retailing of liquor and a diverse industry with a strong and vibrant small business presence.

Before detailing the key provisions of the bill, I wish to briefly outline the broader context within which the amendments are being proposed.

As a result of a national competition policy (NCP) legislative review in 1998, the previous government abolished the 8 per cent limit on general licences, which restricted a person or corporation from holding more than 8 per cent of the total number of licences on issue. It also removed the needs-based criteria in relation to packaged liquor licences. This has resulted in a significant increase in the number of packaged liquor licences being approved. Today there are more than 1370 packaged liquor licences in Victoria, with over 80 per cent operated by independents.

In response to a National Competition Council report in July 1999 that Victoria was in breach of NCP commitments, the government in 2000 undertook a further review of the act's 8 per cent limit on packaged liquor licence holdings. The review was highly consultative, involving two rounds of public consultation and a series of public forums across Victoria.

The key finding of the review was that the 8 per cent rule was becoming ineffective over time in promoting industry diversity, due to the growth in the overall number of licences arising from the 1998 reforms and the changing nature of liquor retailing. As a result, the review found that new strategies were required to ensure that small businesses continued to have a strong presence in the liquor market.

In January 2001 the government announced that the 8 per cent rule would be phased out from the end of 2003 or earlier if an industry and government agreement was reached. As promised, the government introduced legislation to close the known loopholes that were being used to circumvent the 8 per cent rule. The government made a commitment at the time that it would work closely with the industry to develop future arrangements that ensured Victorians continued to enjoy a genuinely competitive, diverse and vibrant packaged liquor market.

Since then, the Liquor Stores Association of Victoria, Master Grocers Association of Victoria, Coles Myer and Woolworths have been working towards an agreement for the future of the packaged liquor industry. Combined, they represent two-thirds of the packaged liquor licence holders. The discussions, while challenging, were motivated by a recognition by all the industry parties that the current arrangements were not sustainable. In March 2002 the industry parties reached an in-principle understanding on the core elements of

an agreement. The government is pleased that the industry has now been able to reach a final agreement, which will deliver benefits to small liquor retailers.

The bill implements the legislative aspects of the industry agreement. A major non-legislative initiative under the agreement is the creation of a \$3 million packaged liquor industry development trust fund, which will see the two majors, Coles Myer and Woolworths, contribute \$1.5 million each. This fund will enable small liquor retailers to have access to the right advice and support to help them become more competitive.

**An honourable member** interjected.

**Mr BRUMBY** — Because I am looking at the honourable member for Murray Valley, and I know he wants to go home on a Thursday afternoon!

*Honourable members interjecting.*

**Mr BRUMBY** — I am reading the speech as fast as I can, but this is an important piece of legislation!

**An honourable member** interjected.

**Mr BRUMBY** — The Calder Highway would be all right if we got matching commonwealth funding.

*Honourable members interjecting.*

**Mr BRUMBY** — I now turn to the details of the bill. It essentially seeks to achieve three outcomes:

genuine community involvement in the licence application process;

the responsible sale of packaged liquor; and

a diverse and vibrant industry.

The community is entitled to have a genuine opportunity to scrutinise packaged liquor licence applications. While the act currently permits a person to object to an application on the grounds of amenity, it does not define the concept. Clause 5 of the bill provides a comprehensive but non-exhaustive definition of amenity. The bill defines the amenity of an area as the quality that the area has of being pleasant and agreeable and lists the factors that may be taken into account when determining applications, such as parking, traffic and noise. The definition does not exclude other factors from being considered. The inclusion of this definition gives the community greater guidance when considering the impact of an application on the amenity of an area.

The bill promotes the responsible sale of liquor. A key objective of the act is to contribute to minimising harm arising from the abuse and misuse of alcohol. While the director of liquor licensing can refuse an application on this ground, there is currently no provision under the act for the public to object on such grounds. Clause 11 of the bill provides that a person or a municipal council may object to an application for the grant, variation or relocation of a licence on the grounds that it would be conducive to or encourage the misuse and abuse of alcohol.

The bill also ensures that the community is better informed of an application for the grant, variation or relocation of a packaged liquor licence, which enables it to exercise its rights under the act. Whereas the act currently provides that the applicant may need to place an advertisement in a newspaper circulating in the area, clause 10 of the bill makes this a normal requirement. While this provision will apply to packaged liquor licences, the bill also includes a power to prescribe other classes of licences.

Licensees or managers of liquor stores should also have the skills to sell liquor in a responsible manner. While many people in the industry undertake responsible service of alcohol training, it is currently not a requirement of the act. Clause 6 of the bill makes it a condition of a packaged liquor licence that has been granted or transferred that within three months the licensee complete a responsible service-of-alcohol program approved by the director. In the case of existing licensees or managers, they would need to have completed an approved program in the previous financial year, effective from 1 July 2003.

The bill provides that the minister — the Minister for Small Business, of course — in consultation with the industry, may determine a code of conduct, consistent with the objects of the act, for packaged liquor licensees. The initiative enables the government and the industry to work together to deal with practices that are inconsistent with the act's objectives of harm minimisation, diversity and the responsible development of the industry. The code of conduct will be developed shortly, in consultation with the industry.

The third outcome promoted by the bill is a diverse and vibrant industry. The bill provides for a gradual and orderly phase-out of the 8 per cent limit on packaged liquor licence holdings over the next three and a half years to enable small liquor retailers the time to adjust and plan ahead. The percentage cap will be adjusted to 10 per cent upon assent, then to 11 per cent from 1 July 2003 and 12 per cent from 1 July 2004. The cap will be removed from 1 January 2006.

**An honourable member** interjected.

**Mr BRUMBY** — From 2006 — 1 January 2006

**An Honourable Member** — Are you sure of that?

**Mr BRUMBY** — It's the Commonwealth Games in 2006.

**An Honourable Member** — Are you absolutely sure?

**Mr BRUMBY** — Absolutely sure — 1 January 2006.

To ensure that the percentage limits are complied with, the bill strengthens the current related entity and controlling interest tests. A related entity will now include a person or body corporate who has an interest of more than 1 per cent in another body corporate, has an option to acquire an interest or holds a directorship. This provision will be effective from the date of the government's announcement (14 May 2002) and only affects the major chains.

Clause 9 of the bill ensures that the most affected small liquor retailers are protected during the phase-out period by generally requiring a major chain that wishes to obtain a licence to make a fair offer to the nearest independent within a specified designated area, to be determined by the minister. The bill contains a procedure that ensures small liquor retailers have sufficient time to consider an offer and specifies a formula to determine a minimum offer price. A major chain will only be granted a new licence if all the independents within the designated area reject a fair offer or if there are no independents in the area. The director of liquor licensing will need to be satisfied that the major chains have followed the correct procedure before the grant, transfer or relocation of a licence can occur.

To ensure that these interim arrangements are not compromised by recent entrants to the industry, a licensee granted, or who has transferred or relocated into the designated area, a licence after the government's announcement that the 8 per cent rule would be phased out (23 January 2001) is not entitled to a buy-out offer. Nor would a major chain be entitled to a buy-out offer.

### **Section 85 statement**

I wish to make a statement of the reasons why it is the intention of the bill to alter or vary section 85 of the Constitution Act 1975.

Section 179A of the act already states that it is the intention of section 26K to alter or vary section 85 of the Constitution Act 1975. Section 26K provides that no compensation is payable by the state or the director to any person for any loss or damage as a result of the enactment of division 3A.

The bill makes certain amendments to division 3A, such as replacing the controlling interest provision with a substantial interest provision, redefining 'relevant day' and repealing the director's power to extend the relevant day by 90 days. These amendments are necessary to enable the practical operation of division 3A, given that the permitted percentage will vary in accordance with the bill.

The government has a clear commitment to ensure that the percentage limits are complied with during the course of the phase-out. The public has been well informed of this position. The only bodies corporate affected by this division are those that, notwithstanding the government's policy commitment and the intent of the legislation, seek to increase their holdings of packaged liquor licences above the permitted percentage. The proposed amendments ensure compliance with the limits without exposing the state or director to the risk of compensation claims.

In conclusion, the bill provides for greater community involvement and scrutiny in liquor licence applications and minimises the potential for abuse and misuse of alcohol within the community. The new arrangements deliver significant benefits to small liquor retailers and ensure that Victorians continue to enjoy a competitive, but fair, liquor industry.

I commend the bill to the house.

**Debate adjourned on motion of Mrs PEULICH (Bentleigh).**

**Debate adjourned until Thursday, 30 May.**

**Remaining business postponed on motion of Mr BRUMBY (Minister for State and Regional Development).**

### **ADJOURNMENT**

**Mr BRUMBY** (Minister for State and Regional Development) — I move:

That the house do now adjourn.

### Commonwealth Games: athlete qualification

**Mrs PEULICH** (Bentleigh) — The matter I raise for the attention of the Minister for Sport and Recreation in another place through the Treasurer is a plea on behalf of two elite Victorian athletes, hurdlers Kyle Van der Kuyp and Tim Ewen, who recently lost their Athletics Australia tribunal appeal against non-selection for the Manchester Commonwealth Games.

I call on the Minister for Sport and Recreation to take up their case through Athletics Victoria, which is a member organisation of Athletics Australia, to see what if any opportunities exist for these two elite athletes to qualify for the Manchester Commonwealth Games.

Kyle Van der Kuyp has been a finalist at the world championships and in the Olympic Games, he has been made the final of the Commonwealth Games on three occasions, and is currently ranked fourth on the Commonwealth Games ranking list for 2001. However, due to injury he was unable to reach the second qualifier. He certainly was excluded on the margin.

Tim Ewen is likewise a very commendable young hurdler. He competed in all of the grands prix and was only beaten once by an Australian. All of these competitions, with the exception of the one in Perth, were run into headwinds which prevented him from achieving qualifying times.

Athletics Australia has a difficult task. It on the one hand must be seen to be upholding published criteria and to be acting in an honest and transparent way, but on the other hand it must put in place processes and have some capacity for discretion to make sure that Australia can field the best possible athletes at these international competitions.

The particular merit of this case is that no other athletes have qualified in this hurdles event, and if there is no opportunity for these athletes to qualify we will not be sending any male hurdlers in this event.

The Cathy Freeman case demonstrates the need for some discretion. We all commend and wish Cathy a full recovery and a speedy return to the track. I certainly had the opportunity of watching her win the gold medal — it was an outstanding opportunity.

Where there are no others who have qualified, where discretion upholds natural justice and the rights of the individual and promotes Australia's interest in terms of fielding the very best possible athletes, I call on the Minister for Sport and Recreation to see what can be

done to help these athletes qualify at the special competition in Brisbane on 24 and 25 May.

### Blackburn Lake Primary School

**Mr ROBINSON** (Mitcham) — I want to raise a matter for the attention of the Minister for Education and Training and, through her, the Minister for Education Services in another place. It concerns Blackburn Lake Primary School in the electorate of Mitcham — a very fine, excellent school: state schools are great schools! — which is planning a forthcoming grand reopening of new facilities that have been funded by the Bracks government and is very keen to ensure that one of other of the ministers attend this very special day in the history of the school.

The attendance of the minister at that opening would be very appropriate given the fulsome support of the Bracks government for the rebuilding of the Blackburn Lake Primary School following a disastrous fire there in September 1999. The school principal, David Jewell, does a fantastic job — he is a great promoter and supporter of state education. He recently advised me that not only had the school been accepted into the Landcare program — one of the few schools around that has done that — but it has also won an award for the design of its new facilities, again a very unusual event.

He also advised that the school had recently accepted the enrolment of a child from a Singaporean family which has relocated to Melbourne. The family had become aware of the great school because of the school's promotion on its web site, so it was a great tribute to the school that it promotes itself that way.

There is a history to the rebuilding works, which I will relate to the house briefly. The fire happened in September 1999, just before the state election of that year. We saw the former education minister — the former honourable member for Hawthorn — rolling out with his entourage and announcing that of course a Liberal government would rebuild the school immediately. It would be rebuilt — this was September 1999 — in time for the new school year, four months later.

This, of course, was a furphy. The minister had given a commitment to the press which he later acknowledged was impossible to deliver, but it was a good line. There we had the former Minister for Education totally disregarding the rights — —

**An Honourable Member** — What have you done?

**Mr ROBINSON** — We've rebuilt the school! And that's why we're going to have a reopening — it's terrific! And I am sorry that the honourable member for Glen Waverley won't be invited, but that's the way it goes.

The facilities are going to be on a scale that is sensational. The new entitlement facilities schedule gives the school far more than it would have received under a Liberal government. The reopening will be a great day, and I look forward to the minister being able to attend and help celebrate this great event.

### **Landcare: funding**

**Mr JASPER** (Murray Valley) — I bring to the attention of the Minister for Environment and Conservation the great success story across country Victoria: the Landcare organisations.

Landcare organisations were established in the late 1980s and developed through the 1990s with support from the state governments in the programs they implemented and from funding provided by the federal government. The real success of these Landcare groups, however, has been because of the coordinators and facilitators who have been part of the process. They have been able to establish the programs and utilise the voluntary efforts of a large number of primary producers and other people in country areas to ensure the success of the program.

Late last year there was concern for continued funding of these facilitators and coordinators. I wrote to the minister earlier this year seeking information from her as to when continued funding for the Landcare organisations would be approved and allocated to ensure continued employment. She wrote back to me in a letter dated 7 March and confirmed that negotiations were still taking place with the federal government relating to Natural Heritage Trust funding. Further on in the letter, however, the minister indicates that state officers were looking at securing funding for the Landcare organisations and expected that a satisfactory transition process would be in place and completed prior to 30 September. She went on to say also in the letter that money would be provided through second generation Landcare funding and that a task force would provide a report to the minister.

The problem we have is that many of those facilitators and coordinators are now looking to the future as far as their employment is concerned. What we need is urgent confirmation from the minister that the funding will be provided, because many of those coordinators are finishing in their positions prior to the end of this

financial year. I therefore seek from the minister an indication of when the funding will be provided to the Landcare organisations to ensure their continued operation in the programs they are providing, as well as of whether the funding will continue to be provided for the facilitators and those in the organisations, both as facilitators and coordinators.

Additionally, the minister needs to be able to indicate to the house what further representations are being made to the federal government to see that we do get funding under the Natural Heritage Trust program for the Landcare programs in north-eastern Victoria, and in particular, the salinity programs.

### **Employment: rural and regional Victoria**

**Mr HELPER** (Ripon) — I direct to the attention of the Minister for Employment the mismatch of skills in regional labour markets as occurs from time to time.

This issue was highlighted in the *Wimmera Mail-Times* of 3 May under a headline that reads 'Labor shortage is "stifling industry"'. The article quotes Hindmarsh mayor Rob Gersch as saying to fellow councillors at Nhill earlier this week:

We have 40 to 50 jobs floating and have enormous problems developing this region because of lack of skills ...

The action I seek from the minister is a reassurance for the Wimmera community as well as the community in my own electorate of Ripon that the Bracks government is addressing the mismatch of skills in our regional labour markets.

The issue is primarily the responsibility of the federal coalition government, a responsibility which, sadly, it abrogates to a large extent. It is the federal government that has primary responsibility for the delivery of employment services, and that fact goes very much to the heart of the mismatch of skills in regional labour markets. I hope the federal government hears the pleas from, for example, Mr John Milling, manager of the western Victorian poultry producer and processor Luv-a-Duck, who was quoted as saying that the Wimmera urgently needed unskilled, skilled and professional labour.

The sentiments expressed by the manager of Luv-a-Duck have also been expressed to me continually in my electorate by large, medium and small manufacturers. They indicate to me that they have growth constraints which are a consequence of the shortage of middle management. There are a number of ways of addressing this problem, and I know the Bracks Labor government and the minister are actively

working to overcome these mismatches of skills in regional labour markets.

The action I seek from the minister is that he reassure the community of the Wimmera and my electorate of Ripon — and indeed all of regional Victoria — that we are on the ball while the feds are fumbling about.

### **Taxis: multipurpose**

**Mr BAILLIEU** (Hawthorn) — I ask the Minister for Transport to examine and reconsider the flexibility of the multipurpose taxi program. I raise this matter on behalf of a constituent whom I would like not to name at this stage for reasons of her own privacy, but I am happy to advise the minister of the details if necessary.

My constituent was, sadly, diagnosed with a brain tumour on the day after the birth of her first child and was subsequently moved from Wollongong to Melbourne for family support. She has undergone surgery and radiotherapy and is currently undergoing chemotherapy, which will continue for some time. As a result of her condition her drivers licence was cancelled.

As a consequence of all of those things she has been in discussions with my office and we have assisted her to make an application to the Victorian Taxi Directorate for a multipurpose taxi program taxi card. Regrettably the Department of Infrastructure has advised my constituent that her application has not been accepted on the basis that:

... your mobility problems do not appear to be of a permanent nature ...

Her application was refused. There may be a technical reason for that, but it does not seem to be an outcome that is either reasonable or fair. I invite the minister to reconsider the case.

My constituent even asks whether it is possible for the Department of Infrastructure to issue a concession that is only valid for a year, or even a card for a year, which seems to be an interesting possibility in itself. Even a public transport concession card would be of some assistance. Obviously there are others in similar situations who would warrant consideration under the taxi program. I ask the minister to give the matter consideration. I am happy to provide the details if the minister wishes.

### **Traralgon Racing Club**

**Mr LONEY** (Geelong North) — In raising a matter with the Minister for Racing I congratulate him on his

great support for country racing throughout Victoria. I refer the minister to the great work involved in the current promotion, encouragement and coordination of racing throughout the Gippsland region. All the councils have come together in this work, a particular leader being the Latrobe City Council.

Recently a strategic program to integrate sports events throughout the Gippsland region was released in a document entitled *Energy in Sport*. This document has a particular focus on racing, with the aim of building it up for the benefit of all clubs throughout the region. It is a terrific promotion. The Latrobe City Cup is one of the initiatives resulting from this strategy, which as I said is squarely aimed at promoting and coordinating racing. Under this program racing clubs such as Morwell, Moe, Traralgon and others have come together to produce a major racing event. This initiative is a direct example of the council packaging racing for the benefit of the whole region.

A similar coordinated packaging of the region is being applied to greyhound racing, with councillors working with the Cranbourne, Warragul, Traralgon and Sale clubs to build a strong, viable and coordinated product. The same philosophy also has been successfully applied to motor racing, with the Thumper world championships to be held in the region shortly.

**The ACTING SPEAKER (Mr Richardson)** — Order! The honourable member has 1 minute in which to ask for some action.

**Mr LONEY** — I certainly shall, Mr Acting Speaker. Unfortunately in recent times this sort of positive promotion of racing has resulted in allegations that the Latrobe City Council has deliberately forced the closure of the Traralgon Racing Club for devious purposes. I ask the minister to act to ensure that the true position on these outrageous and defamatory allegations is reported to the house as a matter of some priority. It is completely unfair, given this positive promotion.

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

### **Brauerander Park, Warrnambool**

**Mr VOGELS** (Warrnambool) — I refer the Premier to a commitment he made in supporting the \$6.4 million Brauerander Park development when the community cabinet met in Warrnambool recently. The Premier was reported in the *Warrnambool Standard* as saying:

‘We’re happy to contribute in a three-way partnership between state, local and federal governments, and I think we are well on track to achieving that’, Mr Bracks said.

‘But we do need to check out the commitment that the federal government has made, because it is less than clear —

whether it has made \$1 million available. We all know that the federal government has made \$1 million available, and I ask that the government stick to its commitment to provide \$1 million. This is a great thing for Warrnambool. Brauerander Park is a significant proposal: it consists of a 12-hectare site between Brauer College and the Warrnambool indoor sports stadium, which will be transformed into three sports areas and a car park. The main area will be an eight-lane athletics track around a hockey pitch, with surrounding areas for jumping and throwing field events. Other areas will include a multipurpose grassed oval for football, cricket, hockey and soccer, and a minigolf course.

I ask the Premier to acknowledge that all the conditions placed on his government’s support for this project have now been addressed. With a budget surplus of around \$500 million there is no reason why the \$1 million promised cannot be delivered immediately. This is a \$6.4 million project. All the Warrnambool community requests is that the government match the \$1 million from the Howard government, and it will raise the extra \$4.4 million locally.

### **Rail: M Train service**

**Mr MILDENHALL** (Footscray) — I refer the Minister for Transport to M Train service 6362, which is the 7.50 a.m. train from Williamstown to the city. I raise this matter on behalf of the commuters who travelled on the train this morning. The matter was brought to my attention by Mr John Preston of Seddon, speaking on behalf of others who catch this train from the Seddon railway station. Every day this week, and on many previous occasions, this commuter train has comprised only three carriages. I understand it is meant to consist of six carriages but is frequently reduced in size. Commuters on the train attribute the reduction in size to various theories, including that it has been done to prevent vandalism or that it has taken an inordinate amount of time to change the lock on the driver’s door.

As the train leaves Williamstown at 7.50 a.m. and reaches Seddon station at 8.03 a.m. it is well patronised. Commuters frequently find themselves crammed into those three carriages. There are insufficient places for commuters to hold on to, such as seats or ceiling hangers, so people fear for their safety because of the speed at which the train travels.

On arrival at Flinders Street station this morning commuters were further inconvenienced in using the stairs on platform 10, which are in poor repair. The commuting experience of some of my constituents has not been of the highest quality, and I ask the Minister for Transport to take the matter up with M Train and those responsible for the repair of Flinders Street station.

The prognosis for public transport in my area is quite good, with the transit city proposal coming up and the introduction of the regional fast rail service, so the government is doing its bit. However, we need to keep private operators on their toes and ensure that they are sensitive to the needs of their customers, the commuters — and my constituents.

### **Police: Broadmeadows station**

**Mr WELLS** (Wantirna) — I refer the Minister for Police and Emergency Services to a matter of grave concern regarding a sexual assault that took place in Broadmeadows. I ask the minister to investigate the needs of the police in that area, especially the availability of police cars. The lack of a police response in that area forced one of the residents of Broadmeadows to contact my office asking for this matter to be investigated. The attack on a 50-year-old female victim occurred at approximately 6.25 p.m. on 29 April. Fortunately residents came to her assistance. The victim had a mobile phone and called 000 straightaway. After 20 minutes there was no sign of any police, until a phone call from the Broadmeadows police advised her there were no cars available to attend to her needs.

What makes the situation even worse is that the police officer asked if the victim could go down to the police station by her own means to report the assault and make a statement. That is a very serious breach of duty by the police. A resident drove the victim down to the police station to make the report. When the police phoned the victim they had no idea of her condition or whether the attacker was still in the area. It is a dreadful situation when the police have to say, ‘We have no cars available and no officers available’. This type of incident should be addressed straightaway. The victim should not have had to get herself and a witness down to the Broadmeadows police station to report the incident.

In this particular case the crime would never have been reported if the victim had chosen not to go to the police station at Broadmeadows. This is an unacceptable situation. We need to encourage people who are victims of crime, especially of sexual assault, to go to the police, and the police need to respond in an appropriate

and efficient manner to ensure that community safety is paramount.

### **Environment: greenhouse strategy**

**Mr SEITZ** (Keilor) — I would like to bring a matter to the attention of the Minister for Energy and Resources in another place, but first I congratulate the minister on the way she is handling her portfolio. She is doing a good job, particularly in the fishing industry, with which I am familiar through working on the relevant parliamentary committee.

I now ask the minister to take further action on containing the greenhouse effect, particularly in regard to the supply of electricity to the manufacturing industry, in view of the government's commitment to reducing the depletion of the ozone layer. I would like the minister to look at any new developments, paying particular attention to manufacturing industries using new turbines for electricity generation and ensuring that those industries are conscious of the greenhouse effect.

The manufacturing industry is a big contributor to the depletion of the ozone layer and the greenhouse effect in this state. I therefore ask the minister to take further action, particularly given the legislation on carbon trading. Companies that operate those electricity generators need to be aware that reforestation and other activities are being undertaken, and the minister should continue to educate the community to use less energy, including less electricity, and remind us that individuals can also contribute to the reduction in the greenhouse effect.

Australia is one of those countries which needs to minimise the greenhouse effect for the benefit of the islands which surround us, because with global warming they are in danger of their surrounding water level rising. We have an obligation as a country and as a community to support and help the people on those islands surrounding Australia.

More important is the community saving for us. We have campaigns on using suntan lotions during the summer because the ultraviolet rays from the sun are very strong and can result in people getting skin cancer. The media constantly reminds us to slip, slop, slap, always wear a hat, and to be sun smart. I hope by reducing the carbon in the atmosphere, which is damaging our ozone layer, we can go a long way towards protecting further generations from developing skin cancer.

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

honourable member for Mordialloc has 2 minutes and 40 seconds.

### **State Emergency Service: Moorabbin premises**

**Mr LEIGH** (Mordialloc) — I raise a serious matter for the attention of the Minister for Police and Emergency Services. It concerns a letter I wrote to him on 8 May informing him what Moorabbin State Emergency Service (SES) is about to face as a consequence of the incompetence of the City of Kingston.

In November 2001 the City of Kingston sold a depot which includes the SES facility. This building will be going as vacant possession to a car company on 1 July 2002. As of today, after numerous meetings, discussions and phone calls about looking for a new site for this facility, the council has failed to act. As a voluntary organisation in my electorate and in the electorates of the honourable member for Bentleigh and the honourable member for Sandringham, the SES plays a vital role. To have this voluntary organisation faced with eviction is an outrage.

I do not have a problem with a car dealer getting the land, but the council had a responsibility to provide a new facility, and it has not done so. The Minister for Police and Emergency Services was recently at this facility giving it a glowing tribute, and indeed the council thinks this organisation is so brilliant it made it the community organisation of the year in January 2002. This is how it treats a voluntary organisation!

As someone who worked in the insurance aspect of the building industry and was often on roofs at midnight putting tarps over damaged buildings, I know full well the work these men and women do. They should not be treated, as they are, with utter contempt by the council. I understand that most of the councillors concerned are associated with the other side of politics. It is time they made a decision to look after the State Emergency Service. It is not good enough for an organisation such as that to be thrown out.

**Mr Nardella** — Rubbish.

**Mr LEIGH** — A member of the government says, 'Rubbish'. I am known for being prepared to take it up to the government and have a real go at it, but I am pleading with the Minister for Police and Emergency Services to come into the chamber and admit that he will do something on behalf of the residents of our city and on behalf of one of the great voluntary organisations in our community.

I have not made a personal attack on anyone over this issue. Members of the Labor Party want to ridicule the matter, but I am concerned to see an outcome that advantages members of the SES who work on our behalf. I think the minister should come into the chamber tonight — he is in the building — and make a decision.

**The ACTING SPEAKER (Mr Richardson)** — Order! The time allotted for the adjournment debate has expired, which I know is a great disappointment to all honourable members!

### Responses

**Mr HULLS (Minister for Racing)** — The honourable member for Geelong North referred to a report called *Energy in Sport*, which was commissioned by the Latrobe City Council. As Minister for Racing I had the pleasure to present the Traralgon Cup last year, which, from memory, was won by Storm Edition. It was a great meeting attended by a great crowd. The Latrobe City Council was fully supportive of that race meeting and has been fully supportive of the Traralgon Racing Club over a long period of time.

I was surprised when I heard that specious allegations had been made about the council in an attempt to undermine the Traralgon Racing Club, because it is my understanding that the Latrobe City Council has always been fully supportive of the racing club.

However, I found it even more confusing when those allegations were made, it would appear, in the full knowledge that they were incorrect. To his credit the honourable member for Polwarth saw me prior to question time yesterday and asked whether I had seen the media reports about the Traralgon Racing Club. As Minister for Racing I had, and I was well aware of the financial difficulties the Traralgon Racing Club found itself in.

Country Racing Victoria put out a press release on the Traralgon Racing Club, which I presume the honourable member for Polwarth had seen. Clearly the club had been in financial difficulty for some time, and the balance sheet of the club showed that its reported current assets of \$146 472 were exceeded by the liabilities which totalled \$177 660.

The press release went on to say that the situation with the Traralgon Racing Club was unviable, with losses being recorded over five consecutive years totalling in excess of \$385 000. The club has recorded net operating losses in 8 of the past 10 years. Poor governance and business practices at the club had severely impeded its capacity to trade profitably over

this period and were the reasons given by Country Racing Victoria for the problems faced by the Traralgon Racing Club.

An independent report was conducted by Country Racing Victoria into the Traralgon Racing Club which makes it quite clear that the club has been badly managed. That will happen from time to time with clubs, whether they be racing clubs or other sorts of clubs. The fact is that the report did not state that the problems with the Traralgon Racing Club had anything to do with the local council.

I would expect that the honourable member for Polwarth was well aware of that fact when he made some accusations last night.

**Mr Mulder** — On a point of order, Mr Acting Speaker, on a matter of relevance, the issue I referred to in the adjournment debate last night had nothing to do with the past history of the club but was about Country Racing Victoria trying to come to an arrangement —

**The ACTING SPEAKER (Mr Richardson)** — Order! The Minister for Racing was responding to a matter raised by the honourable member for Geelong North. From what I have heard thus far he has been relevant to the matter raised by the honourable member. What may have been said or intended last night is not relevant to the matter before the Chair at the moment.

**Mr HULLS** — It concerns me when anyone makes allegations that attempt to undermine country racing. One would have thought that after the conversation the honourable member for Polwarth had with me about this matter he would have been better informed. Further to that, I understand that Mr George Coronos, who, as the honourable member for Polwarth would know, is the president of Country Racing Victoria, also made it quite clear that the problems with the Traralgon Racing Club had nothing to do with the local council and were a result of mismanagement.

So there are two sources: the Minister for Racing and the president of Country Racing Victoria. But further to that, I understand that a gentleman by the name of Mr Peter Tyler, who is on the local council and indeed is the president of the local branch of the Liberal Party in that area, was also contacted by the honourable member for Polwarth about this particular matter. The fact is that Peter Tyler, together with Lisa Proctor, a Labor member of the local council, had earlier attended in a bipartisan way and on behalf of the council a meeting of track users and the race committee and absolutely confirmed that the council will continue to

do everything it can to support the Traralgon Racing Club to keep it going as a racing club.

That occurred at a meeting last night, no doubt with the full knowledge of the honourable member for Polwarth, but he still comes into this place and makes accusations that the local council is attempting to close down the club and sell off the land. He has come into this house and deliberately misrepresented the situation in relation — —

**The ACTING SPEAKER (Mr Richardson)** — Order! I ask the minister to withdraw the remark ‘deliberately misrepresented’!

**Mr HULLS** — The honourable member for Polwarth has misrepresented the situation in relation to Traralgon. He has spoken to the Minister for Racing and he has spoken to the council. Indeed he has spoken to George Corones, and yet he still came in here and made these specious allegations.

**Mr Leigh** — On a point of order, Mr Acting Speaker, I am yet to hear the minister say that he withdrew the words that you asked him to withdraw. He went on to say it in another way but he did not withdraw, so it is still on the record.

**The ACTING SPEAKER (Mr Richardson)** — Order! I asked the honourable gentleman to withdraw the unparliamentary words.

**Mr HULLS** — I am happy to withdraw.

One wonders on what basis a person would come in here and actually try to undermine country racing and make inaccurate allegations in relation to the Traralgon Racing Club. I understand that the honourable member has an interest in racing and that he has some connection with the Colac Racing Club. Word around the racing traps is that he is known as the Colac Clown — more polite people call him Mulder the Mug, or Terry the Tout. The fact is — —

**Mr Leigh** — On a point of order, Mr Acting Speaker, as I understand the rules of this chamber, a member should be referred to in a proper manner, and given the references that the minister has made to someone who I assume is one of my colleagues, perhaps what he should do is refer to him as the honourable member for Polwarth rather than using inappropriate language.

**The ACTING SPEAKER (Mr Richardson)** — Order! The requirement is that members shall address other members by their correct titles. The Minister for Racing was making reference not directly to the

honourable member for Polwarth but about him. I know it is a fine technical point, and I admire the honourable member for Mordialloc for picking up on these things, but there is no point of order.

**Mr HULLS** — It is true. I would not call him the Colac Clown and I would not call him Mulder the Mug and I would not call him Terry the Tout — but other people do! He comes in here and makes allegations to undermine the Traralgon Racing Club. If he were a horse he would have gone to the knackery by now and he would be in a can of Pal dog food! Those allegations could only come from somebody with a Pinocchio nose. I expect that he would go to George Corones, the Traralgon Racing Club and the Latrobe council and apologise. They have been fully supportive of the Traralgon Racing Club and I expect they will continue to be. He ought to apologise and I expect to read about his apology in the local paper next week.

**Mr PANDAZOPOULOS** (Minister for Employment) — The honourable member for Ripon raised a matter for me in relation to an article in the *Wimmera Mail-Times* quoting the mayor of Hindmarsh shire, Rob Gersch, regarding skill shortages in localities and issues about the Wimmera Development Association. I note that article said that the mayor will raise the matter with me. I have not met the mayor, but I look forward to having some discussion with him.

Wearing my other hat as Minister for Tourism, I attended the Grampians Gourmet Festival a couple of weekends ago. I bumped into the chief executive officer of the Wimmera Development Association, who gave me a letter which raised the issue of a mismatch of skilled labour and skills needs in the area. Obviously supply and demand did not match and it is a real issue. If you had bigger unemployment figures you probably would not have all the job opportunities and you would not need to find people with the skills who actually want to go to Wimmera and work.

I note that he also referred to a headline about labour, but I think it was spelled L-a-b-o-r. That means us! And talk about a Labor shortage! I think it means they would like to see Labor members of Parliament in Wimmera in addition to the honourable member for Ripon whose electorate covers part of that area. That is the way that I read the headline. It is a very serious issue.

On receiving the letter I contacted the employment programs division of the Department of Innovation, Industry and Regional Development and raised the issue with them. If there is anything we can do we will do it. That is our role: trying to encourage people to

understand that there are job opportunities in local areas and match those who have the skills and are looking for work with those communities and employers that need people with those skills.

On Wednesday, 8 May, not long after I had been back in Melbourne, the employment programs division sent a representative to a meeting held with the Wimmera Development Association, the Horsham council and Yarriambiack shire. We discussed with them the opportunities that exist in attracting, assisting and maintaining a skilled work force in the region.

The employment programs division will prepare detailed industry data on the region and will address a seminar organised for mid-June, next month, for industry and employer representatives in the area. Obviously it is about taking a proactive, collective approach to the locals and state agencies working together. At that forum we will also let the locals know about the opportunities and programs we have in our skilled migration program, for example, and recruitment services such as the community businesses employment program which has been doing good work in the area.

As the honourable member said, the federal government is predominantly responsible for employment programs and services through agencies such as Centrelink and the Job Network. I notice that some national employment offices in that local area will be closed next year, thanks to the federal government, so they will be much more reliant on us.

At every opportunity we are out there trying to assist and to create jobs. In the past 12 months the government's employment programs have been assisting employers in the Wimmera area to fill skilled vacancies — for example, the community-based employment program has provided financial support of around \$347 000 to link Wimmera employers to job seekers, filling 446 jobs in that Wimmera region, which is a pretty good job in 12 months. The community-based employment program is a free service to employers and also to those seeking work.

I am pleased to advise the honourable member that through the government's multicultural employment program skilled migrants have also been placed with employers in places such as Horsham, Kaniva and Nhill. As well, in rounds 1, 2 and 3 in the Community Jobs program area we have provided funding of close to \$511 000 and around \$52 000 in training, so we are training up local unemployed people for job opportunities in the local area. I look forward to hearing the outcomes from the June meeting so that we can

work together to match available jobs with people who are looking for jobs. I thank the Wimmera Development Association for raising the issue, and at some time I will catch up with the mayor of Hindmarsh as well.

The honourable member for Wantirna raised for the Minister for Police and Emergency Services a serious matter about a sexual assault case in Broadmeadows. He raised the needs of police in the area and said that police cars are one of the issues. I will certainly raise that matter when I am with the Minister for Police and Emergency Services.

The honourable member for Mordialloc raised for the Minister for Police and Emergency Services the matter of a letter he wrote to him dated 8 May about the Moorabbin State Emergency Service and the problems the members of the SES are having with the Kingston council. He said they are being evicted from a building. The honourable member is also aware of the extra resources the government has provided for the SES, particularly with vehicles, around the state. I will raise that matter with the minister.

The honourable member for Bentleigh raised a matter with the Minister for Sport and Recreation about two sports athletes, Kyle Van der Kuyp and Tim Ewen, in relation to an event on 24 and 25 May in Brisbane. The honourable member raised another matter which is difficult to decipher. I will refer that matter also to the Minister for Sport and Recreation.

The honourable member for Mitcham raised through the Minister for Education and Training a matter for the Minister for Education Services concerning a project at the Blackburn Lake Primary School. The local community has been looking forward to the completion of that project for a long time and also to the opening of new facilities that have been funded by the government. The school community is really keen for the minister to visit the school for that opening.

There has, of course, been a huge backlog in school construction across the state because of what the government inherited. In the current budget we have seen the biggest ever increase in capital works infrastructure for schools in any one year, so that is great news for Blackburn, as it is for other communities around Victoria.

The honourable member for Hawthorn raised for the Minister for Transport the serious matter of the flexibility of multipurpose taxi programs and a constituent who has had some problems with the flexibility of that program. Certainly if the honourable

member provides details of the case and the person to the Minister for Transport that will be dealt with confidentially to see if the minister can assist. I will certainly be raising it with the Minister for Transport.

The honourable member for Murray Valley raised a matter for the Minister for Environment and Conservation in relation to Landcare organisations and the need for continued funding for facilitators and coordinators. They do a wonderful job, and I will refer that to the minister.

The honourable member for Warrnambool raised a matter for the Premier. I understand he is asking the state government to match a \$1 million federal grant for Brauerander sports park, and the locals will raise the other \$4 million-odd. I will raise that matter with the Premier. I remember a number of people raising those issues when we attended the community cabinet meeting, which was very successful and resulted in many positive results. I will talk to the Premier about that one as well. We will also raise it with the Minister for Sport and Recreation on behalf of the honourable member.

The honourable member for Footscray raised a matter for the Minister for Transport in relation to M Train 6362. I will raise that issue with the Minister for Transport.

The honourable member for Keilor raised a matter with the Minister for Energy and Resources in relation to containing greenhouse effects. The government has issued a discussion paper on the matter. It was an election commitment to deal with the greenhouse strategy. I will raise the matter with the minister for the honourable member.

**Motion agreed to.**

**House adjourned 6.05 p.m. until Tuesday, 28 May.**



**QUESTIONS ON NOTICE**

*Answers to the following questions on notice were circulated on the date shown.  
 Questions have been incorporated from the notice paper of the Legislative Assembly.  
 Answers have been incorporated in the form supplied by the departments on behalf of the appropriate ministers.  
 The portfolio of the minister answering the question on notice starts each heading.*

**Tuesday, 14 May 2002**

**Transport: location of road accidents**

**755. MR LEIGH** to ask the Honourable the Minister for Transport — of the total number of accidents on Victorian roads since 1985, what is the breakdown of their location on federal, state, local or private roads.

**ANSWER:**

The total number of accidents on Victorian roads from 1987–2001 is as follows:

Road Classification	No. of Accidents
Federal Roads	10,473
State Roads	140,671
Local Roads	126,052
Private Roads	320
Total	277,516

Note that accident data was not collected by road classification in 1985 and 1986. The total number of accidents was 18,952 and 20,427, in 1985 and 1986 respectively.

**Transport: alcohol-related road deaths**

**756. MR LEIGH** to ask the Honourable the Minister for Transport — of all road deaths, how many are alcohol related, and what are the annual figures since 1985.

**ANSWER:**

Information is not available with respect to all road deaths showing whether one of the active participants in the accident was affected by alcohol or not. Information is available on drivers and riders who are killed. This information from 1985 to 2001 is in the table below.

Year	Total number killed on the road	Number of drivers and riders killed	% with BAC over .05	Number with BAC over .05 *
1986	669	347	38.4	133
1987	705	373	38.3	143
1988	701	342	37.6	129
1989	776	397	32.4	129

1990	548	282	29.7	84
1991	503	266	28.8	77
1992	396	192	20.8	40
1993	436	233	27.5	64
1994	378	210	25.1	53
1995	418	228	22.2	51
1996	417	233	23.5	55
1997	377	196	22.7	45
1998	390	193	24.7	48
1999	383	229	24.0	55
2000	407	240	22.9	52
2001	444	272	24.2	62

\* Some drivers/riders killed are not tested. This data is based on the results where a test is conducted, and assumes that the proportions of those tested and not tested who have a BAC over .05 g/100 ml is the same.

**Transport: Narre Warren railway crossing**

**762. MR LEIGH** to ask the Honourable the Minister for Transport —

- (1) What plans are being implemented for the crossing.
- (2) What is the cost of proposed works.
- (3) When will the proposed works be completed.
- (4) Who will fund the proposed works.

**ANSWER:**

Pre-construction planning to resolve the most appropriate scope of the project, including significant public consultation, was undertaken in 2000/2001. The planning and subsequent land acquisition have been completed at a cost of \$1.5 million.

Construction of the project, estimated to cost \$20 million, is being considered by the State Government for inclusion in a future program.

Work is expected to be completed within 18 months of construction commencing.

**Transport: air rights redevelopment**

**764. MR LEIGH** to ask the Honourable the Minister for Transport —

- (1) What was the cost of the redevelopment in Chapel Street, South Yarra.
- (2) Of the total cost of that redevelopment, how much was funded by the State.

- (3) What is the budgeted cost of the redevelopment of the 'air rights' and other associated redevelopment works at Elsternwick Station.
- (4) Of the total cost of that redevelopment, how much was funded by the State.
- (5) What is the status of the redevelopment of Burke Road at Camberwell Station.
- (6) What works are anticipated in that redevelopment.
- (7) What is the estimated cost of the redevelopment of the 'air rights' and other associated redevelopment works at Burke Road at Camberwell Station.
- (8) Of the estimated costs for the redevelopment of 'air rights' at Camberwell Station, how much will be funded from the State.
- (9) What is the status of the redevelopment of Dorcas Street in South Melbourne.
- (10) What works are anticipated in that redevelopment.
- (11) What is the estimated cost of the redevelopment of the 'air rights' and other associated redevelopment works at Dorcas Street.
- (12) Of the estimated costs for the redevelopment of 'air rights' at Dorcas Street, how much will be funded from the State.

**ANSWER:**

- (1) The cost of the redevelopment was approximately \$8 million.
- (2) The State did not fund any of the development.
- (3) The cost of the development at Elsternwick is approximately \$15 million.
- (4) None of the development was funded by the State.
- (5) The preferred developer will be announced shortly.
- (6) The development comprises retail and commercial with integrated transport linkages.
- (7) The development is anticipated to cost approximately \$20 million. However, the design is still in the conceptual stage.
- (8) The State will not fund any of the works at Camberwell Station.
- (9) The proposal to develop air rights at Dorcas Street is currently under review by the preferred developer in light of planning and heritage restrictions.
- (10) As above.
- (11) As above.
- (12) As above.

**Transport: Metrol building**

- 765. MR LEIGH** to ask the Honourable the Minister for Transport — what is the status of the Metrol building alongside Federation Square.

**ANSWER:**

The Metrol building alongside Federation Square was demolished in the year 2000.

**Transport: train line validation figures**

**769. MR LEIGH** to ask the Honourable the Minister for Transport — what are the average daily validation figures, for each year between 1996 and 2001 inclusive, for each of the train lines Lilydale, Belgrave, Alamein, Epping, Sandringham, Frankston, Williamstown, St Albans/Sydenham, Melton, Werribee, Broadmeadows, Upfield, Hurstbridge, Glen Waverley, Pakenham, Cranbourne and Stony Point.

**ANSWER:**

Information for the years 1996–1998 is incomplete as the ticketing system, which required validation of tickets, was progressively rolled out during this period and was not fully operational until December 1998.

Onelink validation data subsequently recorded from 1999 onwards is progressively archived and its recovery would require Onelink to allocate significant time and resources to retrieve.

**Transport: tram line validation figures**

**770. MR LEIGH** to ask the Honourable the Minister for Transport — what are the average daily validation figures, for each year between 1996 and 2001 inclusive, for each of the tram lines Airport West (59), West Maribyrnong (57), Footscray (82), West Coburg (55), North Coburg (19), East Coburg (1), West Preston (11), Bundoora (86), East Brunswick (96), North Balwyn (48), Mont Albert (109), Wattle Park (70), East Burwood (75), Camberwell (72), Kew (69), North Richmond to St Kilda Beach (79), North Richmond to Prahran (78), East Melbourne (34), Route 12, Toorak (8), Glen Iris (6), Malvern (5), East Malvern (3), Carnegie (67), East Brighton (64), St Kilda Beach to Melbourne University (16) and South Melbourne to St Kilda Beach (12).

**ANSWER:**

Information for the years 1996–1998 is incomplete as the ticketing system, which required validation of tickets, was progressively rolled out during this period and was not fully operational until December 1998.

The Onelink validation data subsequently recorded from 1999 onwards is progressively archived and its recovery would require Onelink to allocate significant time and resources to retrieve.

**Transport: Transport Accident Commission — accident black spot program**

**779(a). MR LEIGH** to ask the Honourable the Minister for Transport — to provide a summary of how much has been spent in each Victorian local government municipality under the program since its inception.

**ANSWER:**

The committed expenditure for each project in each Victorian local government municipality is listed in the Government's *arrive alive!* web site at [www.arrivealive.vic.gov.au](http://www.arrivealive.vic.gov.au).

**Treasurer: Transport Accident Commission — accident black spot program**

**779(b). MR LEIGH** to ask the Honourable the Treasurer — to provide a summary of how much has been spent in each Victorian local government municipality under the program since its inception.

**ANSWER:**

I am informed that:

This question does not fall within my Portfolio responsibilities and the Minister for Transport will respond accordingly.

