

PARLIAMENT OF VICTORIA

**PARLIAMENTARY DEBATES
(HANSARD)**

LEGISLATIVE ASSEMBLY

FIFTY-FOURTH PARLIAMENT

FIRST SESSION

24 April 2002

(extract from Book 5)

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By authority of the Victorian Government Printer

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FIFTY-FOURTH PARLIAMENT — FIRST SESSION

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Deputy Leader of the Parliamentary Labor Party and Deputy Premier:

The Hon. J. W. THWAITES

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The Hon. D. V. NAPHTHINE

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Mr P. J. RYAN

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Mr B. E. H. STEGGALL

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Langdon, Mr Craig Anthony Cuffe	Ivanhoe	ALP	Wells, Mr Kimberley Arthur	Wantima	LP
Languiller, Mr Telmo	Sunshine	ALP	Wilson, Mr Ronald Charles	Bennettswood	LP
Leigh, Mr Geoffrey Graeme	Mordialloc	LP	Wynne, Mr Richard William	Richmond	ALP

¹ Resigned 3 November 1999

² Elected 11 December 1999

³ Resigned 12 April 2000

⁴ Elected 13 May 2000

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TUESDAY, 23 APRIL 2002

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Wednesday, 24 April 2002

The SPEAKER (Hon. Alex Andrianopoulos) took the chair at 9.34 a.m. and read the prayer.

PETITIONS

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

Scoresby freeway: funding

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

The humble petition of the undersigned citizens of the state of Victoria sheweth that local community transport service is at risk due to a lack of Victorian state government funding for the Scoresby transport corridor.

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

By Mr ASHLEY (Bayswater) (306 signatures)

Scoresby freeway: funding

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

The humble petition of the undersigned citizens of the state of Victoria sheweth that the completion of the Eastern Freeway will cause major congestion in Ringwood and in adjacent local roads including Heatherdale, Wantirna and Bedford roads.

Your petitioners therefore pray that:

As a matter of extreme urgency, the state government makes an immediate unequivocal commitment to fund 50 per cent of Scoresby Freeway and associated public transport infrastructure costs, thereby expediting project commencement.

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

By Mr ASHLEY (Bayswater) (258 signatures)

Laid on table.

Ordered that petitions presented by honourable member for Bayswater be considered next day on motion of Mr ASHLEY (Bayswater).

PAPERS

Laid on table by Clerk:

Victorian Law Reform Commission Act 2000 — Report on Disputes Between Co-owners — Ordered to be printed.

Statutory Rules under the following Acts:

Heritage Act 1995 — SR No 28

Road Safety Act 1986 — SR No 29.

MELBOURNE CITY LINK (FURTHER MISCELLANEOUS AMENDMENTS) BILL

Council's amendment

Returned from Council with message relating to following amendment:

Clause 9, page 6, line 14, after this line insert —

‘(3) In section 60 of the **Melbourne City Link Act 1995**, after sub-section (8) insert —

“(9) The Minister must cause a copy of each lease under this section for an approved purpose to be laid before each House of Parliament within 6 sitting days of the House next following the making of the lease.

(10) If a sub-lease is entered into of land leased under this section for an approved purpose, the person giving the sub-lease must ensure that, immediately on the sub-lease being entered into, a copy is given to the Minister.

(11) The Minister must cause a copy of a sub-lease given to him or her under sub-section (10) to be laid before each House of the Parliament within 6 sitting days of the House next following the giving of the copy of the sub-lease to the Minister.

(12) In sub-sections (9) and (10), “**approved purpose**”, in relation to a lease of land under this section, means a purpose other than the purpose of managing any roadway and ancillary works constructed on the land.”.’.

Mr BATCHELOR (Minister for Transport) — The amendment to the Melbourne City Link (Further Miscellaneous Amendments) Bill — —

Ms Asher interjected.

Mr BATCHELOR — It should be put on the record that I am being congratulated for moving the amendment.

The SPEAKER — Order! Interjections are disorderly, as are responses to the interjections.

Mr BATCHELOR — She is constantly disorderly. I agree with you, Mr Speaker! When the Liberal Party congratulates the government, it is only fair that it is put on the record.

The SPEAKER — Order! The Minister for Transport, moving his amendment.

Mr BATCHELOR — I move:

That the amendment be agreed to.

This is a government amendment. However, it follows a request from the Liberal Party in the other house to improve accountability and disclosure. To be fair to the previous government, the Melbourne City Link Act, which is the principal act, has a wide range of provisions that require certain documents and information to be made available to the — —

Mr Ryan interjected.

Mr BATCHELOR — It is the only one I can think of, so the government may as well be generous! The Leader of the National Party wanted it noted that this is the first occasion that the government has acknowledged something of the fairness of the previous government. I agree; it is probably the only one I can think of.

The former government made requirements in the Melbourne City Link Act for information to be made available to the house and this amendment — an amendment that was moved by the government in the upper house — continues that tradition, although it is superfluous in some respects because registered leases are required to be held at the Land Titles Office and as such are searchable by the public. Registered leases that would arise under section 60 of the Melbourne City Link Act would have been publicly available at the Land Titles Office by other means.

However, having sought assurances from the government that leases under section 60 of the principal act would be put into the public domain, the government was prepared to make available those new leases which are for other purposes in the Melbourne City Link (Further Miscellaneous Amendments) Bill, notwithstanding that registered leases are available at the Land Titles Office. Those other purposes leases will now be tabled in the Parliament and under section 60 of the principal act any subleases over the land that the state will lease to City Link will also be subject to disclosure or tabling in the Parliament.

It is part of the process of informing the Parliament. When the request was made for a verbal assurance, the government took the view that it was better to have the requirements incorporated into the bill so that future governments would be bound by them from a statutory point of view.

Mr McArthur interjected.

Mr BATCHELOR — At some stage there will be a change of government — that is the nature of the political cycle. In 10, 15 or 20 years the Liberal Party might have a chance of coming back, but the difficulty is that the City Link contract goes for 34 years! While I am extremely optimistic about the widespread support of this government, I do not think it will continue for 34 years. However, there is the prospect that at some time in the far distant future there will be a change of government. It is more likely that it will be a Liberal government: I do not think the National Party has got any hope of ever getting back into a position of government, not even in coalition. Its numbers are diminishing so quickly that it will have nothing to offer a coalition.

The SPEAKER — Order! I ask the Minister for Transport to come back to debating the amendment!

Mr McIntosh interjected.

The SPEAKER — Order! The honourable member for Kew!

Mr BATCHELOR — What a fool that bloke is! The government is therefore bringing the amendment before the Parliament.

Mr McARTHUR (Monbulk) — The Liberal Party certainly welcomes the amendment. In so doing I wish briefly to take up a couple of the comments made by the Minister for Transport. His was a nice little piece of theatre or comedy routine. Normally when you go to a theatre and see a successful production you hear cries of, ‘Author, author!’ from the audience. Perhaps the minister should acknowledge the author of the amendment, because while he has dressed it up as a government amendment it is in fact the Liberal Party’s amendment.

The recommended amendment was put to the government by the honourable member for Mordialloc and the Liberal Party last week. It is not unusual for the government to pilfer other people’s bright ideas, but it is unusual for the Minister for Transport not to acknowledge authors. I well remember back in 1985 when the present Minister for Transport, in another role, was the author of some other documents that were aimed at defrauding the good people of Nunawading. He was happy to claim authorship of those documents, although perhaps his keenness to claim authorship then was because of a reward at the end of it. Perhaps he was promised the good seat of Thomastown in return for his authorship!

The SPEAKER — Order! I have allowed the honourable member for Monbulk similar leniency to

that allowed to the Minister for Transport, but now I ask the honourable member to relate his comments to the amendment.

Mr McARTHUR — I am happy to do that, and I thank you for your wise advice, Mr Speaker. The amendment is welcome because it is what the Liberal Party called for last week. Had the minister not been so pig headed during the debate last week, had he not talked out the committee stage last week and not refused to consider any amendments, there would have been no need for the bill to be amended in the upper house and returned to the house today. That point was made succinctly and clearly by the Honourable Gerald Ashman in the other place yesterday when he pointed out to the Minister for Energy and Resources that it was an entirely unnecessary process, that during the course of negotiations and discussions leading to debate on the bill the opposition had called for this set of sensible amendments.

The government refused to listen. Then, perhaps in a bit of a blind panic because it saw that the media and the community actually supported the line taken by the honourable member for Mordialloc and that the notion of better disclosure and tabling of these documents so as to make them available to Parliament and the public was supported, the government was put under pressure on this issue and did a 180-degree U-turn. Now the bill has been returned to the Legislative Assembly simply because the government and the minister were pig headed and stupid a week or two ago, refused to see the wisdom of the amendments suggested by the honourable member for Mordialloc and have been forced into an embarrassing backflip.

Nevertheless, this is a welcome amendment. It will improve the operation of the legislation. It is only fitting that the minister recognise the real authorship of this approach, and that if he did not have a blind spot in relation to his personal relationship with the honourable member for Mordialloc this issue could have been resolved a few weeks ago and the bill could have been appropriately drafted and dealt with in one attempt by this house without the necessity of the other place having to amend the bill and then this house having to debate this motion this morning.

Mr STEGGALL (Swan Hill) — The National Party, too, supports the amendment and regards it with some interest and irony. The minister would not remember the initial debate on the bill in this place because he was not here. He entered the debate at the end of the committee stage, but he was not in attendance during the course of the debate when the

issues raised by the honourable member for Mordialloc were strongly canvassed.

It was suggested to the minister and the government at that time that they should give more credence to the comments made by the honourable member and not try to push the amendments into the never-never, and have the parliamentary secretary try to do it. In my contribution I said that the issues raised had to be attended to, and while the bill was between the houses was the ideal way to do it.

Interestingly, that has happened, and during the committee stage in the Legislative Council the government moved an amendment foreshadowed by the honourable member for Mordialloc, and as a result there is a big improvement. However, it does not solve all the issues raised during the second-reading debate. The minister would be embarrassed if he read his contribution on the Wednesday of last week when commenting on this and other provisions.

An honourable member interjected.

Mr STEGGALL — He has no shame!

The minister talked it up during the committee stage and said that it was the way to go.

The amendment will assist in improving the legislation, but I do not believe it fully answers all the issues raised by the honourable member for Mordialloc in that debate. There is still some way to go. It is yet another example of an upper house improving legislation. I say that in all seriousness. Having had some dealings with the Queensland Parliament over the years I know that whenever legislation is passed in that single house that is the end of the ball game. There is no room for a second look and improvement if the government so desires. In this case the government has shown the value of the other place. In the whole scheme of things this matter may be a minor issue for our system of government, but it is an example of where the Parliament can have a second look, be it opposition or the government. It is a far better way in which we travel as a society.

The National Party supports the legislation and looks forward to improvements in understanding and attitude, and more transparency in the operation of the subleases under City Link.

Mr LEIGH (Mordialloc) — I am delighted that the government and the Legislative Council decided to apply commonsense to the legislation because what the opposition sought was to continue the transparency that

occurred under the opposition when in government with Transurban and City Link.

The major changes the minister has made to Transurban must appear in the parliamentary library so every member of Parliament or anybody who wants to see it can do so. I am pleased that when the bill was between the houses I had an opportunity to examine the amendment I sought to have implemented because I became suspicious that not all of the subleases would wind up in this place. As a result a second amendment was drafted, which is basically — I must say without hesitation that I am not one who crows from the rooftop when I make someone back down — word for word what the opposition moved in the Legislative Council.

We are delighted that the government saw reason and decided to adopt the opposition's amendment. It does not solve the issue of other legislation and the cosy deals the Bracks Labor government has entered into with Transurban, such as the \$100 000 dinner that government members went to with Transurban. They have their money back in bucketloads!

During the minister's attempts to protract his boring speech and personal attacks on me on that Wednesday when he spoke about the clauses — —

Mr Smith — Water off a duck's back!

Mr LEIGH — Yes, it doesn't worry me. He spoke about share prices and so on as part of the legislation.

The fact of the matter is that he never talked about what had happened to the share market as a whole, he simply talked about the share price. He knows, like I do, that the government has done some really cosy deals. If the government wants my prediction, I suggest it should watch what happens when Transurban puts out its prospectus on the trust arrangement. That is what we all have to watch for.

When this minister realises he got conned out of \$10 million for the single-purpose entity release — so Transurban could put out into the market a prospectus that will enable it to go around the planet flogging what occurred in Victoria under the former Liberal government — we will certainly have some interesting times in this place. Let me assure the house that we are talking about the Bracks Labor government enabling Transurban shareholders to be advantaged by many millions of dollars. I do not have a problem with that, but at the same time the state of Victoria has to make sure it protects the taxpayers. Under this legislation I do not think the Bracks administration is protecting Victorian taxpayers.

Without trying to govern from opposition, the opposition has tried to amend the legislation in such a way as to make it transparent. I suggest to anybody who reads *Hansard* that they go and look at a couple of things, such as what was said on the day of the second-reading debate. They should read not what I said but what the Premier said on 3AW, because that is part of the deal that has gone on. A week ago on Tuesday on the Neil Mitchell 3AW radio program, when asked whether he knew how much land would be involved the Premier said, 'I have no idea. I can't tell you. We wouldn't do that'. When asked about the fact that it would be eight months before he knew what land Transurban would end up with, he said, 'Oh no, we'd never do that. No, no, never'. Unfortunately professional public servants have done their job in this place and exposed what has been going on. But the Premier said, 'We don't know'. That is an example of the incompetence of this Minister for Transport.

I reiterate that great quote from Kenneth Davidson of the *Age*, who described the minister as not the worst Minister for Transport in Victoria's history, because there was a long queue in front of him, but probably the laziest. This situation is an example of laziness. Under the original arrangements one of the last jobs of the Melbourne City Link Authority was to organise what happened to parcels of land that were still outstanding. The fact is that much of this land was deliberately taken out of the project so that we could decide what it was worth and work out signage issues and so forth.

What happened last Thursday? The Minister for Transport scurried into this chamber with a letter saying a former planning minister, the honourable member for Pakenham, had done some incredible deal regarding the customer service centre site on the left-hand side as you come in from Geelong to advantage McDonalds. And had he? No, he had not. The former minister supposedly organised this cosy deal with McDonalds by making it harder for exit ramps to be put in from City Link. What nonsense! What was the real reason? The exit ramps had to be designed so that people did not come off City Link onto side roads at 100 kilometres an hour. That is the reason.

This minister came into the house and did what he has done throughout the 1980s and 1990s and his entire political career — he fabricated things. That is what he is good at — fabrication! The former minister, the honourable member for Pakenham, came to see me. He was absolutely outraged and suggested that on his behalf I should write to the Auditor-General and ask for a proper and full investigation of the matter. And I will.

I wonder whether people like the Independents, with their charter, can be happy when they see cosy deals being done for Transurban's benefit. This was a government that was against tolls, but it went down and opened City Link. The now minister was against City Link, as we saw with the six or seven years of press releases that came from him, and he wanted the Auditor-General and everybody else to investigate it.

When City Link was opened they could not get down there quickly enough to claim the credit for it. I understand that when the Premier and the Minister for Transport got up to accept the accolades on the day they drove through that tunnel they were booed because people knew who had done the homework and had protected Victoria's interests, and it was not this bunch sitting across the way!

I sent all government members an email and a fax about all of this, which I am sure probably 10 per cent of them will read, and that 10 per cent will be the members who sit in that Labor Party room and have some credibility on their own side as to what this Labor Party is doing — secret deals with Transurban, not transparency.

The pity of this whole arrangement is that the government did not come into this house in the beginning with this legislation and make it transparent. It chose to do deals, and it was only when the Legislative Council in cooperation with the Liberal and National parties said to the government, 'Here's a suggestion', and first off the government said, 'Oh, we will look at it', and then rushed away after the opposition gave it the amendments, and what happened? Talk about a bunch of plagiarisers! Government members rushed back into the Legislative Council with, basically, our amendment.

As I said, I am delighted that finally the government saw sense. Hopefully out of this we will not have the behaviour that has gone on with Transurban where Transurban has been advantaged against the state's interest in the manner that I believe it has been over time. Any deals that are constructed through subleases from now on will have to be made available, and I hope we will not see the sort of trickery that went on when the minister rushed legislation into this place saying it was all about the Kooyong tennis centre when it was not; it was about a whole lot of other things. It is just typical of a bone lazy Minister for Transport who would not recognise the truth if it fell in front of him. It is a pity that other members of his party do not seem to have any control over his behaviour.

In conclusion, I think what people should read if they want to know about the credibility of this minister is the report of the debate — my comments and those of the minister — and they will understand the games that he played on Thursday. I am a big boy; I can take all the buckets of whatever he throws at me. I do not care because he will get them back from me in spades, the way I see it. But from the point of view of the legislation I am delighted that the government has seen some sense and as a result of that we will have at least some transparency in Transurban's ultimate arrangements on the rest of this freeway. The opposition agrees to the amendment.

Motion agreed to.

BUSINESS OF THE HOUSE

Adjournment

Mr BATCHELOR (Minister for Transport) — I move:

That the house, at its rising, adjourn until Tuesday, 7 May.

Motion agreed to.

MEMBERS STATEMENTS

Housing: rent arrears

Mrs SHARDEY (Caulfield) — Five months ago the Auditor-General raised the issue of the unsatisfactory level of rental arrears owed to the Office of Housing. It was pointed out that under the previous Cain Labor government rent arrears increased from \$6.4 million in 1984 to \$15.3 million in 1988, but the new procedures introduced by the Liberal government in 1996–97 reduced rental arrears to \$6.7 million. However, once again we find rent arrears owed to the Office of Housing have risen by more than 50 per cent to \$10.6 million. Additionally \$11.9 million has been written off in bad debts, which again have risen by 50 per cent from \$2.1 million to \$3.2 million.

Now, five months after this scathing Auditor-General's report, the Minister for Housing surprisingly announced last Sunday a crackdown on housing cheats who dodge paying rents or vandalise their homes. The problem for the minister is that, given her performance in this area and taking into consideration the huge blow-out in public housing waiting lists under her stewardship, no-one believes she is capable of delivering on her promise. She seems to have offended the Tenants Union of Victoria, which believes she will merely

increase the level of homelessness and impact adversely on women suffering domestic violence and the consequent damage to property, which under this minister's regime it believes will lead to eviction.

Defenders of Australia

Ms CAMPBELL (Minister for Senior Victorians) — Soldiers of the 3rd Division of the Australian Army yesterday met in Queen's Hall for the launch of a book of their history, *Defenders of Australia* by Albert Palazzo.

I pay tribute to the men of the third division, a unit dedicated to militia or combat duty. In attendance were men of outstanding calibre such as Keith Robinson of Bentleigh, who keeps the division's association still vibrant — a driving force in today's reunion at Middle Park. There was a beaming Geoff Code of North Balwyn and Wal Appleby of Pascoe Vale South — a driving force behind and organiser of the West Coburg–St Albans memorial service. There was Captain Bill Paterson of Kew, who was richly praised by those surrounding him as a wonderful officer and friend of all ranks.

The Pascoe Vale electorate was also represented by Peter Plumridge, still an outstanding and active contributor to a civil and democratic society; and my favourite returned serviceman, Jack Hardy, my dad, a foundation member of the Pascoe Vale Returned and Services League and dedicated member of the Pascoe Vale RSL Friday night meeting club.

During World War II in New Guinea the division operated in the most difficult area of war the Australian army had ever encountered, so the book states. A unit of the 3rd Division was the first to stop the Japanese advance in New Guinea, and I quote from the book:

Their achievements had helped to win victory in the Pacific and safeguard the nation from defeat.

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

Water: Wimmera–Mallee pipeline

Mr DELAHUNTY (Wimmera) — I rise to congratulate the community-led Wimmera Mallee channel piping steering committee, which has worked very hard over the last couple of years. Members are Cr Stewart Petering, who is chair; Cr Darryl Argall; Cr Mick Leeming; Rob McKenzie; Chris Hewitt; Phillip Sabien and John Young. They are ably supported by the secretary, Jennifer Tod, and ex-officio

members Jo Bourke, John Konings, Peter McManamon and Lance Netherway.

These people represent the community through the councils, the Victorian Farmers Federation, the development associations, water authorities and catchment authorities and most of western Victoria. Over the last couple of years they have been very committed and hardworking, with a strong focus on completing the piping of the open earthen channels. They have travelled extensively; they have attended individual and community meetings; and yesterday they brought down 7000 letters, along with the editor of the *Wimmera Mail Times*, Danny Lannen, to present to the Prime Minister supporting the funding for the detailed design work. I congratulate the Prime Minister on making available his time at short notice to meet with these people. We do not want the Prime Minister to respond to individual letters; we would rather he send back \$500 per letter and that will pay the \$3.5 million needed to do the detailed design work. I call on the state government to match this amount and also the \$4 million to complete the Mallee area. Again, this project will reap tremendous environmental social and economic benefits for western Victoria.

Yallourn Energy: jobs

Mr MAXFIELD (Narracan) — I raise the issue of job losses at Yallourn Energy. The short-sighted action of Yallourn Energy in contracting out its mine certainly goes in the face of appropriate and sensible management of that site. The manager, Mike Smith, seems to think that his workers are a liability when in fact they are the biggest asset he has. His treatment of the workers within the mine and the power station generally has been very poor, and I believe he stands condemned for his behaviour. He should be aware of the fact that if he worked with his staff he would achieve a far better outcome for the power station. Contrast that with what occurs with Hazelwood Power, a company that is committed to its staff and is also very forward looking to future needs in the next 10 to 15 years.

Yallourn Energy would be far better served if it concentrated on ensuring that it had properly trained staff for the future, because they are the people who will have to run the mine and the power station.

It is very disappointing that they are looking at further reducing staff. In a short time they will find themselves on a very slippery slope in terms of being able to properly run that power station. The people who work in the mine and in the power station should be congratulated on their loyalty and dedication over many

years. They are a fantastic group of people, and I strongly believe Yallourn Energy needs to understand the realities of its decision.

Men's Health Tune Up program

Mr ASHLEY (Bayswater) — During last Thursday's question time the Minister for Health extolled the benefits of the Men's Health Tune Up program, which he had earlier launched on the steps of Parliament house. He said it was part of a program which aimed to encourage men to monitor their health by providing mobile health checks in, for example, the workplace. The men's health caravan is a great idea, but the minister should have avoided the temptation to become too clever by half in his comments about other members, certainly while the caravan itself poses a serious health threat.

The caravan has a fundamental design flaw which, if not addressed, will endanger the public whenever it is used. I refer to the storage compartment flap door located at the back of the caravan. It is hinged at the top — not the side or the bottom. This means that whenever it is in use it juts out at an angle from the caravan wall. This door is edged with aluminium strips, which meet to form two hard, unforgiving metallic corners.

When the flap door is open members of the public walking behind the caravan who might be either unsighted or distracted run a high risk of suffering a serious injury to their chest, throat, mouth, nose, eyes or forehead, depending upon their height. If that should happen it would do more than take away the smile of anyone who is hit by it. Should it happen it would certainly wipe the grin off the minister's face and would be a severe embarrassment to this potentially valuable primary health care extension service.

May Careek

Mr SEITZ (Keilor) — I would like to put on the public record my congratulations to May Careek on her 100th birthday. On Saturday I had the pleasure of attending her birthday party. It is a significant part of political life to attend someone's 100th birthday celebration. Rosary Home nursing home in Keilor Downs arranged a party for her family, friends and everybody in the community to attend. It was a tremendous day for May, for her family and for the centre. Family members came from all over Australia to be with her on that significant day.

May Careek is a typical Australian pioneer woman. She was brought up in the country, worked with her husband on a farm, milking cows and performing all

the chores which in the early 1900s were not able to be done with the assistance of machinery and equipment and other comforts available today. May had a very tough life but she always had time for the community, her family and her friends.

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

Road safety: driver education

Ms McCALL (Frankston) — I draw the attention of the house yet again to the plight of young drivers on the Mornington Peninsula. A very high number of road deaths are recorded in this area, particularly in the 18 to 25 age group. While highlighting this fact I also want to draw attention to a project called Fit to Drive, which is the result of the cooperation of secondary schools in the Mornington Peninsula and their principals. This project is now being run by Graham Spencer, who was formerly the principal at Karingal Park Secondary College.

Fit to Drive is an excellent program which gives young people the opportunity to drive under simulated conditions and learn evasive and defensive driving techniques. It also helps them to be aware that with so many single-car accidents on the Mornington Peninsula, they have a responsibility to themselves and the community. There are far too many recorded examples of young people driving home at night, probably fatigued and probably under the influence of alcohol, being involved in single-car accidents. Often it involves a single person in a car colliding with a tree. The most recent examples include a series of accidents at the corner of Robinsons Road and the Moorooduc Highway. I am delighted to report that at last we have traffic lights being erected there.

I urge this house to recognise that we need more black spot funding and we need more training for young people so they understand that when you drive a car you are driving a potentially lethal weapon.

Edwardes Lake, Reservoir: pollution

Mr LEIGHTON (Preston) — I am pleased to advise the house that work has commenced on Edwardes Lake in Reservoir. Edwardes Lake is a major community facility which has been used as a recreational area since the late 1800s. The current weir was built by returned servicemen in 1919. However, it has since become heavily polluted because it is part of the urban stormwater system and attracts pollutants from a 40-kilometre-square area.

Stage 1 of the work has now commenced, with \$1.25 million in funding from the City of Darebin, \$250 000 from the Victorian government stormwater action program and \$450 000 from Melbourne Water. This stage involves digging out the Leamington Street wetlands and turning it into a sediment pond. I call on the local community, including local industry and business, to reduce the level of pollutants going into the stormwater drain and ultimately into Edwardes Lake. That includes not just Darebin industry, because Darebin constitutes only 20 per cent of the catchment area.

I thank the Minister for Environment and Conservation for her strong support in getting the funding to enable work to commence. At the same time I inform the minister that I will be lobbying for funds for stage 2 of the work. This is a major facility in our area, and there is a lot more work yet to be done.

Shrine of Remembrance: bugle

Mr DIXON (Dromana) — I have been contacted recently by Mrs Pam Brereton of Rosebud, whose father, Albert Dawe, was the bugler at the Shrine of Remembrance for 39 years. Upon his death the bugle was displayed in a glass case at the shrine, but last year Mrs Brereton discovered it was no longer on display. On further investigation she was told it had been taken to the Melbourne City Council and stored in a cupboard. The bugle, which has great sentimental value to her family and also some historical value to this state, has now disappeared.

Mrs Brereton has written to the Returned and Services League, the City of Melbourne and also the shrine trustees, all to no avail. I am bringing this matter up so that greater efforts will be made by the Melbourne City Council and the shrine trustees to find this bugle. It is especially relevant and important during this Anzac week that the members of Albert Dawe's family have their Anzac treasure found and returned.

Aspendale Gardens Primary School

Ms LINDELL (Carrum) — Mr Speaker:

Aspendale Gardens inland from the sea,
Aspendale Gardens the place to be.
A brand new school with brand new friends,
A place where learning will never end.
We're all very special, just wait and see,
I'll get to know you, and you'll get to know me.
We're all very different, and that's really good,
And we'll get on together as good friends should.
So here's to a year full of fun and laughter,
And times together 'Happily ever after!'
Take pride in our school, right from the heart,
Let's make 2002 a brand new start!

I thank the staff and the children of Aspendale Gardens Primary School, who put on an amazing and very energetic display at the official opening of their school, no. 5301. They have a lot to celebrate, and they did a terrific job. I congratulate the principal, Leigh Crang, the assistant principal, Gaye Peel, the school council president, Kerry McKenna, and all the school council members.

The wonderful event was put on by a special events committee, which is testament to what an important asset this school is to its community.

MATTER OF PUBLIC IMPORTANCE

Business: government statement

The SPEAKER — Order! I have accepted a statement from the Treasurer proposing the following matter of public importance for discussion today:

That this house commends the Bracks government on its business statement *Building Tomorrow's Businesses Today*, which will grow businesses and jobs across Victoria and will secure Victoria's future as an innovative, competitive and connected economy.

Mr BRUMBY (Treasurer) — I am delighted that today the house is discussing this matter of public importance, which commends the Bracks government on its business statement, *Building Tomorrow's Businesses Today*, which will grow businesses and jobs across Victoria and secure Victoria's future as an innovative, competitive and connected economy.

The Premier and I released this package on Monday. It provides \$364 million of major initiatives to grow Victorian businesses and create jobs, and it really builds on the state's reputation as the economic powerhouse of the country.

It is instructive to examine the backdrop to this business statement and to look at what the analysts in newspapers across Victoria and, indeed, across Australia have had to say recently. An article appeared in the *Australian Financial Review* earlier this year stating:

It is hard to go past Victoria as the best performing state or territory in the nation, at least in economic terms.

More recently in the *Melbourne Age* of 8 March, Josh Gordon stated:

If Australia is the world's miracle economy, then Victoria might well be called Australia's miracle state.

It is with that background in mind that the government delivered on Monday the business statement *Building*

Tomorrow's Businesses Today, which is about locking in place the medium-term framework for growth in Victoria. It is about ensuring that the state continues with the growth bonus it is enjoying at the moment. Victoria has a very, very strong economy, and with its exceptional performance it is leading Australia. We have a strong construction and property market, but we know that that market can be cyclical and that it will stabilise in the years ahead, so *Building Tomorrow's Businesses Today* is all about locking in the measures the government needs to take to grow investment and jobs in the medium term in our state.

I am delighted to say that the government statement has enjoyed a fantastic response from the business community and from other commentators in our state. I will focus on some of the responses to the statement for a moment. The front page of yesterday's *Herald Sun* had the headlines 'Jobs boost', '12 000 new jobs tipped' and '\$364 million deal for Victoria', and the article that followed stated that the package received strong support from the Victorian Employers Chamber of Commerce and Industry and other industry groups. Neil Coulson of VECCI is reported as stating:

I think it's a very constructive package. I think credit is given where credit is due ...

It's a looking-for-business policy which is supportive of reducing costs to business.

The Australian Industry Group's executive, Tim Piper, described it as providing:

... a welcome stimulus for manufacturing.

The *Herald Sun* also said in its editorial headed 'The business of budgeting' that the government deserves:

... a big tick for the \$364 million of positive incentives —

which we have provided to the business community. The editorial states further:

Particularly welcome are the changes which will mean that businesses will pay less payroll tax — a great job destroyer.

The *Australian Financial Review* contains comments from people interstate. For example, it reports Commerce Queensland chief executive Andrew Craig as saying that:

... the package could make Victoria superficially more attractive to business because Queensland 'hasn't quite got the lead it used to'.

In other words, Victoria has become more competitive since the election of the Bracks government.

The Australian Retailers Association is reported in the *Australian Financial Review* as welcoming the initiatives. I have already quoted the Australian Industry Group, which is reported in the *Australian* as also endorsing the report.

Many small businesses have responded well to the report. The *Age* of 23 April reports the following reaction from Peter Michael of Michael's Cameras:

We welcome the announcement. Any reduction in costs is good at a time when everything else like insurance, rates and general costs are going up.

Again, this is an endorsement of what we have been doing in cutting taxes.

Here is another one about what we are doing in the tourism industry — that is, treating it seriously as a crucial and key industry for our state. Craig Opie, from the Colonial Tramcar Restaurant, is referred to in the *Age* as follows:

Mr Opie yesterday praised the state government's targeting of business tourists in the Victorian tourism strategic plan as a timely initiative, especially after the tourism downturn after September 11 and the collapse of Ansett.

Here is another headline from the *Age*: 'Industry the big winner in state tax package'. Again the article quotes industry groups.

Here is another one in last week's *Age* from Frank Bosgraaf, the managing director of the Burlon Hosiery factory, which employs 70 people. He said there was:

... a direct nexus between the government reducing payroll tax and firms employing more labour.

Then we can have a look at what is being said in country Victoria — for example, by Graeme Nicholas, head of Wangaratta Unlimited. He says that the manufacturing sector in Wangaratta will benefit from the initiatives announced in the business statement and is glad to see that:

... the government is keen to do something for business.

I have an article from the *Bendigo Advertiser* of Tuesday, 23 April, which is entitled 'Rural victory':

Rural and regional Victoria will receive \$26 million in funding to promote local business under the state government's \$364 million business package announced yesterday.

Another article from the *Warrnambool Standard* is headed '\$26m for rural Victoria'. Again an article in the *Ballarat Courier* is headed 'Business bonanza pledged'. And so it goes!

When you look at all of the commentators — the country analysts and people from country businesses — you can see that there has been exceptionally strong support for this package.

These specific initiatives, which total \$364 million, contain \$262 million in business tax cuts and a freeze in average Workcover premiums for the third year in a row. What a remarkable thing! Around the world the insurance industry is collapsing and premiums are going up by hundreds and thousands of per cent. The Workcover scheme is an insurance scheme, and for the third year in a row we have been able to contain premiums. We are able to say to 96 per cent of businesses, 'There will be no increase in your premium!'. What is the premium rate? It is 2.22 per cent! Where does it rank in Australia? It is the second lowest. And compared with the rest of Australia where does Victoria rate today because of the Bracks government? We are the second lowest in Australia. These things are important in driving productivity, new investment and jobs growth.

There are initiatives for manufacturing totalling \$27 million over four years, and they are endorsed fully, strongly and completely by the chair of the Manufacturing Industry Consultative Council, Peter Thomas. This is the sort of boost and support that we need for our manufacturing sector.

There are also initiatives to cut red tape. In future, if you want to start up a business in Victoria you will have just one port of call instead of having to travel around, as you used to do under the Kennett government, to 17 or 18 different agencies, filling out and signing different forms. You will only have to go to a single point under our Easy Government initiative.

There is more money for exports and innovations and, as I said, more money for tourism. There is \$18 million to boost the tourism industry in the wake of 11 September, which includes \$10 million for the Regional Infrastructure Development Fund.

There is \$1.5 million a year over four years for the Melbourne Convention and Marketing Bureau, and \$2 million for a full feasibility study of the extension to the Melbourne Exhibition Centre. There is a raft of tourism initiatives designed to grow this state. As I have said, regional Victoria gets \$26 million of new initiatives designed to strengthen and grow regional Victoria and particularly to build on the extraordinary performance we are seeing in the export of food and fibre.

I also want to mention the Regional Connections initiative of the Minister for Small Business, which will provide \$5 million to run five pilot programs to create more competition in regional Victoria. This is an outstanding initiative. By the end of this year we will have those pilot programs in place, and they will provide more broadband capacity at a lower price to regional Victoria than we have seen in the past.

In this last 5 minutes I will concentrate on a couple of tax issues. The Bracks government has a record of cutting taxes which is second to none. Here is the report card: we have cut payroll tax; we have cut land tax; and we have abolished duty on non-residential leases. If you are in the retail trade this was the single most important initiative in decades, taking \$50 million of costs straight off the bottom line. We abolished two taxes as part of the intergovernmental agreement — financial institutions duty and duty on quoted marketable securities — and from 1 July 2002 we will abolish duty on unquoted marketable securities. We will be abolishing duty on mortgages from 1 July 2004. The total tax cuts delivered in the first term of the Bracks government are in excess of \$1 billion.

As I said yesterday, if you look at the seven years of the Kennett government you will see that only one tax was abolished. It was one, pathetic, miserly, puny little tax which cost \$1 million. This government is in the billion-dollar business, while the opposition is in the million-dollar business. One pathetic, miserly, little tax!

Let me make a couple of points about land tax and the particular comments made about it by the opposition. The government has been trying to fix up the land tax mess left by the former government, which reduced the threshold from \$200 000 to \$85 000 and brought 70 000 new land tax payers into the system. When we came to government we thought, 'This is a disgrace!'. The honourable member for Burwood has been campaigning for us to lift that threshold back up, and he has been extraordinarily successful. Last year we lifted it from \$85 000 to \$125 000, and this year we are lifting it to \$150 000. That takes 46 000 people from the system who would otherwise pay — and next year it will take out 21 000 people who would otherwise pay. The total number of people paying land tax under the Bracks government is considerably less than the number that were paying land tax under the former government.

The honourable member for Box Hill does not speak very often in Parliament, but here is one speech that he made about land tax — —

An honourable member interjected.

Mr BRUMBY — I hope he addresses this. He remembers the speech: he is talking about a flat land tax rate, and he says this:

... a flat land tax scale would avoid many of the problems we are facing at the moment, and I hope we move further in that direction.

Here we have the shadow Treasurer out there making promises about land tax that he cannot keep, and his real view is that we should have a flat rate.

If you want to cripple small business, impose a flat rate on it. We have taken 65 000 people from the land tax net. Who wants to put them back in? The shadow Treasurer, the Deputy Leader of the Opposition, and the Leader of the Opposition. Let me say this, too: the total land tax take this year, 2001–02, will be less than that of last year.

Mr Leigh interjected.

The DEPUTY SPEAKER — Order! The honourable member for Mordialloc!

Mr BRUMBY — The calculations that have been made show the result of a fall in the taxable values for 60 per cent of commercial value and 48 per cent of industrial property. That is our record; we are proud of it. We took 46 000 people out last year and we are taking another 21 000 people out this year — we freed those 60 000-odd people from paying land tax. We are taking less revenue in land tax this year than last year. We are seeing taxable values for 60 per cent of commercial property and 48 per cent of industrial property coming down.

When you look at this package, you see the Bracks government has been getting on with the job of cutting taxes — \$1 billion worth of tax cuts versus the puny \$1 million of tax cuts under the former government.

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

Mr CLARK (Box Hill) — This is a very modest motion that we are being asked to consider this morning. There is absolutely nothing brash or crass about it; it is just a single modest proposition: that the Treasurer congratulates himself on his business statement. We can fully understand that the Treasurer may need to move this motion himself because he is having trouble finding anyone else on his side of Parliament who might be able or willing to say the things about the business statement that the Treasurer would like to have said or to say them in the way he would like to have them said. So, recognising this, we

should assess this humble motion before us in the light of the humility with which it is put forward.

Looking at it in that light, this house can give the business statement a very modest and very humble assessment. Namely, it is a failure. It is a failure because the so-called tax cuts are a drop in the ocean compared to the massive tax rip-off being perpetrated by the Bracks government. It is a failure because it fails to give Victorian business the strong competitive boost which is needed to counteract the loss of momentum that we are suffering. It is a failure because the government has made clear that it does not intend to give one dollar of tax relief to ordinary Victorians. It is failure because — —

Honourable members interjecting.

The DEPUTY SPEAKER — Order! The honourable member for Mordialloc is interrupting his own speaker. I also ask the honourable member for Burwood to cease interjecting and remind him he is out of his place.

Mr CLARK — It is also a failure because any business person trying to struggle their way through its 73 pages of turgid prose and grandiose rhetoric is more likely to give up in despair than to find any benefits it may provide for their businesses.

Let us look at the figures to date about the great tax rip-off. Since 1998–99 payroll tax in this state has risen from \$2.13 billion to \$2.602 billion — a 22 per cent increase. Let me say that the previous government cut more off payroll tax rates in one budget than the present government has cut in three budgets.

Stamp duty on land transfers has risen from \$1006 million to an estimated \$1.8 billion this year, which is a 79 per cent increase. Land tax collections have risen from \$369 million in 1998–99 to \$525 million in 2000–01, a 42 per cent or \$156 million increase. Taxes on insurance have risen from \$531.7 million to \$721.3 million, a 35 per cent increase as the government profiteers from soaring public liability and other insurance premiums. Last but not least, motor vehicle taxes have risen from \$895.2 million to \$999.2 million, an 11.6 per cent increase. On top of that we have seen jumps in police fines, Workcover premiums and in the take from gambling taxes.

If that is all put together and is adjusted for the taxes that are now being funded through the GST revenue, the tax take since the Bracks government came to office has increased by \$1.7 billion per annum, which is more than \$400 a head for every Victorian man, woman and

child. In comparison with that, the so-called tax cuts — or to be more accurate, the reductions in tax increases — that are provided in the business statement total \$83 million in this coming financial year, falling to \$58 million the following year and then \$59 million the year after.

What is particularly outstanding is the con over land tax, and we heard the Treasurer waxing eloquent on that subject. The value of the land tax reductions in Monday's business statement is \$3 million, compared with an increase of \$156 million on the tax take to date under the Bracks government, together with further increases, as the Treasurer and the Minister for Finance well know, that are locked in for years to come because of the lag between valuation years and years of assessment. There are at least two more years of land tax increases that the Treasurer has already locked in. That is something the Real Estate Institute of Victoria and the Victorian property council have pointed out most forcefully. This tax slug is undermining the competitiveness of Victorian business and thus undermining investment and jobs, as well as eating into the quality of life of ordinary Victorian families.

Let's have a look at some of the feeble excuses being given by the Treasurer as to why he cannot give back some of his massive windfall tax gain. Excuse no. 1 is that he needs this windfall revenue to pay for vital services such as education, health and police. We heard him making this point out the front of University High School on Saturday evening. Heaven help Victoria if we are dependent on unbudgeted, windfall tax gains to pay for those vital services! A Treasurer who followed sound financial management principles would make sure that those services were paid for out of budgeted revenue and not out of unbudgeted windfalls. In fact these services are not being placed at risk by tax cut proposals, because although there has been a \$700 million increase in unplanned, unbudgeted operating expenses by the Bracks government in this year alone, that has gone largely on matters such as the greater than expected cost of the wage deals it has struck with public sector unions and the flow-on effects of those wage deals to the state's superannuation policy.

In this respect the government has failed to heed the warning sounded by the Auditor-General in his report on last year's state finances, where he set out figures that made it clear that 72 per cent of the wage bill increases paid out by the state government last financial year were as a result of industrial agreements and only 28 per cent of the increase in the aggregate state payroll was due to government policy decisions. In the introduction to his report the Auditor-General clearly

warned that one of the challenges facing the government is managing the impact of increased expenditure pressures, including wages growth.

The second excuse put forward by the Treasurer is even more bizarre — and I could hardly believe my ears when I heard him advocating it on radio 3AW on Sunday morning. This argument is that Victoria could be on the brink of a late 1980s-style collapse in the economy and the property market, and it would thus be irresponsible to give any stamp duty cuts. Hang on, I thought it was supposed to be the opposition saying there were dire times ahead for the economy! In fact the Treasurer is out there miles in front of us in talking about warnings of doom and gloom. If it were true, we would certainly have plenty to worry about on top of the issue of tax levels. If it were true then Monday's business statement was a gross dereliction of duty by the Treasurer, because nowhere in the business statement is there anything that spells out the Treasurer's contingency plans to manage the sort of catastrophe he was foreshadowing on Sunday morning.

The Treasurer is trying to simultaneously argue two contradictory propositions — that the Victorian economy is faring marvellously under his stewardship but that we may be on the verge of a dramatic economic slump. There is a term for this sort of syndrome: it is called serial sincerity. You go out and argue passionately and with fervour in favour of one proposition one day, and then two days later you go out with similar passion and fervour, advocating something entirely the opposite.

The opposition's assessment of the state of the Victorian economy is more sober, realistic and balanced. Our state economy is losing momentum. Since the change of government it has been like a car with the driver's foot off the accelerator. Our economic prosperity is narrowly based on a property boom and to a lesser extent on good rural exports. We are suffering serious weakness, particularly in our manufacturing sector, with 21 000 jobs lost over the last year. The Treasurer makes a great play of citing newspaper reports. I am sure he has not forgotten the newspaper reports of job losses such as those at Stafford Ellinson, Holeproof, Hugo Boss and Orica, a few from a long list which on the opposition's reckoning totals about 20 523 lost jobs.

On top of that there is the lack of infrastructure spending and the almost unbelievable figures reported by the Australian Bureau of Statistics that in the final quarter of last year the government spent only \$1 million on engineering infrastructure in Victoria.

That is not just a one-off report. Time and time again the ABS is coming back with similar figures.

What has happened to the major projects? The now Minister for Gaming has the dubious honour of having spent his whole time as Minister for Major Projects and Tourism without announcing a single new major project for Victoria. We have seen the public-private partnerships programs floundering; 13 successive reannouncements of the Spencer Street station redevelopment; the failure of the proposed extension of a fast rail link to Tullamarine; and the ominous lack of news about what is happening with the regional rail projects.

We can also expect a slowing down of the property market as the demand arising from the end of the commercial glut created in the Cain-Kirner era is met and as housing stock catches up with easing demand. All that is true. However, thanks to the Howard government we have low interest rates and a sound national economy, and thanks to the Kennett government we have low state debt. Thus despite the best efforts of the Bracks government, we are not likely to suffer the sudden implosion of the late 1980s but rather a steady erosion of our position so long as it remains in office. Despite the government's unplanned, unbudgeted spending increases, we can still afford genuine tax relief. We need that relief both for fairness for ordinary taxpayers and to re-establish the competitive position of the Victorian economy.

To put it simply, sitting as he is on a \$792 million budget surplus, who does the Treasurer think he is kidding when he says he cannot afford to give tax relief to ordinary Victorians? He can afford to give that tax relief, provided he does his job and exercises proper control over expenditure rather than allowing his cabinet colleagues to run all over him. Victorians expect fair play and balance. They are prepared to judge on their merits well-thought-through policy decisions on new initiatives or improvements to services, but they also expect a fair share of windfall tax gains to be returned to them in the form of tax relief. They are fed up with their taxes being spent on unplanned, unbudgeted or unannounced spending such as more public servants, higher than expected wage deals or so-called business-attraction advertising, which is really more about vote attraction than supporting business.

The Treasurer and his government have a clear strategy, which is to use property price increases and bracket creep to lock Victorians into permanently higher tax levels in order to cover over their uncontrolled spending. Unless property prices fall back to 1999

levels, the Treasurer's strategy will ratchet up home buyers and other property purchasers into higher average stamp duty takes indefinitely, regardless of whether or not the turnover figures ease.

In the case of land tax the situation is even clearer, because unless prices fall back we will have had more than two years of further price increases to flow through to the system, and on top of that in the case of land tax the Treasurer does not even have a volume risk because the tax applies regardless of turnover levels.

So for all of these reasons the government is in a position to give tax relief and needs to give genuine tax relief both to business, to reverse the loss of momentum we have been suffering to date and, out of fairness and decency, to put more money back into the pockets of ordinary Victorians and end the rip-off of the last two years.

I conclude my assessment of this motion by paraphrasing the words of Winston Churchill: it is a very modest motion and it has a lot to be modest about.

Mr RYAN (Leader of the National Party) — It is my dubious pleasure to join the debate on this matter of public importance.

I take up one of the points that the honourable member for Box Hill made in this excellent contribution, the notion of a Treasurer pocketing \$1.7 billion extra each year in additional taxation on Victorians — \$400 per head for man, woman and child — and on the other hand the pittance of a return reflected in the recent announcements in the business statement being considered today. It is the Brer Rabbit syndrome — that is the real excuse. The Treasurer with one hand pockets this money left, right and centre, and on the other hand preaches doom and gloom. It is the Brer Rabbit syndrome at work. He is trying to have both sides of it to suit his purposes wherever he happens to be speaking.

That is reflected in this business statement issued by the government over the past few days. To see the way the government works the \$364 million package is an absolute treat. It is replete with announcements and reannouncements and variations on the same theme. It is money that has been produced before in relation to other programs wrapped into reannouncements now incorporated in the \$364 million, and I will demonstrate how in a moment, particularly in the context of country Victoria.

The government has cut up the \$364 million pretty well — credit where credit is due. There has been a release from the Premier announcing the \$364 million;

then a release from the Treasurer about \$262 million of it; a release from the Minister for Small Business about small business and taking another slice out of the money; another release from the Treasurer, only this time he is the Minister for Innovation, as he has christened himself — isn't that a grandiose title! What a classic! Then we have the Minister for Manufacturing Industry; then that well-known duo, the Treasurer again plus the Minister for Agriculture — the agriculture minister in name plus the de facto agriculture minister — running a line together. I will put that aside and come back to it in a moment because it refers to the so-called benefits to country Victoria.

Then we have — God bless him! — the Minister for Tourism. He is in there having a bit of a slash at it; then the Minister for Information and Communication Technology talks about 'Bridging the digital divide', which is the heading of her media release; then the Minister for Workcover, who is at the table as I speak, has a bit of a crack at it for Workcover.

I have not bothered to count up the press releases, but all the ministers have had a bit of a bash at it. However, the Minister for Finance, who is in the chamber, did not even get a mention! I do not know what his press team were doing but I am sorry to report that he has not even had a mention in dispatches.

What do we get out of all this when we have a good look at it, particularly in the context of country Victoria, which is what I want to concentrate on in the limited time available to me? A \$26 million package has been issued for country Victoria, so let us have a closer look at it. First there is the Brumby–Hamilton combo job, the first line of the package. I have their press release in front of me. The lead feature of the \$26 million is the \$10 million to develop tourism infrastructure in regional Victoria. What they overlook is that back in 1999 they made much play of the announcement of the regional infrastructure fund and into that they dedicated \$170 million.

How many times have we had releases about the regional infrastructure fund? It was said in 1999 that it was to get \$50 million in the first year, \$50 million in the second year and \$70 million the third year. That was the constitution of it. Again and again we have had rolled out this \$170 million, and again and again the press releases have come out. They have snipped a quick \$10 million out of the \$170 million and popped it in here to be devoted to tourism. It is a reannouncement of \$10 million of the money that went into that original \$170 million; it is not new money, not new funds at all. It is an absolute and utter con, and blind Freddy could see that you can only say so often that there is a

regional infrastructure fund, which is what they said on 16 November 1999 when they talked about the \$170 million. And now, a couple of years on, they have taken \$10 million of the same amount of money and popped it into this announcement to incorporate it in this \$26 million package of initiatives, as they term them, for country Victoria.

It is not new money at all, but a re-run of the same \$10 million which was referred to two and a half years ago and which has been referred to many times since. So, taking \$10 million off the top, that leaves \$16 million for country Victoria. Anybody can see that \$26 million minus \$10 million takes us down to \$16 million. Out of the remaining \$16 million, \$8 million is granted over two years to extend the successful Farmbis program. What the Treasurer and the Minister of Agriculture are each saying — insofar as there is any difference between them — is that that is \$4 million; that we are going to get \$4 million that is going to come out of this fund for this year. It is not an announcement for the year of \$8 million. The \$26 million is now down to \$16 million anyway and you have to take another \$4 million of it because it is spread over two years, so we are down to \$12 million for the year for country Victoria.

And what about the agribusiness program forums? An amount of \$3 million out of the \$26 million is announced for them — but it is spread over four years, so it is really \$750 000 a year! If there were a group of schoolchildren sitting here listening to this they would be able to tell you that that amount of money, \$3 million, divided over four years equals \$750 000 per year. Schoolchildren would tell you that.

You have got to take — and just wait a moment, because I have to work it out myself — another \$2.25 million off this famous \$26 million, so let's call it in round figures to help my mathematics — I was good at a lot of things but not necessarily maths — and we are down to about \$10 million for the year. The \$26 million package for country Victoria is down to about \$10 million!

We see a couple of other things. The package mentions an exemption from land tax to agricultural shows and field days. It is a good initiative, but the funding is lousy. This government, which loves to trot out the numbers, has not even put a figure on the initiative!

A couple of other crumbs off the table are dedicated to country Victoria, including \$5 million for regional connections and some other odds and sods. These crumbs are so miserable that three blind mice would have knocked them back! Country Victoria is not

getting a proper deal out of this lot; country Victoria is getting a pathetic deal out of this government. And why is it so? I will tell you why, Madam Deputy Speaker. It is because this Treasurer cannot manage the state's finances. Here is he pocketing \$1.7 billion a year extra in tax and we have got this sort of nonsense being trotted out to us, particularly to country Victorians.

What is the answer to it? The answer lies in the November statement of the *Report of the Auditor-General on the Finance of the State of Victoria, 2000–01*. I quickly mention a couple of snippets appearing at page 4:

While the state's overall financial condition remains strong, the government's flexibility in responding to future opportunities requiring increased financial resources has declined.

The level of the state's expenditure has increased relative to the size of the Victorian economy.

Further at page 5:

During 2000–01, gambling revenues totalled \$1.3 billion and are forecast by the government to rise to around \$1.6 billion by 2004–05.

After adjusting for the effect of the reduction in gambling tax rates, gambling revenues increased by approximately \$128 million during 2000–01, reflecting a higher turnover in the gaming industry.

The various provisions noted in this report from the Auditor-General indicate that the finances of this state are running very close to the stage of being out of control because the figures that are referred to are exclusive of the deals that have been done with the major unions representing those different power groups who are backing this Labor government and who were substantially behind its being elected.

So at the end of the day what have we got? We have a Treasurer who simply cannot control the way in which the finances of the state are being administered. The budget content about this on 7 May is going to be very interesting, particularly insofar as the forward estimates are concerned. This is another reason why country Victorians have completely lost faith in this government and it is why there is an intransigent view that it has failed to deliver.

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

Mr HULLS (Minister for Manufacturing Industry) — It really is tough being in opposition — I remember it well — particularly when you are going nowhere. It must be even tougher to have awoken each morning over the last couple of mornings after this

brilliant business statement was delivered and to have seen headlines like 'Jobs boost — businesses win tax cuts', '12 000 new jobs tipped' and '\$364 million deal for Victoria' as appeared in the *Herald Sun*. Amazing stuff!

The editorial from the same paper on that day states:

Treasurer John Brumby merits a big tick for the \$364 million of positive incentives he has handed the state's business community.

His mini-budget recognises that jobs and the maintenance of a high standard of living both depend on the wealth created by corporate Victoria.

And on it goes. If you were a Liberal you might sit in your little bed on a Saturday morning, out in one of those leafy suburbs like Brighton or Box Hill, and think, 'Oh God, another four years in opposition! This is a disaster for us'. You might decide to be part of the intelligentsia, so you would go to the *Australian Financial Review* because you would think that at least the *Australian Financial Review* would not be so dynamic in its headlines and it will be a bit more rational. However, when you picked up the *Australian Financial Review* you would see the headline, 'Business wins \$360 million in benefits'. On the back page of that paper a Chanticleer article is headed, 'Bracks sitting pretty in Victoria', and away it goes. Worse than that, the article puts a lie to the nonsense claims by the Liberals because it talks about the Kennett stuff-ups, the privatisations, the things that went wrong, the dark hand of the Kennett era that spread over Victoria for many years:

With these millstones around ...

The millstones it talks about are the privatisations that went wrong and Federation Square, as a result of the Kennett muck-up:

... the Liberals' claims that Bracks has done nothing look a little hollow ...

That is dead right. If you were a Liberal in those circumstances you would go back to sleep, wouldn't you?

If you were a member of the opposition in regional Victoria you would start reading stuff about country comfort in regional Victoria as a result of the government's economic statement. You might say, 'Forget about regional Victoria, let's go back to perhaps a national paper like the *Australian* because surely the *Australian* will have a go at this package'. But then you would read in the *Australian*, 'Bracks tax relief at \$1 billion in poll primer'. You would be thinking to yourself, 'Oh God, let's not go to a poll!'. The

government is not going to a poll because as Keating said, 'We want to do you lot slowly'. And there is more to come.

You would be really annoyed if you looked at the *Australian*, so you would say, 'Let's go back to the *Age*. We've had the *Australian*, the *Australian Financial Review* and read country comments' but you would see articles in the *Age* of Tuesday, 23 April, headlined 'Industry the big winner in state tax package' and 'Bosses welcome the changes'. You would stay in bed for two years and you would not get out until after the election and you would just let it ride all over you.

It is a great package. Give credit where it is due. You can play political games in opposition, but the fact is that this is a great package. I have no doubt that opposition members will be selling the benefits of this package in their electorates. They will be saying to businesses in their electorates, 'We actually forced the government to go down this line'. That is what it does; it plays politics. The government does not mind if opposition members want to go out to Brighton, Box Hill or Bentleigh and say to their constituents, 'Look, the bottom line is that it is a good package, but it is good only because we forced the government into this position'; the government is happy to wear that. But the fact is it is a good package. Let's not kid ourselves, it is a great package.

I have no doubt Liberals are down in their offices right now poring through this package to work out how they can get mileage out of it in their own electorates. I can tell them: go to the manufacturing area. This is a \$27 million boost for manufacturing. This is the first time any government has actually really focused on the importance of manufacturing in this state.

This government has a vision for manufacturing. The previous government had blinkers on and had no vision for manufacturing. We have a vision, and it is pretty simple: to make this place a centre for manufacturing excellence in the Asia-Pacific region. We want manufacturing to be and to be seen to be dynamic, innovative, export focused and of course environmentally sustainable. We want the growth of manufacturing to be underpinned by strong employer-employee partnerships focused on common goals and relevant education and also training infrastructure.

The government understands fully that industry growth needs to be supported by both reinvestment from established manufacturers and new investment from local and overseas sources. It also wants all Victorians, especially young Victorians including young kids, to

know that manufacturing is a vital part of our economy and offers very rewarding career choices. That is why the government embarked upon an agenda for new manufacturing. The Premier and I launched that some time ago.

We received the response of the Manufacturing Industry Consultative Council to that. I give credit to Peter Thomas and the MICC for the enormous amount of work they put into responding to the agenda for new manufacturing, and this is our response to it. It is a \$27 million response. It is all about ensuring that our manufacturers are innovative and export focused, because we know they offer long-term career prospects for young Victorians.

The action plan, particularly the manufacturing aspect, has been endorsed by the major employer groups, including the Victorian Employers Chamber of Commerce and Industry and the Australian Industry Group. In fact, it is interesting to read the comment of VECCI's chief executive officer, Neil Coulson. And if the opposition was still in bed after reading all these headlines, of course it would go to VECCI's CEO and ask, 'What is it really all about? What do you think about it? You're grassroots, you know what manufacturing and business are all about. What do you think?' What he would say to the opposition is what he said to all Victorians, that is:

... it's the first time we have seen a government make a substantial business statement at this time.

He absolutely welcomed it.

Ms Asher interjected.

Mr HULLS — The honourable member for Brighton says this is just spin. Give Neil Coulson some credit; he has analysed this package and he believes it is a great package.

The Plastics and Chemicals Industries Association has not only noted that the government's new policy initiatives recognise the importance of partnerships between government and industry but it has called on all other states to follow Victoria's example. In fact, it said it is now up to the governments of other states to respond to ensure their industries remain competitive nationally and internationally. So they know Victoria is taking the lead.

The Leader of the National Party has said this statement is no more than smoke and mirrors. I make this point about his federal counterparts: if anything has more than one syllable they do not understand it. They do not understand things like elaborately transformed

manufactures; that has always been too hard for the National Party.

This particular document focuses on exports, innovation, and having high-profile industry showcase missions and fairs. That builds on the back of the rail mission we had recently. I think the government contributed about \$250 000 to send a rail mission overseas. It came back with something like \$800 million of orders. We intend to have more such missions.

The government is focusing on exports consortia, export communications networks and the image of manufacturing. We will beef up the Manufacturing Hall of Fame. We put our sporting heroes on a pedestal and have the Brownlow medal for the best footballer — unfortunately, not a lot of Geelong footballers! We need to put our manufacturers up on a pedestal. That is what this will do. This is a great package. It is supported by all Victorians, and the opposition ought to get on with it.

The ACTING SPEAKER (Mr Kilgour) — Order! The Attorney-General's time has expired.

Ms ASHER (Brighton) — I am delighted to provide a contrast to the display of testosterone by the Attorney-General and the Treasurer that we have just seen in the self-congratulatory mode that they are now in with this motion before the house.

The Treasurer thinks he is a great tax reformer. This process started with something called the Harvey report. The Treasurer was going to completely reform taxation in the state of Victoria. The Harvey report recommended \$1 billion of stamp duty cuts to be funded by a flat rate of land tax of 2.89 per cent, which would have crippled small investors in this state and self-funded retirees as well. It is interesting to note that one recommendation of the Harvey report was to abolish stamp duty concessions for off-the-plan purchases. During question time yesterday the Treasurer made much of what a great thing this was for Victoria. This is where it started — I might add with \$670 000 of Victorian taxpayers' money wasted as the report was dumped.

We then moved on to the next phase in the Treasurer's great taxation reform. That was something called Better Business Taxes, with yet another glossy little magazine the government put out and \$750 000 of taxpayers' money allocated to promoting it. I must say I do not know what a better tax is; I would prefer to see something called a tax reduction. That would be the

stimulus the business community would be looking for in Victoria.

We have now moved to more spin; we have another glossy document. This is the third phase of the Treasurer's so-called taxation reform — this con the shadow Treasurer has referred to. We now have a document called *Building Tomorrow's Businesses Today*, and we also have a \$2 million advertising campaign, it would appear, to convince Victorians that the government is actually trying to do something about investment and jobs. What we have seen with this government is that the smaller the tax concession the bigger the ad; the smaller the tax concession the bigger the glossy; and the smaller the tax concession the more taxpayers' money is put into promoting it.

Let's just have a look at what the government is trying to sell to the public of Victoria. It is trying to sell an increase in the payroll tax threshold from \$515 000 to \$550 000 with a small reduction in the rate and an increase in the land tax threshold from \$125 000 to \$150 000 as great reforms. However, if you look at the fine print of the government's own statement you will see that in 2002–03 these so-called tax concessions amount to a grand total of \$83 million. Contrast that with the fact that this government is raking in \$1.7 billion extra per annum in taxation! So this great taxation reform that we have just heard expounded by the Attorney-General and the Treasurer equates to 0.3 per cent of total revenue. That is the so-called great taxation reform we are seeing in this statement.

I must say that we on this side of politics are on firm ground on this issue. We cut payroll tax in three successive budgets in tough times. That is the difference — in tough times. This mob is offering a crumb, a little trickle of some payroll tax concessions in very good economic times compared with what it is raking in from taxation. Again, we abolished land tax on the principal place of residence, we brought in a whole new rating system for land tax, and we budgeted for decreases in its collection — all of this in tough times when we were not getting the sort of revenues that this government is now getting.

The reality is that this government's tax take is up. Payroll tax is up by 22 per cent. Stamp duty on land transfers — what a rip-off that is of ordinary Victorians! — has gone up by 79 per cent since this government came to office. The land tax take is up 42 per cent. Again, if we go through every instance of the taxes paid on insurance since this mob was elected, we see that the tax take is up. This is the party of taxes; these are the kings of taxation. They are not offering

anything back to the community; they are simply spending and spending!

I noted in question time yesterday that the Treasurer laid claim to abolishing a number of small taxes, which he thinks is great! One of his examples was the financial institutions duty (FID) tax. That is odd, because I thought FID was abolished as part of the GST arrangements initiated by the commonwealth government. There are others in his account of the taxes he has abolished that were initiatives of the Howard commonwealth government.

I also note that both the Attorney-General and the Treasurer have made their usual style of contribution, putting up a few headlines. I suggest that the Treasurer look at Saturday's headline in the *Herald Sun*, which pointed out the great tax rip-off which is happening under this government. I also suggest the Treasurer look at today's *Herald Sun*, which highlights the genuine hardship being felt by many people in the business community as they receive their land tax bills.

The Treasurer can make any statement he likes about his forward estimates, but we should never forget that in the forward estimates in its first budget the government told us that there would be a reduction in the stamp duty take. Who believed that at the time? Nobody, because of the property boom. I suggest the Treasurer look to giving some land tax relief, particularly to small investors.

We have seen 21 000 manufacturing jobs go from this state through a number of very high-profile job closures. For example, Email was lost to South Australia — 550 jobs gone; BA Systems was lost to South Australia — 250 jobs gone; and Arnott's at Burwood was lost — 600 jobs gone. Since this government came to office the job losses in this state due to high-profile job closures total more than 20 000, so the government needs to do something about employment in this state.

The government should institute genuine tax relief for business. While it is at it, given that it is collecting \$1.7 billion extra per annum in tax, it should also look at giving something back to ordinary Victorians, who are being slugged with very high levels of stamp duty every Saturday at auctions and other property purchases. That is the sort of genuine tax reform that the government should be embarking on.

The government is desperately trying to portray itself as pro-business with its spin of big statements — but minimal performance! But this government is not pro-business and never will be, because it does not

understand business. For example, this government is not proactive. Victorians were accustomed to seeing a government which sought investment by going out and offering incentives. It said, 'We can run a stable environment in Victoria where you can invest and make a quid'. That proactivity has gone. Virgin Airlines went to Brisbane, and there are other examples. Proactively seeking secure investment in Victoria is not a feature of this government.

More alarmingly we are seeing a culture of senior ministers abusing businesses that do not do what this government wants. Who could ever forget the Treasurer's outburst in this place against the real estate industry, when he said the industry was arguing for stamp duty concessions so it could put up its own commissions? I know what the real estate industry thinks of this Treasurer, and he will never redeem himself after that. Who could ever forget the Treasurer's abuse of Arnott's when it announced it was moving to another state? He urged a boycott, even though there was still an element of Arnott's here manufacturing food. He urged a boycott against a company providing jobs.

Who could ever forget the outburst of the Minister for Manufacturing Industry against Stafford Ellison in Bendigo, when in tough economic times it indicated that it may have to look at retrenching staff? He called the firm greedy. That is one reason businesses are worried about investment in Victoria.

Business is also worried because of the role being played by Victorian trade unions. I urge honourable members to reflect on the truth of the words of the former general manager of Orica, who is reported in the *Age* of 27 March 2001 as saying what most people are probably a bit too scared to say to this government:

... this is a situation where leadership is required from the government, from unions and from employers to work together constructively to create an environment where people want to invest ...

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

Mr INGRAM (Gippsland East) — It is good to enter this debate to raise a number of issues, particularly because there have not been many bills lately that are worth speaking on.

Businesses operating in a very competitive environment need to have certainty if they are to develop and to have secure futures. A number of factors lead to that, and I have led delegations of big and small businesses in my electorate to meet with the Treasurer to discuss some of

the issues that businesses see as needing to be addressed.

I am pleased to see that some of those have been addressed in the package that was released by the government, particularly payroll tax and Workcover costs. To give an example, these were the issues raised by probably one of the biggest employers in Bairnsdale, Vegco Ltd. It competes directly with a sister company in Brisbane, and the increase in costs that is imposed by payroll tax and Workcover costs, which applies to a number of businesses in my electorate, has made it difficult for the company to attract investment to East Gippsland.

A number of businesses in the food industry in my area are very focused on both domestic and export markets, and it is good to see that has been recognised. One of the proposals those businesses put to the Treasurer was about developing clusters of investment and so on, and I will be very pleased to work with those groups to make sure that we develop the critical mass of industry that is needed for training, for intellectual development and for the development of leadership skills to ensure that those businesses can go forward.

In my area a large number of businesses are based on natural resource industries such as timber, fishing, farming and so on. It is essential that those businesses have secure licence tenures so they can plan and invest in the future. I would like to think that this government will do something about that — I have not seen much on it — because they are very concerned about the uncertainty caused by its earlier decisions on licence arrangements.

Trying to keep payroll tax and Workcover costs down is incredibly important in country areas. One of the other things that was raised was public liability insurance. I point out strongly to the government that a lot more needs to be done on that, because small businesses right across country areas are really being sluggish by the increased cost of public liability insurance. I reiterate what I said in the debate a number of weeks ago, that unless we do something about that in the near future those businesses will go down, and the political impact of that on the next election will be very damaging for any party that does not come up with solutions.

The subject of electricity was also mentioned, and I was quite interested in the document because it raised the issue of full retail contestability in the electricity industry. I point out that a review is currently being conducted on that issue, and we really do not have effective competition in East Gippsland. To my

knowledge there have been no offers to any residential, business or retail customers in my area from alternative electricity suppliers. We do not have a competitive market, and the previous government, which included the National Party, should have addressed that issue when it privatised the electricity industry because it has not been of any benefit to the public.

I also note that the tourism package comes out of the Regional Infrastructure Development Fund. With the support of many country members I will be putting forward some good proposals, particularly in relation to developing tourism following the downturn in the timber industry.

Public liability insurance is another interesting point. There was a bit of coverage at the weekend on the speech by the Leader of the National Party to the party faithful at its state conference. I believe his presentation was quite intellectually dishonest because one of the things he said was that there are only 17 country seats in Victoria and the National Party in the Legislative Assembly has the largest number of those seats. He excluded Bendigo and Ballarat from that count. I am sure his colleague in the other place the Honourable Ronald Best would consider that Bendigo is a regional area.

The Leader of the National Party also said there were only three Liberal-held seats in the Assembly. I went through them: Polwarth, Portland, Warrnambool, Benambra — that is four — so there is a mistake there. I think some members of the opposition would argue that Evelyn is also a country seat, so I think the Leader of the National Party's numbers are slightly wrong. He also raised the fact that the National Party was the first to flag the impending public liability crisis. This really does rub the Leader of the National Party a bit because on the day he put out his press release I put one out too — they went out at the same time. I think it is probably intellectually dishonest to say his was the first considering the matter was raised by me on the same day.

The Leader of the National Party also had a fair whack at the Independents in his speech. It is interesting to note that he keeps the charter very close to him at all times so that he can refer to it. I am extremely pleased to know that he has learned something from the agreement because he has decided that he is not going to jump straight back into bed with the Liberal Party.

The Leader of the National Party put up a range of initiatives, including one on natural gas. It would have been nice if my predecessor had ensured that when the previous government allowed the eastern gas pipeline

to go through my electorate that at least one town in my electorate could have been connected to natural gas. One company in my area affected is Patties Bakery Pty Ltd, the biggest employer in Bairnsdale. This year the company's costs due to the difference between the price of natural gas and LPG have increased to over \$250 000. No town in my electorate has natural gas even though we sit and look out just off shore to the oil and gas rigs.

One of the key things we need to do in my electorate to make our business community competitive is ensure that we have access to energy supplies like natural gas. It is really disappointing that although we have worked extremely hard in the last two and a half years to try to get natural gas reticulated through just the bigger centres in East Gippsland, we have not been able to do so because of the agreement that was reached between the previous government and the local shire, which did not have any performance criteria to make sure that reticulation would happen.

TXU has been able to sell that contract off to a New South Wales company, Country Energy; now we are going to another tender, and there are still no performance criteria. That is a major dampener on industry in East Gippsland, and it is something that needs to be addressed.

To finish up, I ask which of the commitments the National Party has put forward will it sell for a handful of ministerial gold and a few white cars next time round if it does get the numbers?

On the business package — —

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

Mrs PEULICH (Bentleigh) — What an absolute display of hypocrisy by the honourable member for Gippsland East, who spent almost his entire contribution criticising the National Party, which is not in government, getting onto the business statement 1 second before the expiration of his time. What an appalling performance, what a betrayal of his own electorate, and what a display of intellectual dishonesty by that particular member!

The Leader of the National Party summed it up pretty well in the figures he used. It is about \$1.7 billion extra in taxes every year and a \$364-million package incorporating some previous announcements, which all add up to extra taxes of approximately \$400 for every man, woman and child in Victoria.

That puts the issue into context. It is very hard to understand why the government would bring on this matter of public importance (MPI), given its very poor response in the media. It is a desperate attempt by the government to regain momentum and to redress the perception out in the community that it has no agenda and no idea of the big picture. It has been so obsessed and preoccupied with stacking its bureaucracy, trying to get mates up into jobs and interfering in local government — a bit of arm twisting and so forth, especially in some of the typically Labor councils — that it has lost momentum and lost direction. This is a desperate ploy to regain momentum and direction before things start deteriorating at a fast rate of knots.

What an incredible thing it is to bring this statement in as an MPI to give it a second crank-up because the first one did not work! Only yesterday I received a joke someone had emailed to me. I thought, 'What an interesting joke. I wonder when I will be able to use it'. Guess what — the day has arrived sooner rather than later, and I would like to share it with the house. It is called 'The fly story', and it reads:

Once upon a time there was a happy little fly buzzing around a barn when she happened upon a large pile of fresh cow manure. Since it had been hours since her last meal and she was feeling hunger pains — —

The ACTING SPEAKER (Mr Kilgour) — Order!
I hope the honourable member for Bentleigh will be able to relate this to the subject before the Chair.

Mrs PEULICH — Absolutely, Mr Acting Speaker.
The story continues:

... she flew down to the irresistible delicacy and began to pig out. She ate and ate — and then she ate some more! Finally she decided she'd had plenty. She washed her face with her tiny front legs, belched a few times, then attempted to fly away —

as the government is doing today in its effort to launch this statement again.

But alas — she had eaten far too much and could not get off the ground. Wondering what to do about this unpleasant situation, she looked around and spotted a pitchfork leaning upright against the barn wall. She'd found a solution! She realised if she could just climb up that handle and jump off to become airborne she'd be able to fly again. So she painstakingly climbed to the top of the handle. Once there, she took a deep breath, spread her tiny wings —

and tiny they are —

and leaped confidently into the air. She dropped like a rock and splattered all over the floor.

Dead fly.

What is the moral of this sad story?

The moral of the story is:

Never fly off the handle when you know you're full of it.

I was delighted to be able to use this story today, because I had wondered when I would be able to do so.

The shadow Treasurer, the honourable member for Brighton and the Leader of the National Party have gone to great lengths to show that this is a smoke-and-mirrors game and that the amounts of money referred to by the Bracks government have been raised most innovatively indeed. It is not surprising that the Treasurer is also the Minister for Innovation, because he is clearly good at coming up with ways in which he can squeeze every last drop of blood and money out of ordinary Victorians.

We have seen what has happened with police fines, with collections doubling between 1999–2000 and today. We have seen what has happened to municipal rates, and there will be huge increases yet again that ordinary ratepayers will have to fork out, especially those who can least afford it. We have seen what has happened to land tax, and I will speak about that issue in relation to my electorate in a moment. We have also seen what has happened with insurance taxes, motor vehicle taxes, stamp duty, Workcover premiums and gambling taxes — and the list goes on and on.

Is it any wonder that the Treasurer is called the Minister for Innovation? Somebody referred to the government as the kings of tax. We all know that they are not only the kings of tax but also the queens of spending.

The statement has been a dismal flop, certainly in the media, and it is no wonder that in my electorate it has failed to generate the least bit of excitement. The effect on my electorate of the land tax changes and the revaluations will be very substantial because it will affect the people who can least afford it — that is, self-funded retirees, of whom there are many in Bentleigh, since it has the third-highest number of people aged over 65 in the state; small business owners, of whom there are literally thousands in the Bentleigh electorate, whether they run home-based businesses or microbusinesses, and many of whom do not pay payroll tax but pay substantial business costs in other areas; and small investors. Many of these people are cash poor, and while many sit on assets which are obviously appreciating that does not put food on the table.

We all know what the Labor Party would like to do with its floated land tax reforms, and should it be re-elected — which I very much doubt will happen — that is precisely what we will be facing. I have been contacted by a couple of people of late about the effects

of land tax, and I will quote that correspondence to illustrate those effects on my electorate. I received a copy of a letter from Mr Robert Calvert of McKinnon Road, McKinnon, to the Treasurer, which states:

Dear Mr Brumby,

Can you please tell why and for what reason there have been such astronomical increases in my land tax over the past two years?

1999–2000 \$1805.90

2000–2001 \$3973.38

2001–2002 —

wait for it —

\$6247.50.

When is it going to stop? This is not right, Sir; it is nothing more than sheer banditry.

That is the view of the Bentleigh electorate, that is the view of self-funded retirees, that is the view of the small business community and that is the view of the vast majority of those who are paying land tax.

Whether or not the land tax bill is small, the increases have been very, very substantial. One lady who came in to see me relies on two modest rental properties. Although she has a fairly modest land tax bill, she is still looking at a 45 per cent increase. She cannot afford that. Many of these self-funded retirees are existing on less money than pensioners do. Yes, you could argue that they should sell the properties and live off the proceeds or get on the pension. That is not what they have chosen to do, and we as a state should support that choice.

The Bentleigh electorate is an ageing electorate. Unfortunately many of my good citizens die off or move on, so the Bentleigh electorate is a community of renewal.

Many of them are first home buyers, and it is an absolute disgrace that for an average or median-price home of \$360 000 in East Bentleigh or in some other parts of Bentleigh they are looking at a stamp duty bill of \$17 000. It negates any effect or benefit, although not totally, of the first home buyers grant. It is an absolute disgrace. The \$17 000 could be used to reduce payment on the mortgage, to do that paving, to refit the kitchen or certainly to pay for many of the other jobs that young home buyers need to have done if they are going to get into their homes. The dream of owning your own home without the government ripping you off ought to be something that any government, including this government, supports.

Time is running out. Workcover has been a phenomenal blight and has had a negative effect on my business community. As I said, many of them do not pay payroll tax because their salary bills are not that high, and I certainly welcome that. However, relief to the small business community has been lacking, and any government that fails to recognise the importance of those who employ 52 per cent of the labour force and generate much of the economic activity has failed the community and failed Victoria. Victoria and Victorians are losing under Labor. This is a crummy — —

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

Mr STENSHOLT (Burwood) — I rise on behalf of my constituents in Burwood, and I welcome the outstanding business statement. This is where Victoria is winning. We are talking about delivering today and building for tomorrow or, in the full title of the statement, *Building Tomorrow's Businesses Today — Competitive, Innovative and Connected*.

The statement provides a comprehensive package of measures for ensuring a competitive, innovative economy here in Victoria. Other speakers have mentioned and focused on the strength of Victoria's economy and we have heard statements from commentators over the last few months who have talked about Australia being the miracle economy in the world and Victoria being its miracle state. Other commentators have said that in economic terms Victoria is the best-performing state in Australia.

Looking at some figures, we had had exports at a record high of \$22.5 billion for 2000–01, and I would not expect there to have been any decline in that in the last year. Obviously that has been helped by the strength of the Victorian economy. Last year state final demand rose 6.6 per cent and retail trade was up by 8.6 per cent. We are talking about these figures at a time when interest rates are low and inflation is quite low, but these figures are substantially above that. You are also talking about growth being quite strong; about 3 or 4 per cent. In Victoria this is a very good indicator because we are talking not only of the present but also the future.

In Victoria private business investment is up 9.5 per cent compared to 2.9 per cent nationally. Any good economist would know that you invest today in order to build for tomorrow, and that is why private business investment is a very good indicator for a sound economic situation in the future. Victoria has had \$12.8 billion in building approvals over the last

12 months, which is almost one-third of the national total.

Another good indicator is business expenditure on research and development. Victoria's is the highest of all states, and is 36 per cent of Australian expenditure on research and development. Once again, this is a forward indicator of future economic security and economic growth. And what are we talking about here? Growth and jobs, both for the present and into the future! Several other speakers have talked about what the *Herald Sun* had said about jobs, but an extra 100 000 jobs have been created here in Victoria since October 1999. We also had net migration from Victoria. We have turned that around as well, so that we now have migration into Victoria rather than losses.

Rather than stand on its record, the Bracks Labor government looks to the future and seeks to ensure that Victoria's prosperity will continue. We have a highly skilled work force, but we need to continue and enhance that advantage, and that is what we are doing. We are investing in TAFE colleges and in schools, investment which was not done by the last government. For economic growth and stability, Victoria also needed to have political stability, and that is what the Bracks Labor government is ensuring. We have excellent infrastructure and we are seeking to enhance that, not just simply in Melbourne and in the business districts but also Victoria wide. We have some \$3 billion of investment in infrastructure in Victoria thanks to the largest investment in infrastructure by any government or in any budget in Victoria's history.

We need to maintain and develop a strong manufacturing base and we need to further develop and encourage competitive, innovative companies and leading-edge industries such as the biotechnology industry. This government is doing an excellent job in promoting such innovation.

This business statement builds on current achievements and provides a major boost to local business. It has \$100 million in new initiatives over four years and \$262 million in new tax cuts to ensure that Victoria is the leading state for business. The tax cuts are not only the \$262 million referred to in the statement but also around \$770 million in tax cuts last year. There have been over \$1 billion in tax cuts in the first term of the Bracks Labor government.

There is a whole range of initiatives in this statement, far too many for me to go through in the time available. I have mentioned the tax cuts. There are also Workcover freezes, manufacturing initiatives worth \$27 million over four years, and initiatives for cutting

red tape. There is an enormous number of programs for exports and export promotion and innovation. There is also \$5.2 million for Port Phillip Bay channel deepening investigations; \$8 million for trade fairs and for marketing government business offices overseas, et cetera; and \$18 million to boost tourism, including money going into the regions, but I am sure other speakers will talk about that.

We have moved Victoria from being the state with the highest number of business taxes to the state with the lowest. And what did the previous government do? It cut one business tax. How much was that worth? One million dollars. And what is the Bracks Labor government doing in its first turn? It is providing tax cuts of \$1 billion. There is a big difference between the 'b' and the 'm', let me tell you — in fact there is a thousand times the difference.

My focus in the few minutes I have remaining will be on the question of what this delivers for the 1500 small and medium-size businesses in my electorate. I have had consultations with the local traders organisations in Ashburton, Ashwood, Burwood and Canterbury, and with businesses in Wattle Park, Surrey Hills and Box Hill South. A member of the other house criticised me for not consulting people, but in fact in late February the Treasurer was out in Burwood talking to local businesses in a pre-budget consultation. I made sure that the concerns of people in my electorate were heard by the Treasurer. The house heard him this morning talking about this. We had an influence on raising the land tax threshold yet again to \$150 000, so another 21 000 small businesses, investors and self-funded retirees will not have to pay the land tax in future.

I commend the Treasurer for coming out to Burwood and meeting with the local businesses. But what does this statement mean for the small businesses in my electorate? It means lower businesses taxes, and we have already mentioned some of those. It means, very importantly, no increase in Workcover premiums for the second year running. Here we have a situation where public liability insurance costs are going through the roof — sometimes going up by 200 or 300 per cent because of international situations and insurers withdrawing — but as I said, for the second year running there will be no increases in Workcover for those businesses with a turnover of less than a million dollars, and many of the 1500 businesses in my electorate fall into that category.

Government businesses centres will provide a one-stop shop, cutting red tape. Before, there was so much red tape it was almost impossible to start up a small business. There were 16 or 17 different organisations to

deal with and many different forms to fill out. Easy government business centres will mean one-stop shops where you can get all those forms and get your business moving. Not only that, we will also be able to help people buying and selling their businesses in Victoria. The government is putting \$940 000 into helping with training, advice and counselling for people getting into small business. That is the crucial time for small business. So many fail because they do not get the correct advice right from the beginning. And of course, you will get better, more efficient government service delivery.

I have already mentioned the land tax cuts, which are delivering for small businesses in my electorate. Medium-size businesses will also benefit from the rise in the payroll tax threshold for the first time in 30 years and the decrease in the percentage of payroll tax — a decrease this year and a decrease on 1 July 2003 — bringing it down by half a per cent.

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

Mr WILSON (Bennettswood) — I welcome the opportunity to speak on the matter of public importance before the house. Anyone who heard the Treasurer would agree that his was a sad speech. It was a speech crying out for personal praise and recognition. It was a speech whereby the Treasurer was very anxious to place on the record some of the nice things that have been said or written about him over the past few days. It was a speech by a Treasurer who every day displays bitterness and anger because he is not the leader of his party and therefore has been denied the premiership of the state of Victoria. It was a speech by a Treasurer who knows that none of the economic prosperity we enjoy in Victoria today is due to his stewardship; it is all because of the economic reforms and the good management of the Kennett government.

When the Treasurer is able to put aside the smoke and mirrors, he will know the truth behind Victoria's economic prosperity. In his speech this morning the Treasurer claimed that his so-called business incentive statement will deliver a \$364 million boost to Victorian business. Nearly three years into its term, the Bracks government can come up with only \$364 million of tax relief for Victorian business. That \$364 million has to be seen in the context of the windfall the government is receiving in certain taxes and charges.

In police fines, revenue in Victoria has increased from \$91.5 million in 1996–97 to \$206 million in 2001–02. Land tax increased from \$369 million in 1998–99 to \$525 million in 2000–01, which is an increase of 42 per

cent. With regard to Workcover, premium revenue is forecast to increase from \$1.185 billion in 1998–99 to an expected \$1.591 billion in 2000–01, an increase of 34 per cent. Payroll tax is forecast to rise from \$2132 million in 1998–99 to an expected \$2602 million in 2001–02, an increase of 22 per cent.

Honourable members will recall that when the current Treasurer, John Brumby, led the Labor Party, every day we heard about how dependent the Kennett government had become on gambling revenue. How different are Labor's policies now it is in government compared with the hypocritical statements it made when it was in opposition. The facts are these: total gambling taxes in Victoria have increased from \$1443.2 million in 1998–99 to a forecast \$1778.6 million in 2001–02. That represents an increase of \$335.4 million, or 23.2 per cent. The gambling tax take in Victoria is forecast to be \$2015.1 million in 2003–04, the first time it has risen above \$2 billion.

Mr Baillieu — In how long?

Mr WILSON — To answer the honourable member for Hawthorn's question, that has been over the space of a mere three years.

The ACTING SPEAKER (Mr Kilgour) — Order! The honourable member for Bennettswood should ignore interjections.

Mr WILSON — Then we get to the greatest rip-off of all — stamp duty on conveyancing, which is forecast to increase to \$1.8 billion in 2001–02 compared with \$1006 million in 1998–99. That is a 79 per cent increase in just three years.

I will give the house some local examples — —

Mr Loney interjected.

The ACTING SPEAKER (Mr Kilgour) — Order! The honourable member for Geelong North will have his opportunity if he stands at the end of this speech.

Mr WILSON — I will give some local examples of how this windfall in state taxation is hurting Victorians in and around my electorate of Bennettswood. In Mount Waverley the increase between 1999 and 2001 in the median house price has been 35.2 per cent, but the increase in stamp duty has been 49.53 per cent. In Glen Waverley the increase in the median house price has been 36.96 per cent, while the increase in stamp duty has been 53.9 per cent. In the neighbouring suburb of Mitcham — and I notice the honourable member for Mitcham has failed to come into the house to hear

this — the median house price increased by 34.21 per cent, while stamp duty has increased by 55.24 per cent.

In Ashburton, which is in the seat of Burwood — and the honourable member for Burwood gave his contribution and then decided to leave the house — the median house price has increased by 28.98 per cent, while the increase in stamp duty has been 37.39 per cent. It is a shame that the honourable member for Burwood has left the chamber, because I wanted him to reflect on facts from an auction that took place in his electorate only last Saturday.

A property in Victory Boulevard, Ashburton, sold for \$366 000. From that sale, \$17 620 will be forwarded to the Victorian government in stamp duty. Had that auction taken place in South Australia that amount would have been only \$13 470; in Queensland it would have been \$11 285; Tasmania, \$12 190; Western Australia, \$12 958; the Australian Capital Territory, \$11 985; the Northern Territory, \$16 393; or the state with which we always like to compare ourselves, New South Wales, \$11 960. An auction that took place last Saturday in Ashburton, which is in the honourable member for Burwood's seat, cost \$5660 more in stamp duty than it would have cost had that house been purchased in New South Wales.

I am also upset that the honourable member for Mitcham is not in the house to learn about what happened in his electorate last Saturday, where a property in Owen Street, Mitcham sold for \$331 500. The stamp duty on that sale in Victoria was a whopping \$15 550. I could go through the figures for all the other states as I did for the honourable member for Burwood on the sale of the property in Ashburton, but I will simply concentrate on New South Wales. The stamp duty on that sale in New South Wales would have been \$10 407.50.

Today the honourable member for Burwood talked about how many benefits the Treasurer's economic statement has delivered for Victorians. I would like to hear how he explains the figures I have just outlined to his constituents in the seat of Burwood.

In their contributions the Treasurer and the Attorney-General were very keen to quote editorials and newspaper articles that have supported the government's economic statement. I refer to the editorial in the *Herald Sun* of last Saturday — and I notice that neither the Treasurer nor the Attorney-General could find their way to quote this editorial. It states:

For stamping some papers and filing a title, the state government now claims an obscene \$14 600-plus in stamp duty on the median-priced \$316 000 home.

That grab is 51 per cent more than it would be in New South Wales and as the market booms, the shakedown gets worse.

...

Incredibly, the 2001–02 sales tax take will be \$760 million more than expected.

By any reckoning it is a massive windfall, and it is not the only one.

Payroll tax, gambling taxes and speed camera fines continue to burgeon.

In that lush climate, taxpayers should expect relief in the coming budget.

That is the point: taxpayers and Victorian residents expect taxation relief from this government. So far all we have seen is a mere \$364 million being offered in these so-called business incentives. The reality is the government has a lot more money in the coffers. It inherited a very healthy economy, and the job it has done so far leaves much to be desired.

Mr LONEY (Geelong North) — Listening to the honourable member for Bennettswood one would almost think that the Kennett government was not the highest taxing and spending government in the history of Victoria and that it did not have gambling tax increases of 900 per cent between 1992 and 1999. When he talks about the paltry \$364 million in business tax cuts, one would think he might be a little ashamed of the Kennett government's record of its business tax cuts achieving in total \$1 million.

So when he steps up here and gives us a lecture based on his own performance, he might want to go back and consider the record of those seven years, which honourable members opposite now choose to consign to some history book and not refer to.

I am delighted to declare my support for the government's business statement. It is terrific for Victoria, containing some \$262 million in tax cuts that can be added onto the tax cuts that have previously been delivered. Indeed, it brings the total of business tax cuts by the Bracks government to over \$1 billion!

One of the areas it deals with is one we used to hear a lot about from honourable members opposite during the seven years of the previous government — payroll tax cuts. Let us compare what the statement does about payroll tax to what was done previously. Payroll tax cuts are particularly significant as a means of keeping Victoria's strong jobs growth going, which has been clearly demonstrated under this government. Recent

figures show just how successful the Bracks government has been on job creation. In this statement payroll tax rates have been further reduced from the Kennett years, giving a total reduction in payroll tax of 9 per cent on what we inherited from the former Kennett government. We have also lifted the threshold again, so the number of businesses that will not be liable to pay payroll tax becomes greater.

In this business statement we have reduced the land tax net yet again, lifting the tax-free threshold to \$150 000.

Mr Clark interjected.

Mr LONEY — They say, 'Not significant, not significant'. I say to the honourable member for Box Hill that it is certainly significant for the 21 000 people who will not have to pay land tax as a result of that change. The honourable member does not count them!

The statement abolishes stamp duty on marketable securities. None of this was done by the honourable member's government, that so-called government of business, which offered a paltry \$1 million in business tax cuts.

The package goes much further than that and includes a freeze in Workcover premiums for the second consecutive year as well as \$27 million to develop our manufacturing future in this state — and I will say more about that shortly. It includes an export and innovation package, further reductions in red tape, additional tourism infrastructure funding and new regional initiatives.

The package in total is about ensuring Victoria's competitive position in the business sector compared with other states and countries. It is also about continuing to encourage investment in business in Victoria and, of course, the jobs growth that flows from that investment. It is a great package for small business and regional Victoria.

I will spend a few minutes concentrating on the manufacturing package. Geelong is one of Australia's great manufacturing centres, boasting some of the biggest names in manufacturing in Australia and around the world. Ford, Shell, Alcoa, IXL and many others all have bases in Geelong. We also have a huge number of other, smaller manufacturing industries that have grown up around the area. In addition, we have a very able and active manufacturing industry council that is showing great leadership in promoting manufacturing in our region. I pay particular tribute to their executive officer, David Peart, who is extremely capable and active and a great advocate for Geelong manufacturing.

The \$27 million package hands over \$8 million to promote innovation in the manufacturing industry, including a new technology demonstration program, technology and evaluation projects, and technology road-map skills studies. It offers \$11.9 million to promote export growth and improve market facilitation, including \$3.7 million to undertake new overseas industry missions to showcase what we are doing in Victoria and create new markets. It also provides \$2 million to promote manufacturing as a dynamic and internationally focused industry that is science and technology driven, environmentally and socially responsible and offering excellent long-term careers for young Victorians. That is particularly important, because for too long manufacturing areas such as mine have suffered from the perception that it is all about old saw-toothed roofs and smokestacks. That image of dirty industry abounds, and unfortunately in the case of Geelong, it abounds in the minds of some of our civic leaders.

But that view of manufacturing is wrong. Geelong manufacturing is innovative, enterprising, world competitive and very forward looking. The \$2 million that is going towards promoting the image of manufacturing not only here but elsewhere will be very important to my region. We will be able to say to the rest of Victoria, the rest of Australia and the rest of the world that we are doing something really well which should be applauded and in which our region is highly skilled. I look forward to that.

I give the Treasurer and the Minister for Manufacturing Industry appropriate warning that I will come knocking loudly on their doors in the near future to say that I want a significant amount of that package to come to the Geelong area, because we are one of Australia's great manufacturing centres.

Also in the manufacturing package there is \$1.6 million to implement initiatives recommended as a result of the strategic audit of Victorian industry, another initiative of the Bracks government. The strategic audits of industry are extremely useful to areas such as Geelong — and we have completed a few so far.

The automotive strategic audit and the textile strategic audit will both ensure that we have an innovative industry in our region. Geelong manufacturing is research driven and forward looking. It is about going out into world markets to create sales and create Victorian jobs, and that is what we want to encourage in Geelong.

We welcome the fact that the government is doing things that will allow our manufacturing industry not

just to grow and prosper but to become better and more innovative. It will ensure not only that we keep the manufacturing we have in Geelong but that we are able to attract new manufacturing industry into this area, because this is the industry that really drives the Geelong economy.

For many years manufacturing has been — and it continues to be — the heartbeat of Geelong. While we can look to other things like tourism and cultural icons, which are good things for our region to have, manufacturing drives the region. The government's business statement and the manufacturing package within it are welcome news for the Geelong region. The business statement should be supported by everyone.

Mr PHILLIPS (Eltham) — It gives me a great deal of pleasure to join the debate on the matter of public importance before the house. I had to join this debate because I thought I was living in another state. When you listen to the diatribe coming from the government side you would think that everything is rosy here in Victoria and that small business is coasting ahead without a problem in the world.

The honourable member for Geelong North said that we should think back to the Kennett years. Obviously his memory does not go back further than the Kennett years. He forgets about the difficulties that the former Kennett government had. I will remind the honourable member for Geelong North of them, if he happens to stay in the house long enough. If not, the poor old honourable member for Seymour will cop it all.

Let's talk about what happened in 10 short hard years under the Cain–Kirner governments. John Cain, Jr, took over after 27 years of government by the Liberal Party, which had been thrown out of office in 1982 when the debt was about \$11 billion. I remind everyone that that was the debt after two world wars, a depression and 150 years of government. I repeat: it took two world wars, a depression and 150 years to get to a debt of about \$11 billion. In 10 short years the debt went from about \$11 billion to about \$33 billion, which it was when the Cain–Kirner government was thrown out in 1992. People should not forget that it took that Labor government 10 years to almost turn this state into a basket case.

A lot of people on this side of politics and certainly many on the other side will not forget that. After all this time that is the reason why people who vote for Labor in the lower house say, 'We're going to vote for a conservative party in the upper house because we know that it can act as a watchdog over the open-checkbook mentality that this government has and previous Labor

governments have had'. That is why the other house, the Legislative Council, is regarded as the house of review.

I would like to ask for a show of hands of those honourable members opposite who had been out in the real world of small business. I know I can unashamedly put my hand up to say that I suffered as a small business person employing 12 staff during the Cain–Kirner years and during the Hawke–Keating years, with interest rates of 18, 20 or 22 per cent. We so easily forget about the difficulties small businesses and home buyers have gone through in paying the burden of land tax and stamp duties. It is so easy to forget when you are on the public payroll like many people of the government side were.

If I could take a survey of what government members did in their past lives I am sure I would find that if they were not electorate officers on the public payroll they were trade union delegates or trade union hacks or some form of trade union representative — and that is exactly what they are on that side of the house. They would not know what it is to run a small business and to make ends meet. I have been out there in the real world — —

Mr Pandazopoulos interjected.

Mr PHILLIPS — The honourable member for Dandenong, the Minister for Gaming, can claim some sort of accountability, because he worked at and managed a McDonalds restaurant, and McDonalds is a very good organisation that grooms its staff very well. The minister, who is smiling, would be able to put his hand up, because I think he is one of the better performers on that side of the house. That has come about because he has worked in small business, and he should be proud of the fact that he can say that he has been a small business representative.

I turn to home buyers, these battling people whom the government claims it is supporting, and the land tax and stamp duty they have to pay. I will quote a couple of figures from the suburbs that I represent, which I would deem to be working-class areas.

For example, when this government came to office the median price for a home in Greensborough was \$181 750 and stamp duty was about \$6500. Let's try and remember that amount for a moment, although I know government members cannot because anything that happened more than 30 seconds ago is lost. In the period 1999–2001 the cost of stamp duty on a median-price home of \$265 000 rose from \$6500 to \$11 560. The increase in the median price range was

45 per cent; the increase in stamp duty was 76.09 per cent. Yet government members say they are proud of that record, claiming it is evidence that Victoria is on the move. Victoria is certainly not on the move. The government's claim to fame is that Victoria is the place to be after the Kennett government overcame much of the heartache that was created by the Cain–Kirner government.

Many of the decisions that the Kennett government had to make were forced on it because the debt was swallowing up many of the payments being made by the people.

I shall look at some of the increases made by the Labor government. Payroll tax has increased from \$2.131 billion to \$2.6 billion — that is, an increase of 22 per cent. Stamp duty on land transfers has risen from \$1006 million to an estimated \$1.8 billion — that is, an increase of 79 per cent. Land tax collections have increased from \$369 million in 1998–99 to \$525 million in 2001 — that is, a 42 per cent increase.

There are other increases — for example, taxes on insurance. Also, motor vehicle taxes, over which the government has some control, have risen from \$895 million to \$999 million — that is, an increase of 11.6 per cent. We know the Take Off 5 campaign is being conducted at the moment, but we also know that the government has said, 'You speed 1 kilometre per hour over the speed limit and you will be pinged'. We know why the government will ping the offenders — because it is trying to grab as much revenue as it can from fines.

Yes, we all accept that drivers should not be speeding and we all support the Take Off 5 campaign, but we have to look behind the scenes at why the government is pushing such campaigns. Why has the minister said, 'You speed just 1 kilometre per hour over the speed limit — it does not matter whether the equipment is faulty; we are ignoring any 10 per cent tolerance for drivers — and we will ping you for \$165 or \$185, or whatever the fine is now.'? And those fines have also increased.

This government is all about grabbing taxes whenever it can. It spends and spends, and its attitude is, 'We will get in there for one, two or three terms and we will spend what we can. We will divvy things out and waste money, because we know a conservative government will come in and make the hard decisions to get things back on the road'. It has been happening for generation after generation.

Government members will openly admit that, because when they make decisions and you say to them, 'How can you spend \$200 million or \$500 million?' or whatever the case may be, they say, 'We don't have to worry about it; we know that in five years time or at the next election you guys will be again elected and will fix things again'.

That is their attitude, and the reason for it is that government members do not know what it is like to have to make ends meet. My simple philosophy when I run the household budget or as a business person when I ran a business before I was blessed to be elected to do this job — which I thoroughly enjoy — is that you cannot spend more than you earn. It makes no difference whether you are in government or in small business, or whether you are somebody who has to run a household budget and are sitting in the public gallery listening with disgust to this debate: you cannot spend more than you earn.

If you earn \$500 a week you spend that amount, or you may spend only \$400 or \$450 and put a little aside. If you earn \$500 a week but you spend \$600 a week, you can do it this week and for some weeks down the track, but at some point in time somebody will knock on the door and say, 'Hello, I'm from the National Bank' — or from some other bank or credit union — 'and I have come to repossess your house because you are not making the payments'.

That is what this government will do. It will continue to increase taxes but will spend, spend and spend more. Then its members will stand up in this house and claim they are holier than thou.

The Labor government is a spending government; it always has been, because it cannot manage money. It never will be able to manage money, because the people the Labor Party preselects to sit opposite have not suffered or been out in the real world. They have not employed people or operated small businesses, which are the backbone of the economy. Small business people are those who should be protected by lower taxes and charges.

Mr PANDAZOPOULOS (Minister for Gaming) — The contrast when government members become opposition members is quite interesting. Opposition members can say all sorts of things when in opposition, but the zip was across their mouths when they were in government. It is interesting to note the rhetoric about what they want the government to deliver compared with what they delivered themselves.

I thank the honourable member for Eltham for commending me for my management background, but the fact is that everybody, irrespective of whether they run a business, wants secure businesses. Unfortunately many businesses are not managed well. Not many businesses would fold, but the most successful businesses manage themselves well.

They need a government that understands the business environment and provides a business environment. That is exactly what the package is all about. That is why resoundingly, probably for the first time ever, all the key peak business groups have come out and not just congratulated the government or welcomed the initiative, but have lent astounding support for the government. Neil Coulson from the Victorian Employers Chamber of Commerce and Industry has said that VECCI basically got what it asked for, but that never happened under the Kennett government.

Earlier honourable members talked about traditions of Labor with open cheque books. They are the same people who get up in this place all the time and say, 'Fix this road' or, 'Upgrade that school' or, 'Put more police in my local area', but they are the ones who cut it all back. Then they say, 'We want all these things, but we also want stamp duty relief and less gambling revenue'. What do they want? There is no open chequebook with this government; it is on about responsible economic management, which is why the business community has resoundingly supported the initiatives.

The opposition talks to me as the Minister for Gaming about gambling taxes. Who issued 30 000 licences for gaming machines? The previous government! Tattersalls, Crown and Tabcorp got their licences from the previous government. Crown has a licence until 2032, with Tattersalls and Tabcorp holding licences until 2012. You will not reduce revenue, as the opposition asks for, unless you take out the machines. If you do that, you have to pay compensation to the industry. They are the limitations on government; that is the reality. They can have the hypocrisy now they are in opposition and now that the zip has been undone because King Jeff has gone!

As the Minister for Employment, Minister for Tourism and the member for Dandenong I am particularly pleased about the business statement. In my electorate it gives a huge boost to manufacturing — something the previous government was not committed to but which this government is committed to. This government is driving manufacturing and industry, particularly the hard-hit industries that rely on manufacturing such as

those in Dandenong or Geelong or in the western suburbs. They will get a big boost from this initiative.

It is about recognising Victorian product overseas. We are one small part of the world, and the world needs to understand the innovative product or the price-competitive product available in Victoria. That is what this initiative is about — working with manufacturing industry and with other types of industry to sell the message overseas so people there understand that Victoria has comparable well-valued or excellently valued products to be able to be considered when they are making their purchasing arrangements. That is what will help drive manufacturing even further.

I want to focus more on the areas in the business statement concerning tourism. It contains a number of initiatives that were not progressed by the former government.

Mr McArthur interjected.

Mr PANDAZOPOULOS — You guys! For seven and a half years I sat on the opposition benches but heard zip from particularly the honourable member for Monbulk. Now, in two and a half years, he is trying to catch up for 10 years.

In tourism the government has provided an extra \$1.5 million each year for four years to the Melbourne Convention and Visitors Bureau (MCVB). The government has adopted a major-events approach and is being more aggressive about attracting major conferences, conventions and exhibitions for Victoria and Melbourne. The government is, in effect, almost doubling the amount of money it is giving to the conventions industry. It has a partnership between itself, the hotels sector, retailers, the tourism industry and the Melbourne City Council. The government has allocated \$3.2 million a year to its aggressive approach.

The government's aim is not only to attract conferences to Melbourne but to change the way the MCVB has been focused, giving it more certainty and also being in partnership with it in getting conferences to regional Victoria. That did not happen under the previous government but it is happening under this government. On Friday I will launch the Victorian meetings and exhibitions service that will link the MCVB with the regional Victoria conference group to focus on bringing conferencing to Victoria, not just to Melbourne.

That will be secured with the extra \$1.5 million to be provided by the government. That means better support in attracting conferences from Europe and North America. It means that for the first time ever we will have people on the ground in Sydney trying to attract to

Melbourne conferences from those organisations based in Sydney. Sydney has had an office in Melbourne for 10 years. Under the previous government we never had representation in Sydney. Even Tasmania has had representation in Melbourne to attract conferences from Victoria to Tasmania. That is a big boost.

Why are conferences important? The people that attend conferences are the highest daily spenders; they are spending on average \$500 more per day than any other visitors. The current number of dollars we put in, \$1.7 million a year, matched by the industry, creates about \$100 million worth of economic benefits for Victoria. That is not just for the hotels but also for restaurants, retail stores, pubs, taxis and of course the airport. So it is jobs, jobs, jobs. The extra \$1.5 million the government will put in will be matched dollar for dollar by the private sector. That is good value. That will mean we will get an extra \$150 million a year out of the industry and an extra 1200 jobs, spreading economic value down to retailers and into country and regional Victoria.

But conferences also do another thing. With the manufacturing innovations strategy they will help get Victoria noticed around the world. What world conferences do is bring world thinkers together. They come to Melbourne. They know about Australia post-Olympics, and they know it is a safe destination. They end up on our doorstep. Suddenly, because many of them are involved in business, they look at the opportunities that are available and link up with contacts they might have here, and business opportunities come out of that as well.

As well as giving the opportunity to attend to locals who are living in Victoria and other parts of Australia who might not be able to attend conferences overseas because they are expensive, if the conferences are based in Melbourne and we have more of them we can get more locals attending them to get the input from world leaders in their fields who are contributing. In that way we can get a huge amount of publicity for our state. Last year the Asia-Pacific AIDS conference alone gave us coverage not only in Asia but globally. This major conference was happening in Melbourne and we were getting free advertising all over the world. That is why these areas are so important: everyone will benefit.

We also recognise that the next phase of growing regional tourism is about supporting regional tourism infrastructure. That is why the government is dedicating \$10 million to assisting in that area. If you have extra tourism product in regions they not only employ more and benefit from support to help them to be better businesses, but they act as attractors on their own —

they are spending their own money to encourage people to visit regions. So again you are dispersing people out of the big cities and getting them into regions where they will not only have a great time but also boost regional economies — because tourists disperse so well once the visitors get into those areas.

We have already seen some tourism-related projects in electorates that the Labor Party does not hold. For example, there has been a major upgrade to Flagstaff Hill in Warrnambool. That is not in a Labor electorate, but it represents a boost in tourism. After the Twelve Apostles it is possibly the major attraction in terms of its conceived place in the market. Funding has also been made available to link the railway right up to the port of Echuca so that trains are not going just into the middle of town but right up to the Murray River. The visibility of that and the postcard shots for tourism are absolutely essential.

This is a commendable business package, which I am pleased to be involved in. It is long overdue. Something like this never happened under the previous government, but it has been delivered by the Bracks government and the Treasurer.

Mr McARTHUR (Monbulk) — I will agree with the minister on one thing: this would never have happened under the previous government because this is a limp-wristed, weak-kneed and appallingly inadequate attempt to provide anything like a substantial package to build businesses and provide an economic stimulus to the private sector in Victoria. It is just a pity that the format of debate on matters of public importance does not allow for amendment to the topic under discussion. Any objective viewer who looked at the matter proposed by the honourable member for Broadmeadows would see it is full of typographical errors. It reads:

That this house commends the Bracks government on its business statement, *Building Tomorrow's Businesses Today*, which will grow businesses and jobs across Victoria, and will secure Victoria's future as an innovative, competitive and connected economy.

If it did that it would be marvellous. What it actually should read is:

That this house condemns the Bracks government on its business statement, *Building Tomorrow's Businesses Today*, because it will not grow businesses or jobs across Victoria, and it will put at risk Victoria's future as an innovative, competitive and connected economy.

This statement that this Treasurer is so proud of is nothing more than a self-serving, self-promoting little bit of nonsense.

I understand the Treasurer is disappointed he is not the Premier. He did a lot of work to get the Labor Party elected and should take credit for it within his caucus ranks. I understand he is a little bit bitter about that, but to describe this business statement as important or as a boost to business is deceiving at the very least.

Let us look at what has happened to business and property taxes in Victoria in the two and a half years of the Bracks government. The stamp duty take is up 79 per cent, from around \$1000 million per year to \$1800 million this year, and it will go up substantially more next year. Land tax is up 42 per cent in two and a half years. In the seven years of the Kennett government we actually reduced the total take on land tax, yet this government has managed to increase it by almost half in just two and a half years. Payroll tax is up by 22 per cent, from \$2.13 billion to \$2.6 billion, in a mere two and a half years.

Let us look at how that impacts on ordinary mums and dads. My electorate is on the urban-rural interface. It covers some of the outer eastern suburban areas such as Boronia, the block of The Basin, Montrose, Upwey and Upper Ferntree Gully, and goes into the Dandenong Ranges and the rural hinterland. Let us just have a look at the impact of stamp duty on the mums and dads in my electorate in the past two and a half years.

In Montrose, for example — I know the area well, because I live there — the median house price in the September quarter 1999 was \$134 000. At that stage under the Kennett government mums and dads buying their first house could expect to pay \$3700 in stamp duty in order to collect secure title on the property they bought. The median house price in the December quarter 2001 — and the prices have gone up in the four months since then — was \$206 750; and the stamp duty has gone up to \$8065. So while property prices have increased by something like 55 per cent, stamp duty has gone up by almost 120 per cent — 117.97 per cent, to be exactly accurate. So stamp duty has increased at more than double the rate of the property prices in that suburb.

Let us go to the southern side of the electorate and look at the situation in Upwey. In the September quarter 1999 the median house price was \$132 000 and the stamp duty payable was \$3580. Last December the median house price was \$177 000 and the stamp duty payable was \$6280. So in Upwey, which is not an affluent suburb — it is full of battlers, mums and dads trying to make a decent living — while the property prices have gone up by just under 35 per cent, they have been hit with a staggering 75 per cent kick in the guts in stamp duty.

In the suburb of Kilsyth, which again is not an affluent suburb, the median house price in the September quarter 1999 was \$150 000 and the stamp duty payable was \$4660. In the December quarter 2001 the median house price in Kilsyth was \$200 000 and the stamp duty payable was \$7660. So for a 33 per cent increase in property values, families, mums and dads, in Kilsyth are paying a 65 per cent increase in stamp duty.

This is a massive con. The outer east is characterised by people who are aspirational. They are first home owners and first farm families; people who are trying to raise their children, trying to make a go of it in life. They are not wealthy, not millionaires; they battle to save the money for a deposit to buy a house.

They are battling enough as it is to buy houses in the rapidly escalating property market, but they are being hit massively by increases in stamp duty. To a man and woman they welcomed the Howard government's commitment to a \$7000 first home buyers scheme. What do they see in return for that? They get \$7000 from the Howard government for buying their first house and they pay \$7000 in stamp duty to John Brumby and Steve Bracks! That which Peter Costello and John Howard give to them Steve Bracks and John Brumby take from them.

The Victorian Treasurer has his hands in the hip pockets of the ordinary mums and dads in the outer east, and he is taking as much as he can from them. Every auction sale that they go to, they can be assured that the Treasurer has his hand in their pocket. Yes, the prices might be increasing, but stamp duty will go up at twice the rate, which will have a massive impact. For every \$20 that the Treasurer has bragged about in his business tax package and business program, for every \$20 that he collects in additional taxes, he gives the community back by way of some refund or rebate about \$1 — and he goes around saying what a big man he is for doing that. Hell, if I took \$20 from somebody and gave them back a dollar I do not think too many of them would be very happy with that!

It is the greatest con that has been foisted on the community for a long time. To say that this actually improves business opportunity in Victoria is a lie, nothing more or less. The impact of state taxes on this state has increased massively in the last two and a half years. Almost without exception they are taxes on business and property — wealth and activity taxes. They work against the state's economic wellbeing. They penalise businesses for employing people. They penalise families for building or buying a home and trying to raise children. They penalise people badly for normal market increases in the value of their properties.

This government has sought to do nothing about it; it has just grabbed the money and run, and for every bucketful of additional tax it has got it has given a couple of wee drops back. Isn't that generous? Isn't the Premier a big man for giving back a dollar out of every additional \$20 that he has taken from people who live in my electorate? I am sure they will thank him for that when we get to an election later this year or next year! They will know that they are being conned. They are not getting additional services, they are not getting the Scoresby freeway or the Knox hospital or better services from their departments. In fact they are finding it harder. Their schools are not being rebuilt. More schools were rebuilt in the seven years when Phil Gude and Don Hayward were education ministers than this government has even looked at!

People were told they would get money for upgrading schools, and then the money never appeared. They are paying greater taxes; they are being hit to leg by everything that can possibly happen to them and they are getting nothing in return. For every \$20 that the Premier is taking he offers a miserly dollar back. That is a lousy offer!

Mr HELPER (Ripon) — It gives me a great deal of pleasure to add my humble voice to the debate on the matter of public importance before the chamber today. We commend the Bracks government on the business statement released the other day entitled *Building Tomorrow's Businesses Today*.

I congratulate the honourable member for Monbulk on winning this parliamentary session's prize for the best understatement made in any debate. To describe a \$1 billion tax cut which this government will bring about in its first term as a weeny drop back to the community of Victoria is, as I say, a glaring understatement.

I will follow up on a comment made by the Leader of the National Party in his contribution to the effect that there is nothing in this for country Victoria. Let me demonstrate very clearly where he is entirely wrong in that. I go back to the history of what happened over the preceding seven years before this government came to power in 1999. That could be described as the former government's happening — nothing for country Victoria! Since then, however, the Bracks government has brought down unemployment rates in regional Victoria and has presided over an increase in food exports of 50 per cent to \$6.6 billion dollars annually, to give just two statistics.

We as a government are indeed getting on with the job of rebuilding the vitality and confidence that country

Victoria had years ago, and it can be seen from those figures that we are having some success and that there is a long way to go.

The business package contains \$26 million of initiatives aimed at boosting business opportunities in rural and regional Victoria. I indicate that that is indeed underestimating the impact that the total package will have on business opportunities and the business sector in regional Victoria because the initiatives, whether they be in the area of land tax or of payroll tax, will have an enormous impact — possibly a disproportionately larger positive impact — on regional Victoria than they would have in the metropolitan area.

So in the context of assessing the impact of this package on regional Victoria we have to look at it in its entirety, not just at the specific initiatives that are directly targeted at regional Victoria, such as the \$8 million over two years to extend the successful Farmbis program that built the self-reliance of the farm sector; or the exemption from land tax for agricultural shows and field days; or the \$10 million to develop tourism infrastructure in regional Victoria, something I am very passionate about; or the establishment of the next generation food strategy, which will build on those enormous food exports I discussed before; or the \$150 000 in 2002 to develop an integrated mineral sands action plan — again, something I feel very passionate about and that is close to my electorate; or the \$5 million for Regional Connections, which brings rural and regional communities closer together.

With those as the specifics we have to look at the entire package, which is \$262 million in new tax relief described by the honourable member for Monbulk as a weeny drop back. I do not know whether many Victorians would agree with the description of \$262 million as a weeny drop. Together with the other measures, that builds the total package up to \$364 million — but there is more. Our track record is there for all to see. It builds on the \$774 million announced in Better Business Taxes, so we have a total tax initiative targeted at both the business and primary production sectors which totals cuts in excess of \$1 billion — hardly a weeny drop!

Indeed it is something of which I am very proud, having been part of a government that has achieved this and something that I feel very comfortable and honoured to discuss with my electorate, whether that be in the lead-up to the next election or in a longer time frame.

Let me dwell for a moment on my claim that payroll tax impacts are likely to be greater in regional Victoria

than in metropolitan areas. The reduction in the payroll tax rate, through a number of steps preceding that, to 5.25 per cent from 1 July 2003 and the increase in the threshold from a \$515 000 payroll to a \$550 000 payroll mean that businesses which are predominantly medium-size in a metropolitan context are very large in a rural and regional context. In a rural community a business that employs 30 or 40 people is a large business. In a metropolitan context it may be viewed as medium, if not small business. There is a different scale in the country. Increasing the threshold therefore affects the smaller businesses that predominate in regional areas to a greater extent than large business, although large employers benefit from the rate cut.

The increase in the threshold from \$515 000 to \$550 000 equates to one job. All of a sudden an employer in my electorate who might employ 30 people effectively has the capacity to employ an extra person, bringing his work force up to 31. This also means that an extra family benefits financially from the dignity of having a breadwinner. The increase in this threshold provides that opportunity. That means an enormous amount to the people in my communities, and nobody in my electorate will see this as that 'weeny \$1 billion drop back', as it was described so inaccurately by the honourable member for Monbulk.

In the few moments left to me I come back to my first contention that the Leader of the National Party is barking up the wrong tree when he says there is nothing in this package for country Victoria. The entire package is an enormous boost to country Victoria, to regional areas with electorates like mine and like his electorate of Gippsland South. It is an enormous boost to communities in those areas, and it is something that I welcome because it builds on an accumulated benefit to the business sector of \$1 billion. It is geared towards ensuring that we have a healthy economy in regional as well as metropolitan areas across Victoria, an economy that generates jobs and community prosperity and cements this state's excellent current financial and economic indicators so that we can move forward into the future with even greater prosperity.

The ACTING SPEAKER (Mr Lupton) — Order! The honourable member's time has expired. The honourable member for Caulfield has 35 seconds.

Mrs SHARDEY (Caulfield) — This matter of public importance (MPI) claims that Victoria will have a more competitive and connected economy. I think it will have a more disconnected economy. I asked the Premier yesterday whether he was going to reduce stamp duty for young home buyers; what I got was a big fat no.

In my electorate of Caulfield house prices have gone up by 43 per cent whereas stamp duty has gone up 54.89 per cent. In Elsternwick house prices have gone up 64.5 per cent but stamp duty collected from this government has gone up 81 per cent.

The ACTING SPEAKER (Mr Lupton) — Order! The honourable member's time has expired. The time for raising matters of public importance has expired.

NATIONAL CRIME AUTHORITY (STATE PROVISIONS) (AMENDMENT) BILL

Second reading

Mr HAERMEYER (Minister for Police and Emergency Services) — I move:

That this bill be now read a second time.

The purpose of the National Crime Authority (State Provisions) (Amendment) Bill is to make the Victorian National Crime Authority (State Provisions) Act 1984 consistent with the commonwealth National Crime Authority Act 1984 following amendments to that act to ensure the effective operation of the National Crime Authority cooperative scheme.

The National Crime Authority (State Provisions) Act 1984, which for ease of members' reference I will refer to as the state act, forms part of a national cooperative scheme which establishes the National Crime Authority as a national law enforcement agency whose purpose is to combat serious and organised crime, without the limitations imposed by jurisdictional boundaries.

Following amendments to the commonwealth National Crime Authority Act 1984, which for ease of members' reference I will refer to as the commonwealth act, the state act and its interstate equivalents are no longer consistent with the commonwealth act.

To address these anomalies, the Intergovernmental Committee on the National Crime Authority, on which I am Victoria's representative, instructed the national Parliamentary Counsel's Committee to draft a model state amendment bill. The bill before the house is based on that model draft legislation and adapted to fit within Victoria's statutory framework.

The two key changes to the commonwealth act which give rise to the need for complementary state amendments are:

first, amendments to clarify the powers, functions and duties of the National Crime Authority following the High Court decision in *The Queen v.*

Hughes. This decision cast doubt on the capacity of a commonwealth authority such as the National Crime Authority to perform functions or exercise powers under state laws that are coupled with a duty, as the court decided that the conferral of such functions or powers must be supported by an appropriate commonwealth head of power; and

second, amendments to implement the commonwealth government's response to the third evaluation of the National Crime Authority by the parliamentary joint committee on the National Crime Authority. These amendments included measures to enhance the National Crime Authority's effectiveness by deterring people from obstructing or frustrating the National Crime Authority's hearing process.

The Bracks government has already taken action to validate past activities of the National Crime Authority following Hughes by proclaiming the National Crime Authority (State Provisions) Act 1984 to bring it within the scope of the Co-operative Schemes (Administrative Actions) Act 2001.

However, amendments to the state act are necessary to increase the National Crime Authority's effectiveness in line with the commonwealth amendments to implement the commonwealth government's response to the third evaluation of the National Crime Authority.

The bill makes a number of amendments to achieve this end.

The bill will remove the uncertain defence of 'reasonable excuse' for a person who fails to comply with a notice to produce documents or fails to attend and answer questions at a hearing of the National Crime Authority. Instead the defences available at common law for offences generally — for example, duress — will apply to the offences under the state act. In addition, the state act will be amended to make it clear that conduct such as failing to comply with a notice to produce documents will only be an offence where the failure to do so is intentional.

These changes will reduce the potential for witnesses to delay hearings while disputes as to whether a reasonable excuse exists are resolved and in so doing will enable the National Crime Authority to deal with witnesses more effectively and efficiently.

The bill will remove the derivative use immunity that currently exists under the state act, so that an investigatory body will be able to derive evidence from self-incriminatory evidence given by a person at a National Crime Authority hearing for use at a later trial.

However, a person's self-incriminatory admissions themselves won't be able to be used against a person in later proceedings. This protection will be specifically contained in the state act, which will replace the existing mechanism of the need for a special undertaking by the Director of Public Prosecutions.

In this regard, the government considers that the public interest in the National Crime Authority having full and effective investigatory powers and the use of incriminating material derived from evidence given to the National Crime Authority outweigh the merits of affording full protection to self-incriminatory material. The proposed provisions are comparable to those contained in the corporate regulatory regime administered by the Australian Securities and Investment Commission.

The bill will also significantly increase penalties for non-compliance with the state act, such as failing to answer questions at a National Crime Authority hearing. The penalties for such offences have been relatively modest and have not provided a sufficient deterrent when obstructing the National Crime Authority can impede an investigation that might lead to a person being punished for a serious offence such as drug trafficking.

Accordingly, the maximum penalties for failing to produce documents or things when required to do so, or failing to attend a hearing or to answer questions, will be increased from six months jail and a \$1000 fine to five years jail and a \$20 000 fine. The maximum penalty for obstructing or hindering the National Crime Authority will also be increased from six months jail and a \$2000 fine to five years jail and a \$20 000 fine. In addition, the bill incorporates a corresponding increase in the maximum penalties for other offences under the current section 25, such as bribing a witness, injuring a witness and preventing a witness from attending a hearing. Such offences will now also attract a maximum penalty of five years jail and a \$20 000 fine.

The classes of persons who can apply for search warrants will be expanded to include a member of staff of the National Crime Authority who is also a member of Victoria Police, and the classes of persons who can issue search warrants will be expanded to include Federal Court judges. These changes will improve administrative efficiency in obtaining search warrants under the state act.

In addition, the bill will provide for the appointment of hearings officers to conduct hearings on behalf of the National Crime Authority. This will increase the investigatory capacity of the authority without the need

for additional members to be appointed. Hearing officers will be appointed by the Governor in Council, and will be empowered to conduct hearings in a similar manner to the way in which members of the authority can conduct hearings.

The bill will also clarify a number of other matters under the state act, including the application of legal professional privilege, the use of reasonable force in the execution of a warrant, the National Crime Authority's power to allow persons to be present at a hearing, and provisions relating to the disclosure of information by legal practitioners.

Members may be aware that Australian government leaders have recently agreed to a plan to replace the National Crime Authority with an Australian Crime Commission. However, the amendments contained in the bill are necessary to ensure the effective operation of the National Crime Authority scheme until that new body comes into operation. In this regard, other states are expected to adopt similar legislation based on the model state bill in the near future: for example, such legislation is currently before the Western Australian Parliament.

I commend the bill to the house.

Debate adjourned on motion of Mr WELLS (Wantirna).

Debate adjourned until Wednesday, 8 May.

Sitting suspended 12.59 p.m. until 2.03 p.m.

QUESTIONS WITHOUT NOTICE

Attorney-General: comments

Dr NAPTHINE (Leader of the Opposition) — I refer the Premier to the disgraceful and absolutely, totally irresponsible remarks of the Attorney-General that Victorian employers believe they have a licence to kill. Will the Premier now demand that the Attorney-General apologise, and if not, will he sack him?

Mr BRACKS (Premier) — If I could just indicate to the house that the Leader of the Opposition has again misrepresented — again! The comments made by the Attorney-General as Minister for Manufacturing Industry were about 'some rogue employers out there'; that was the prelude — the introduction. He said, 'some rogue employers out there'. The Attorney-General is absolutely right. This piece of legislation, which I know — —

Honourable members interjecting.

Mr BRACKS — This piece of legislation is directly targeted at rogue employers, the small percentage of employers who might be convicted under gross negligence provisions, a bit like culpable driving convictions. It is an important piece of legislation to save lives. What we are seeing is an opposition which is not intent on doing everything it can — —

Dr Napthine — On a point of order, Mr Speaker, the Premier is debating the issue. The Attorney-General said:

They believe ... they have a licence to kill.

That is what he said. It is an exact quote.

The SPEAKER — Order! The Leader of the Opposition has risen on a point of order asking the Chair to rule on whether the Premier was debating the question. That does not give him the licence to repeat his question. I do not uphold the point of order.

Mr BRACKS — The ‘they’ the Attorney-General referred to were some rogue employers, and he is quite right. Some rogue employers, a small percentage, would be the ones we were seeking under the gross negligence parts of this bill. I regret the fact that the opposition has decided to oppose this bill because what it is saying is that it is happy to be soft on crimes in the workplace.

Dr Napthine — On a further point of order, Mr Speaker, the Premier is debating the issue and I ask you to bring him back to order.

The SPEAKER — Order! I ask the Premier to come back to answering the question.

Mr BRACKS — One death in the workplace is one too many. As a government and a state jurisdiction we have to do everything we can to prevent deaths in the workplace. Having a piece of legislation which is similar to the legislation on culpable driving is legitimate and sensible in ensuring that there is a piece of legislation which will prevent these actions from occurring in the first place.

Dr Napthine — On a point of order, Mr Speaker, the Premier is debating the issue. There is plenty of opportunity for debate when the legislation comes before the house. The question went to asking the Attorney-General to apologise for saying that employers in Victoria believe they have a licence to kill. That is what he said and that is what he should apologise for.

The SPEAKER — Order! The Leader of the Opposition seems to persist in taking points of order and then proceeding to make a point in debate or to repeat his question. I have consistently warned all honourable members against that, and I do so again. I ask the Premier to come back to answering the question.

Mr BRACKS — The intent of the minister is exactly right — that is, that we have a piece of legislation which is about a very few rogue employers who would be caught up in matters of gross negligence. It is a good piece of legislation which would prevent deaths in the workplace. As I mentioned, any death in the workplace is one too many. This legislation would help prevent many deaths in the workplace. I regret the fact that the opposition is again showing that it is very soft on crime in the workplace.

Anzac Day: commemoration

Mr ROBINSON (Mitcham) — Will the Premier advise the house about government initiatives to encourage the commemoration of Anzac Day?

Mr BRACKS (Premier) — I thank the honourable member for Mitcham very much for his question. I also congratulate him on the recommendation and suggestion he made some years ago that we have free bus services on Anzac Day. This has been of great benefit to many families and veterans who wanted to go to the dawn service but found they could not get there because of the public transport system. This free bus service has been an extraordinarily beneficial way of getting veterans, their families and relatives to the dawn commemoration service.

This year, under this initiative — and I congratulate the honourable member for Mitcham and also the transport minister, who have initiated this — I am informed that 1500 people are now booked to go to the dawn commemorative service on the free bus service. That is on 31 different buses. The service is fully booked up, and no more buses can actually get onto the forecourt to drop people off. I am very pleased with those figures. If you think about the 1500 people using it this year compared to last year, when 300 people used it, obviously the adoption and take-up rate has been enormous. I congratulate again the many members of Parliament who recommended this initiative.

I was also very pleased today, just before I came to question time, to be with the federal Minister for Veterans Affairs, Dana Vale, at the sod-turning ceremony for the redevelopment of the Shrine of Remembrance. The federal and state governments are

making a joint contribution to that redevelopment. The federal government — —

Dr Napthine — It put in five million!

Mr BRACKS — I was about to say that. You'll never get there, mate; you'll never get there.

That joint contribution is a grant from the Centenary of Federation Committee. The contribution from the federal government was \$5 million, with \$2 million from the state government of Victoria and significant contributions — —

Honourable members interjecting.

Mr BRACKS — Members of the opposition do themselves no service at all.

There were significant philanthropic contributions, including, importantly, from Rotary, representatives of which were there today as part of the philanthropic contribution to the interpretative centre, the new education and public displays. It will be a world-class commemorative centre, an interpretative centre, and a place of contemplation. In the future it will be a place of interpretation to commemorate those people who fought in two world wars and many engagements overseas and to understand that the service they gave overseas to the nation is in direct correlation to the benefits we have and the freedoms we enjoy now.

I am very pleased that that contribution has been acknowledged and recognised by the Returned and Services League, by the trustees and by the wider veteran community, who have fought very hard, very strongly and for a long time for that to occur.

Honourable members interjecting.

Mr BRACKS — I have had some interjections about the state president of the RSL, and I am very pleased to acknowledge those interjections and to say that the transport minister very recently received a letter from the state president of the RSL, Bruce Ruxton. Bruce said — and I am very pleased about this — on the matter of the free bus services:

May I express my heartfelt thanks to you and your department for the introduction of a free bus service for those wishing to attend the dawn service.

It is magnificent and I do hope that the troops will take advantage of your kindness.

The Deputy Leader of the Opposition wanted me — and I am very happy to oblige — to indicate the great contribution that Bruce Ruxton has made to the RSL. We might disagree on some issues but he has been

unswerving in his support for veterans in this state, and I congratulate him for that. I said this today at the sod-turning ceremony at the Shrine of Remembrance and I also indicated that at the testimonial dinner to the state president of the RSL. He has been someone who has stood up for veterans in this state, as he has fought for the money which is to go to the renovations and the new work at the Shrine of Remembrance — as have all the trustees.

Importantly, we are very pleased to note that whilst Mr Bruce Ruxton is retiring as state president of the RSL he will be continuing as a state trustee, and along with other trustees will oversee this work at the Shrine of Remembrance. I am very pleased to say, on the eve of Anzac Day, that we have an important contribution for generations to come with the Shrine of Remembrance, the magnificent building and icon that it is for Melbourne.

Rail: regional links

Mr RYAN (Leader of the National Party) — I refer the Minister for Transport to his announcement in May last year of the fast rail links project and to his call for the private sector to contribute \$250 million to the project to enable 'contracts to be signed by March 2002 and work to commence soon after'. Can the minister confirm that there has not been one private company willing to invest a single cent in this project, and that to this day no work has commenced?

Mr BATCHELOR (Minister for Transport) — The Leader of the National Party has staked his political career on trying to undermine the fast rail project to provincial towns. That is in line with his previous history of being party to the closure of rail lines around Victoria when he was a proud member of the Kennett coalition, a coalition that I understand they are keen to reignite, presumably so they can close down more country rail lines!

Dr Napthine — On a point of order, Mr Speaker, the minister is debating the issue. I suggest you tell him to answer the question. If he has not got an answer he should sit down.

The SPEAKER — Order! I am not prepared to uphold the point of order at this time.

Mr BATCHELOR — He is up and down like a pop-up toaster, isn't he?

At the moment the fast rail project is at a stage where we are evaluating the tenders from the private sector. As honourable members will recall, we called for a short-listing process, and a request for tender was

issued to those bids that we thought best matched the government's objective. When that evaluation process has been completed we will be able to reveal the outcome of those successful negotiations. We are very close to being in a position to make that announcement.

I remind the Leader of the National Party, and other opposition members who are attacking this project, that it is a popular and well-appreciated program throughout country Victoria. I also remind the Leader of the National Party that we have already concluded the contracts to purchase the rolling stock. That is a \$400 million-plus contract that has been concluded by this government. So the project is well and truly under way. More than \$410 million worth of contracts have been concluded and signed off. The work under that contract has already started. The physical upgrade of the infrastructure is the subject of tenders that are currently being evaluated, and I am surprised that the Leader of the National Party would seek to undermine the process at such a critical stage. The National Party has not resiled from its form of trying to close down rail services.

Mr Ryan — On a point of order, Mr Speaker, the minister, while he is receiving further instructions from the Premier, is clearly debating the issue, and while I appreciate the publication of my party's position, I ask you to direct him to return to answering the question.

The SPEAKER — Order! I was listening carefully to the Minister for Transport and he was providing information on the status of this particular project. I will continue to hear him.

Mr BATCHELOR — Thank you, Honourable Speaker. The regional fast rail project will bring great benefit to rural Victoria. It will not only provide a faster train service but it will also provide huge economic benefit and will lead to increased population. When we announced the project we said it would take five years to complete and it is in line with its original projection.

Honourable members interjecting.

Mr BATCHELOR — The interjections from the opposition — —

The SPEAKER — Order! Interjections are disorderly and should be ignored.

Mr BATCHELOR — They clearly indicate that the National Party is the same as the Liberal Party, and it wants to oppose this project.

Melbourne–Geelong road: upgrade

Mr TREZISE (Geelong) — Will the Minister for Transport inform the house of the progress of the Geelong road project and how this links in with initiatives announced in the government's business statement?

Mr BATCHELOR (Minister for Transport) — Today's announcement about the Geelong road upgrade is really another gift for the people of Victoria for Anzac Day. Overnight the Melbourne-bound Corio overpass — that is the bridge over the railway line at Corio — was opened for vehicle traffic. Since last night cars and other vehicles have been using this overpass. The completion of this part of the Geelong road gives drivers who are leaving Geelong a 13-kilometre length of new road with three lanes in each direction. It is an example of the Bracks government getting on with the job. This project was in the public domain and argued about for years, but this government is actually delivering on the project.

Over the next month another 15 kilometres of new freeway lanes is expected to be brought on stream, particularly the section between Point Wilson and Corio and also the Maltby bypass. It will provide smoother and safer travel between Melbourne and Geelong.

In relation to the length of the project, it is getting very near to conclusion. Within the next six months we expect the whole of the project to be completed, which, of course, is subject to the weather conditions, as we are approaching the winter months. With the completion of the tail end of the project, there is the possibility that the seal will not be able to be completed. Over the next six months we are expecting to be able to complete the Geelong road upgrade.

That will include the extra \$30 million provided by the Bracks government for the Werribee interchange, which is the very dangerous intersection on the Geelong road for travel into Werribee. This interchange is due to be completed by early June and will provide a smooth and safe entry into Werribee. When I became minister I was shocked to see that the design specifications of the Geelong road did not provide for a safe entry into Werribee from the Geelong road. The sign off by the previous government was inadequate. In modern highway terms it was positively dangerous and we sought the assistance of the federal government to make the necessary safety improvements on the Werribee exit. It refused, so this government has gone it alone. We have provided the \$30 million necessary to provide that upgrade, and it will be a great boost.

It is just like what the government is doing out on the Scoresby freeway, which is part of our Linking Victoria strategy and part of the business statement and which will, of course, be a centrepiece of the Treasurer's upcoming budget. The Scoresby freeway, together with the Geelong road upgrade, is a clear demonstration that this government can get on with the job. We have a lot of damage to repair, and we will do that. Systematically and surely we will rebuild the state, which was wrecked after the years of the Kennett regime.

GST: gaming machines

Mr BAILLIEU (Hawthorn) — I point out to the Premier that the Treasurer says the GST on poker machines is shown in the budget papers but Tim Costello says it isn't. Who is right?

Mr BRACKS (Premier) — I think the question was — just clarifying — about Tim Costello, not Peter Costello. I think it was Tim Costello who the honourable member for Hawthorn was referring to. The question was, 'Was the Treasurer right or was Tim Costello right?'. Was that the question? The Treasurer is right, because table 7.2 on page 125 — 'Impact of the GST on the Victorian budget' — of budget paper no. 2, the *2001–02 Budget Statement*, lists this matter under that area.

Mr Baillieu — On a point of order, Mr Speaker, the question was to do with the GST on poker machines. The words 'poker machines' do not appear on page 125 of the budget statement.

Honourable members interjecting.

The SPEAKER — Order! I ask the house to come to order, or I will start using sessional order 10 to restore order. I do not uphold the point of order raised by the honourable member for Hawthorn. He was not taking a point of order; I am of the opinion that he was making a point in debate.

Mr BRACKS — Thank you, Mr Speaker, for your ruling. I will go on to refer to table 7.2. About five items down it says 'Gambling taxes', and column heads are 'Revised', 'Budget', 'Estimate', 'Estimate', 'Estimate'. It is clearly identified in the budget in accordance with the accounting standards but also in accordance with the Auditor-General's requirement for reporting on federal taxation measures, which is required under accounting standards to be in a separate part of the budget. It is clearly identified as gambling taxes in budget paper no. 3, the *2001–02 Budget Estimates*. Who is right? I am not surprised about this: the Treasurer is right!

Women: small business

Ms OVERINGTON (Ballarat West) — I ask the Minister for Women's Affairs to inform the house of what actions the government has recently taken to engage with and support women in business and advise of any future strategies.

Ms DELAHUNTY (Minister for Women's Affairs) — I thank the honourable member for her question. In yesterday's government business statement — which was universally acclaimed right around the country, except by the opposition, which I think remained silent on it — some important initiatives were included which will, I think, be welcomed by women in business in Victoria. I refer, for example, to the \$2 million plan for a one-stop shop that will allow new business applicants to lodge all the applications they need at one place, and \$100 000 to trial a regional small business mentoring program to help growing businesses. They are very important, Honourable Speaker, to women and in particular to women starting businesses in regional Victoria.

Also in the business statement is an excellent Partners at Work program, which shows forward thinking, as does much of the business statement. It will provide businesses with expertise and assistance, particularly around improving the work-life balance, which is particularly, but not exclusively, important to women.

These initiatives in the business statement build on the women's strategy, particularly the women in small business strategy that the government has already introduced. The Minister for Small Business in another place recently released a publication called 'Show me the money — a women's guide through the financial maze'. In any future strategies women might expect from the opposition a publication named 'Show me the policy — a guide through the maze of a policy-free zone'!

In contrast to that policy-free zone, the Bracks government is turning things around for women in business, there is no doubt about that. We will introduce very shortly another publication, 'Women building bridges', which is a terrific directory of women's professional, business and trade networks. It will be available even in the electorate of the Leader of the National Party. We will make sure he gets a copy!

No wonder the number of females in small businesses has risen under the Bracks government. There has been an annual increase of around 3 per cent from November 1999 to June 2001. We expect that once the initiatives

we have just outlined in the business statement kick in we will see an improvement as well.

Some 32 per cent of all Victorian small businesses are operated by women — and why shouldn't they be? There are some strategic advantages for business, particularly women in business, regarding higher educational levels, higher employment levels and outstanding role models.

I finish by mentioning an outstanding role model who was featured in the *Age* this morning. The Telstra Business Woman of the Year last year, Dr Judith Slocombe, has nine children, including two sets of twins. She started her veterinary pathology business at home back in 1989. This astonishing businesswoman now has 35 staff. With role models like that, you can see that the sky's the limit for women in business in Victoria.

Eastern Freeway: extension

Mr LEIGH (Mordialloc) — Will the Minister for Transport assure the house that the Eastern Freeway extension to Ringwood is running on budget and on time and that the freeway tunnel under the Mullum Mullum Creek will not be built by the cut-and-cover method?

Mr BATCHELOR (Minister for Transport) — I understand the basis for this question is a rumour being circulated by a former member of the consultative committee in the eastern suburbs. It might have been an attempt to place it on the rumour file on 3AW, which provides the source of the questions now coming from members of the Liberal Party. So bereft are they of their own ability to investigate matters and establish the facts that they are resorting to innuendo and comments on the rumour file. One suspects that they ring up the rumour file themselves to generate questions. The voices are very similar — —

Honourable members interjecting.

The SPEAKER — Order! I ask the house to come to order, and I ask the minister to answer the question.

Mr BATCHELOR — I can assure the house that there will be no replacement of the tunnel by cut and cover. This government decided to build a longer tunnel than was previously canvassed, and we did that for the simple reason that there are environmental values in the Mullum Mullum Creek valley that are worthy of protection. This is a serious matter. The previous government had plans to build a surface freeway through this area, but we will not be building the tunnel by cut and cover.

With respect to the other elements of the question, the government is evaluating tenders at the moment, and of course it is those issues that will ultimately determine both those questions. Once that has been concluded, we will be able to be definitive on those into the future.

Tourism: government initiatives

Ms BEATTIE (Tullamarine) — Will the Minister for Tourism advise the house on how initiatives in the government's business statement will boost Victoria's tourism industry and how this builds on other tourism initiatives implemented by the Bracks government?

Mr PANDAZOPOULOS (Minister for Tourism) — I thank the honourable member for Melbourne Airport and congratulate her on — —

The SPEAKER — Order! The minister will refer to honourable members by their proper titles.

Mr PANDAZOPOULOS — Thank you, Honourable Speaker, that is the way that I know her. It is good to have her as my parliamentary secretary, along with the ministers for tourism, sport and the Commonwealth Games.

I am not sure that honourable members on the other side read good news announcements, but the house should be aware that the business statement *Building Tomorrow's Businesses Today* provides, as part of a \$364 million package, \$18 million to assist the tourism industry. That comes on top of the \$10 million that was made available as part of a tourism rescue package last year following the collapse of Ansett and the events of 11 September.

I remind the house that the tourism industry is worth about \$8.5 billion to the Victorian economy. It directly employs 150 000 people and indirectly over 200 000 people. It is an industry that needs support, and it has been growing under this government.

The package includes \$10 million to support regional tourism infrastructure. We understand that the next phase of growing regional tourism is getting regional tourism infrastructure supported in regional Victoria. It is about better businesses locating out there becoming destinations in their own right and spending their own dollars to market their own regions and not just relying on government. That is the next phase of growing regional tourism. The \$10 million is much needed and welcomed.

We also have provided \$1.5 million over four years for the Melbourne Convention and Visitors Bureau. That is to take a major events approach to attracting

conventions and conferences to Victoria. We are in effect close to doubling the amount of money going to this organisation, which is a partnership between the tourism industry in the private sector, hotels, the City of Melbourne, retailers and the state government.

The conventions industry is worth about \$100 million at the moment. This package will provide for the growth in the industry of about another \$100 million. That will mean more jobs and more conferences and conventions for Victoria, but not just for Melbourne; this package also guarantees and secures a focus on getting conferences and conventions for regional Victoria as well. That is a different emphasis from that of the previous government.

We have more dollars from this government and a more aggressive approach, but also a focus on regions. It includes what I am launching on Friday — the Victorian meetings and exhibitions services, which is a partnership between the convention and visitor bureau and the regional Victoria conference group to work together, hand in hand on an ongoing basis to get conferences and conventions out in regions, so everyone is a winner. That also includes \$2 million for much-needed feasibility work for the convention centre and for the convention and exhibition facilities. So we are providing for the work that will be done before you can see a broader commitment to this project.

Ms Asher interjected.

Mr PANDAZOPOULOS — The former Minister for Small Business says, 'Just do it'. I remind her that in her policy statement she said, 'We will have a plenary hall and convention facility by 2010. That is eight years away. The government is providing \$2 million for a feasibility study.

Ms Asher interjected.

Mr PANDAZOPOULOS — Complain, complain, complain!

There was an additional part to the question, and that was about how it builds on initiatives that the government has been introducing. I am pleased to announce to the house today that the survey of tourist accommodation which was released shows there has been a very strong performance for Victoria in very difficult times. We have seen Victoria outperforming New South Wales and Queensland in key areas, such as the growth in the number of room nights and in takings from accommodation. That is phenomenal. That is the \$10 million rescue package.

We have seen a 2.7 per cent increase in regional tourism employment in the December quarter. Again we have had lies, lies, lies from the opposition. It is saying tourism is down. Who is wrong? Today the national visitors survey that was released shows that when the opposition was in government in 1999 Victoria matched Queensland in regional tourism figures. These figures show that Victoria is the second most visited destination after New South Wales. Those are great figures. It is all from the \$10 million package.

The SPEAKER — Order! I remind the minister that he also needs to be succinct and conclude his answer.

Mr PANDAZOPOULOS — There is much good news. The survey also shows a 7 per cent increase in the number of room nights occupied in regional Victoria during the December quarter. Also in that quarter last year total visitor nights to Victoria increased by 3.1 per cent and — wait for this — a very high increase in interstate visitor nights of 27.3 per cent. Visitors are coming to Victoria and they are staying longer — thanks to the Bracks government's financial support and its work with the tourism industry.

TAFE: council vacancies

Mr HONEYWOOD (Warrandyte) — Can the Minister for Education and Training confirm a statement made by her senior adviser, who is coincidentally the Labor candidate for Eltham, Stephen Herbert, that the government is checking on the political affiliations of all TAFE institute governing council members and that any current vacancies will not be filled until this censorship process is complete?

Ms KOSKY (Minister for Education and Training) — The honourable member for Warrandyte has now finally got a question up. On my count, he has had well over 50 possible opportunities in this house since I became Minister for Education and Training!

Mr Honeywood — On a point of order, Mr Speaker, as you and the minister would be well aware, honourable members on the other side took three years to ask me one question on training when I was minister.

Honourable members interjecting.

The SPEAKER — Order! That is clearly not a point of order.

Ms KOSKY — And I think it actually took me only several weeks as shadow minister to ask that particular question! But I can give the honourable member a few

hints on how he might be able to get a few questions up. I could probably give him a few questions.

In relation to the TAFE institutes, the government has instituted a process of advertising right across the state for people who might be interested in being members of TAFE councils. We want to make sure we get a very broad range of people who are applying. We are doing that so that we can assist TAFE institutes to supplement the range of people who have been applying for positions on TAFE councils. In fact the TAFE councils are very keen on this process because they have raised with me a concern that when they advertise only within their local areas and the local newspapers they do not always get the range of skills they would like on their institute councils.

If the honourable member for Warrandyte ever took the opportunity to talk with TAFE councils he would know I have always worked with TAFE councils to assist them and to acknowledge the terrific people they put up on their councils, but at times they have asked me to look for people who might have financial or legal skills or a range of other skills.

Dr Napthine — On a point of order, Mr Speaker, on the issue of relevance, the question was quite specific. It asked the minister whether she could confirm that her adviser was checking the political affiliations of current members. I ask you on a matter of relevance to bring her back to answering that question. Can she confirm it, or will she deny it?

The SPEAKER — Order! I ask the minister to come back to the question asked by the honourable member for Warrandyte.

Ms KOSKY — Sorry, I am answering the question. The Leader of the Opposition constantly takes over and repeats the questions asked by honourable members, particularly those of the honourable member for Warrandyte. The honourable member for Warrandyte has again got it wrong because over the past few weeks I have made appointments to quite a number of TAFE institute boards. I can provide the names to him if he is at all interested.

Rural and regional Victoria: government initiatives

Mr LONEY (Geelong North) — I congratulate the shadow minister for tertiary education and training on breaking his 170-question drought.

The SPEAKER — Order! The honourable member has been called to ask a question.

Mr LONEY — Will the Minister for State and Regional Development inform the house which initiatives in the government business statement will boost business opportunities in rural and regional Victoria and what other initiatives have recently been taken in this regard?

Mr BRUMBY (Minister for State and Regional Development) — I am delighted to say that the business statement that the Premier and I released on Monday has delivered major benefits to regional Victoria.

A number of positive initiatives were announced as a part of the statement: \$8 million over two years for the Farm Business Improvement program (Farmbis), and \$3 million over four years to extend the agribusiness networks. The Minister for Agriculture particularly has strongly supported this, and it has been significant in helping to get our exports of food and fibre up to \$6.6 billion per annum. Other initiatives are \$10 million to develop tourism infrastructure in regional Victoria; the exemption from land tax for agricultural shows and field days; the \$5 million provided for the Regional Connections program; \$150 000 for an integrated mineral sands action plan, and of course the payroll tax relief which is so important to major manufacturers across regional Victoria.

When you put all of that together it is a great package for country Victoria. It has been described in the press as 'Rural victory', 'Business bonanza pledged', and '\$26 million for rural Victoria'. I am delighted to report to the house that an article on the front page of today's *Bendigo Advertiser* is headed 'Jobs boom'. I will read the first paragraph of this report:

Bendigo businesses are growing, achieving and hiring more people, according to a new study released by the Greater Bendigo council. According to the survey, more than 1200 new jobs have been created since 1999.

If you ever want the proof, the endorsement, the evidence that the Bracks government's policies are working, here it is in Bendigo — 'More jobs', 'Jobs boom', '1200 new jobs'.

Unfortunately, not all businesses are booming. I understand that in Bendigo there is one enterprise in particular which is struggling. It is at 106 High Street, Bendigo, and a giant 'For lease' sign hangs above the office door. I happen to have a photo of that. It is headed, 'Leader of the Liberal Party, Leader of the Opposition — for lease'.

Honourable members interjecting.

The SPEAKER — Order! I ask the house to come to order. I point out to the minister that it is inappropriate to display items of that nature in the chamber.

Honourable members interjecting.

The SPEAKER — Order! I ask those on the government benches not to behave in that fashion. I ask the Leader of the Opposition to cease interjecting.

Mr BRUMBY — So there has been strong economic growth in Bendigo. We believe the initiatives we have put in place will drive and deliver growth in the future, and certainly the \$26 million provides a positive boost for business right across Victoria, leading new investment and job opportunities for the future.

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

MAGISTRATES' COURT (KOORI COURT) BILL

Second reading

Mr HULLS (Attorney-General) — I move:

That this bill be now read a second time.

The Magistrates' Court (Koori Court) Bill 2002 delivers on our government's commitment to establish a Koori court pilot program for Victoria as outlined in the Victorian Aboriginal justice agreement. This illustrates the government's commitment to reconciliation and developing a strong partnership with the Victorian indigenous (Koori) communities.

The Victorian Aboriginal justice agreement is the first significant negotiated initiative launched by this government which maximises Aboriginal participation in the development of policies and programs in all areas of the justice system. Our government recognises that it is not possible to address the overrepresentation of Aboriginal people in the criminal justice system without also tackling the disproportionately high levels of Aboriginal disadvantage caused by the dispossession of traditional lands and the separation of families.

Together, this government and the broader community must be prepared to experiment with inclusive, innovative, culturally appropriate and modern approaches to strategically reduce Aboriginal overrepresentation within the criminal justice system. The Koori court represents a fundamental shift in the

way in which we as a community deal with Aboriginal offenders.

We do not pretend that the Koori court is the only answer to address the alarming number of Aboriginal people represented within our justice system. Rather, it is one initiative of the government's and the Aboriginal community's agreement which encompasses the areas of prevention, accessibility, effectiveness of justice-related services and rehabilitation. It aims to improve the current startling statistics relating to indigenous contact with the criminal justice system in all its forms. The Koori court will complement a number of existing and planned justice initiatives such as:

the adult residential program;

the cultural immersion program;

mediation and dispute resolution programs;

Koori family history service and link-up;

community legal education;,

improved relations between Victoria Police and the Aboriginal communities; and

the increased number of indigenous bail justices.

This initiative will give a clear message to the courts and the wider community that there is a genuine commitment by this government to have real and meaningful participation in the justice system by the Aboriginal communities. By adopting this initiative our government intends to incorporate Aboriginal knowledge, skills, values, cultural beliefs and practices in the legal system. To do so recognises the fact that Koori communities themselves are seeking means to have a greater input into the manner in which they govern their communities. This initiative recognises that Koori communities acknowledge the need for sanctions for unacceptable conduct and rehabilitation in a culturally appropriate fashion.

In South Australia, the Nunga court has been operational for over two years. Based initially in Port Adelaide, the objective of this court is similar to that of the Koori court. In New South Wales and Queensland like models have been developed. Such courts have also been established in many overseas jurisdictions emanating from first nations' incorporation of their cultural beliefs and practices in the legal system. While indigenous courts have a number of common features, no two courts are identical.

The Victorian Koori court has been developed after extensive analysis of the effective features of indigenous courts both in Australia and overseas. I emphasise that the Koori court model is unique to Victoria, encompassing the best features of existing models whilst still acknowledging their cultural diversity expressed by the Victorian indigenous communities.

Why have a Koori court?

The key to understanding the need for a Koori court is an acceptance that historically Aboriginal offenders often come from the most disadvantaged of backgrounds, and that they are often victims themselves. Only negotiated innovation can and will address this problem.

The Royal Commission into Aboriginal Deaths in Custody recognised that Aboriginal Australians face a much greater risk than the general Australian population of becoming victims of violence, possibly up to 10 times greater in the case of homicide. Further, it is estimated that Aboriginal people are 11 times more likely than non-Aboriginal people to be placed in an adult prison and more likely to be remanded in custody than non-Aboriginal people (23.4 per cent compared to 13.8 per cent). The number of Aboriginal prisoners in custody at June 2001 has increased since 1995 by 17.2 per cent.

Further, in 2000–01 Victoria Police processed 4676 Aboriginal people — an increase of 1118 people representing an increase of 31.4 per cent over five years.

The opportunity to establish a Koori court acknowledges that it is essential to incorporate Aboriginal communities' cultural beliefs and practices. It is intended to produce fair and equitable treatment for Aboriginal people in the justice system. It is also an opportunity to divert Aboriginal people away from prison where it is appropriate to do so. These aims are best achieved through a partnership between the Aboriginal community and government that reforms the justice system, addresses the underlying causes of criminal activity and fosters trust, understanding and commitment through the direct involvement and participation of the Aboriginal community in the justice system.

Community participation in the sentencing process not only increases the participation rate of the Aboriginal community within the justice system, but reflects the view that input by the offender's community is both an appropriate and potentially more effective method of

sanctioning unacceptable conduct than traditional judicial decision-making models have been. Indeed the courts and the community must recognise that present sentencing practices are doing little to reduce the rate of offending and that more creative uses of the sentencing processes are needed to enable Aboriginal communities to exercise greater flexibility and control over sentencing outcomes.

The Victorian Koori court will be piloted over two years, commencing at Shepparton, with the expectation that the metropolitan pilot site — Broadmeadows — will be operational within six months after the commencement of the first pilot site. The selection of the location of pilot sites was the subject of extensive consultation with key stakeholders and a detailed analysis of data and statistics was conducted, the results distributed to the Aboriginal community for comment.

Accordingly, Shepparton has been chosen as the first regional location for the Koori court due to the alarming statistics from the Shepparton region.

In addition, the contributing factors as to why this site was selected was the availability of services for Koori court participants, such as:

- drug and alcohol treatment;

- an indigenous women's mentoring program;

- well-developed indigenous community controlled social service providers such as Rumbalara Aboriginal Cooperative and the Burri Family Preservation Service and others, all of which reflect the commitment of these communities to resolving difficulties which are long standing and which often result in adverse interaction with law agencies; and

- access to social and emotional wellbeing counselling.

The government anticipates that the Koori court will commence operation in Shepparton by August 2002 and Broadmeadows by the end of the year.

The objective of the court is to actively include the Aboriginal communities within the justice system and allow for community involvement in the sentencing process. Input by the offender's community is arguably a more effective method of decision making; however the magistrate retains the ultimate decision-making authority and continues to be the sentencing agent. All sentencing dispositions are available to the court including prison if this is deemed appropriate.

What is a Koori court ?

In essence, the Koori court is an alternative way of administering sentences so that court processes are more culturally accessible, grounded in Aboriginal communities' efforts to promote rehabilitation and impose sanctions which are acceptable and comprehensible to the Aboriginal community. The key emphasis is on creating an informal and accessible atmosphere and allowing greater participation by the Aboriginal Community through the Koori elder or respected person, Aboriginal justice worker, indigenous offenders and their extended families or wide group of connected kin, and if desired, victims, in the court and sentencing process. It aims to reduce perceptions of intimidation and cultural alienation experienced by Aboriginal offenders.

It focuses on the individual through close collaboration with family, community service providers and criminal justice agencies. This partnership approach aims to maximise rehabilitation prospects which benefits the whole community by assisting offenders to comply with the completion of sentencing orders and where appropriate to develop a case management plan designed to meet the needs of the individual offender in a culturally appropriate manner. In this way the Magistrates Court considers and deals with the sentencing of Koori offenders in a more culturally appropriate and aware manner.

How will the Koori court work?

Rather than being a new court, the Koori court is a fundamentally new way of approaching and dealing with Aboriginal offenders. The bill establishes the Koori court as a new division of the Magistrates Court.

The Koori court magistrate will be assisted by a Koori court team consisting of an elder or respected person, an Aboriginal justice worker, a community corrections officer and a police prosecutor and defence lawyer. The Aboriginal community's participation illustrates their willingness to incorporate their principles of what is considered acceptable and not acceptable behaviour. The role of the elder/respected person is an important part of the model. It ensures a cultural context is applied to the court's processes allowing for the Koori court participants to comprehend the consequences of their offending behaviour from both the law's and the Aboriginal community's perspective.

The Koori court will generate new and build upon old partnerships between judicial officers, lawyers, law enforcement agencies, correctional authorities, treatment providers and government departments.

These organisations and individuals will need to adopt new roles and embrace a collaborative, team-oriented approach in working together to manage Koori court participants and reduce their offending.

Another crucial element to this initiative is the development and incorporation in the process of an Aboriginal community code of conduct. Concerns raised by the Aboriginal members of the regional Aboriginal justice advisory committees suggested that there is an underlying perception from offenders that when crime is committed the law which is being broken is the 'mainstream law', which does not form part of Aboriginal culture and community. The code is about reclaiming and redefining 'mainstream law' by developing standards that are owned by the Koori community.

The participation of the elder or respected person symbolises that the offence is not condoned by either the Aboriginal or non-Aboriginal communities and that any sentence imposed is done so after input and information provided to the magistrate by the community representative, the elder or respected person in a transparent fashion in open court. In this way the sentencing process as well as the sentence ultimately is community owned so when crime is committed it is against community standards. This elder/respected person will play a critical role in the effectiveness and acceptance of the Koori court initiative.

The court requires a magistrate to take into account the offender's Aboriginality not simply in determining the sentence to be imposed but in adopting suitable procedures for arriving at that sentence and ensuring that any order imposed is more likely to be complied with given the significant Aboriginal community approval of the sentence as an outcome which is adopted by that community.

It is expected that successful completion of the Koori court program, with its supervision regime, treatment and support services, will prevent or delay the entry of the offender into prison.

Indication from other similar courts is that the breach rates for offenders and the fail-to-appear rate of offenders are reduced. This translates into the savings in costs of correctional services, savings in prosecution and defence costs and in welfare and unemployment benefit costs. There is also evidence of improved health and wellbeing of offenders. The non-Aboriginal community plainly benefits from these reductions.

What does the Koori court aim to achieve?

The Koori court has several operational and community building aims. From a criminal justice perspective, the Koori court aims to:

further the ethos of reconciliation by incorporating Aboriginal people in the process and by advancing partnerships developed in the broad consultation process, which has led to this initiative being adopted;

divert Koori offenders away from imprisonment to reduce their overrepresentation in the prison system;

reduce the failure to appear rate at court;

decrease the rates at which court orders are breached; and

deter crime in the community generally.

Similarly, from the community building perspective the Koori court aims to:

increase Aboriginal community ownership of the administration of the law;

increase positive participation in court orders and the consequent rehabilitative goals for Koori offenders and communities;

increase accountability of the Koori community families for Koori offenders;

promote and increase Aboriginal community awareness about community codes of conduct/standards of behaviour and to promote significant and culturally appropriate outcomes; and

promote and increase community awareness about the Koori court generally.

To achieve these goals, the Koori court requires coordination of services together with the input of community resources to help offenders, victims and the community to achieve successful outcomes.

Key features of the bill

I now turn to some of the key aspects of the bill.

Not all Aboriginal offenders will be suitable for the Koori court. Currently there is no specific target group of offenders except that the offender is adult and Aboriginal and would otherwise be subject to sentences imposed by the Magistrates Court.

Individuals will be eligible to appear in the Koori court where they plead guilty to offences within the jurisdiction of the Magistrates Court. At this stage, offenders will be excluded where the offence committed is one of crimes family violence or sexual offences [sic] given the complexity of the issues and the services required. Statistics indicate that the most likely offences considered by the Koori court will be property offences given that 55 per cent of the Aboriginal people processed in Victoria during 2000–01, committed crimes against property.

It will be vital that Koori court participants reside in an area in the vicinity of the Koori court to enable them to be supervised whilst on their order and to allow ease of access as outlined in their order. This will facilitate participants' compliance with the order and therefore reflect a decrease in the number of breaches, one of the clear measurables of the Koori court pilot's success.

The bill departs from the traditional 'one size fits all' approach to sentencing by giving the Koori court the ability to tailor programs to address offenders' behaviour and meet their complex individual needs. The Koori court's Aboriginal justice worker and the community corrections officer together will develop a case management plan for each participant which might include matters such as drug and alcohol treatment and accommodation, if necessary. The case management plan will assist the Koori court in determining which program conditions are to be attached to each order determined by the magistrate.

Conclusion

This division of the Magistrates Court has been developed by long and committed consultation with the Koori community, with significant leaders in that community and with people from the grassroots. It reflects the Aboriginal communities' commitment to addressing the underlying issues offenders face and create a greater sense of safety within the community. It provides us with an opportunity to explore ways in which we can reduce Aboriginal exposure to the criminal justice system. As a program of initiatives it provides us as a community with the capacity to make 'imprisonment the sentence of last resort' by incorporating options for rehabilitation which will have a better chance of success. It aims to incorporate the leaders in the Koori community in decision-making processes in a way which demonstrates to Kooris who come before the courts that illegal conduct is unacceptable to the whole community. It will, as a partnership, sanction this unacceptable conduct, but it will do so in ways which should see offending reduced and greater compliance with court orders.

The effective and appropriate resourcing of the Koori court is critical to its success. This is acknowledged by this government, and we have committed funds under the Victorian Aboriginal justice agreement for the establishment and operation of the Koori court and its programs. This funding will not detract from existing programs; rather it is additional in order to absorb the increased demand on existing services.

The Koori court pilot will be evaluated to determine whether it has been effective in reducing indigenous contact with the criminal justice system, a reduced rate of recidivism is evident and the pilot has ultimately made a difference. If the evaluation is successful the Koori court could be extended to further locations throughout Victoria.

This bill is the culmination of an extensive period of consultation across the justice portfolio, across government agencies and importantly with the Aboriginal community. I am pleased to say that the community has expressed strong support for a Koori court and this innovative approach to ensuring the courts' processes are culturally responsive for Aboriginal offenders. I would like to thank those individuals and organisations who responded to the discussion paper and who generously gave up their time for consultation.

This government refuses to turn a blind eye to the underlying issues that prove to be causal factors resulting in the overrepresentation of Aboriginal people in the justice system. It is committed to trying creative and innovative initiatives which look beyond offending behaviour to address its underlying causes. The Koori court is a bold and exciting initiative to reduce the overrepresentation of indigenous people in our system and its destructive effects on the Victorian community.

I commend the bill to the house.

Debate adjourned on motion of Dr DEAN (Berwick).

Debate adjourned until Wednesday, 8 May.

THEATRES (REPEAL) BILL

Second reading

Mr HULLS (Attorney-General) — I move:

That this bill be now read a second time.

The Theatres Act 1958 sets up two regulatory regimes:

a permit scheme for cinemas that wish to show films on Good Friday and Christmas Day; and

the licensing of live entertainment.

The act also allows the Attorney-General to revoke an authority or licence for the provision of live entertainment, if certain public entertainment has been provided in a theatre on Anzac Day before 1.00 p.m.

The Theatres Act is a consolidation of previously existing laws. In fact much of the Theatres Act reflects the Licensed Theatres Act of 1850. The current act was enacted in a time when social attitudes were quite different to those held today. In particular the view of the community towards days sacred in the Christian calendar such as Christmas Day and Good Friday, and Sundays for that matter, were also quite different. This is clearly reflected in the regulatory regime set up by the act.

The only part of the Theatres Act that is currently administered relates to the issuing of permits for cinemas to operate on Good Friday and on Christmas Day. Permits have regularly been issued for cinemas to operate on Good Friday and were issued for Christmas Day 2001.

The need to review the act to determine its continuing relevance has been apparent for a number of years. In Victoria's increasingly multicultural and diverse society, the Theatres Act has become somewhat anachronistic.

In February 2000 the Bracks government gave the parliamentary Law Reform Committee a reference to inquire and report to the Parliament on the continuing relevance of the Theatres Act. In summary, the committee was to report on:

the need to retain the licensing system for theatres;

the appropriateness of requiring special authorisation for the provision of live entertainment and the operation of cinemas on Christmas Day, Good Friday and Anzac Day; and

the impact were the Theatres Act repealed.

The committee's report was tabled in Parliament on 31 May 2001. The report made six recommendations. In summary, the committee recommended that the Theatres Act be repealed and that provisions dealing with the prohibition against live entertainment prior to 1.00 p.m. on Anzac Day be transferred into the Anzac Day Act. The government's response accepted these recommendations. The Theatres (Repeal) Bill 2002 seeks to implement the committee's recommendations.

Repeal of the Theatres Act

Part 2 of the bill repeals the Theatres Act 1958 in its entirety. While the act provides for a scheme for licensing live entertainment, this scheme has been inoperative, at least since 1958. The repeal of the act will also mean that cinema operators will no longer be required to obtain a permit to operate cinemas on Christmas Day and Good Friday. The Law Reform Committee considered the aim of the restriction on cinemas operating on Christmas Day and Good Friday and concluded that:

If it is to encourage the observance of the Christian religion, it would be difficult to accept this as a legitimate activity of the modern state even though it has historically been an explicit objective of the forerunner to the present legislation.

Repealing the Theatres Act as recommended by the Law Reform Committee will contribute towards reducing regulatory burdens on business, for instance, cinema operators. In addition, repealing the act recognises that, while Good Friday and Christmas Day continue to have historical and religious significance in Victoria, the restrictions that the act imposes on entertainment options on these days may no longer be appropriate.

Amendments to the Anzac Day Act

The Law Reform Committee also considered the appropriateness of restrictions on the types of live entertainment undertaken on the morning of Anzac Day.

Anzac Day is an opportunity to remember the sacrifices of many Australians in times of war. As a result, there are already restrictions on many public activities during the morning of Anzac Day, which is traditionally reserved for the Anzac Day parade and attendance at the dawn service. There are restrictions on shop trading hours, sport and racing activities, gaming, the operation of Crown Casino, the sale of liquor and the operation of cinemas. Currently, under the Theatres Act, the performance of live entertainment before 1 p.m. on Anzac Day is restricted.

The Returned and Services League made strong submissions to the Law Reform Committee about the importance of maintaining the Theatres Act restrictions on live entertainment prior to 1.00 p.m. on Anzac Day. The committee recommended that these restrictions be transferred to the Anzac Day Act, following repeal of the Theatres Act.

Part 3 of the bill includes amendments to the Anzac Day Act to restrict the provision of entertainment before 1.00 p.m. on Anzac Day. However, to provide

some flexibility the bill includes a permit scheme, so that the minister may provide a permit for entertainment which is a genuine commemoration of Anzac Day or where the entertainment would not detract from or adversely affect the commemorative nature of Anzac Day.

The bill makes clear that a person must not, without a written permit from the minister, provide any entertainment or allow any entertainment to be provided before 1.00 p.m. on Anzac Day at a place where persons are admitted on payment of a fee or charge, or at which a commercial business is carried on for the supply of goods or services or both. The bill adopts an inclusive definition of 'entertainment' — for example, a coffee shop that wishes to provide live music before 1.00 p.m. on Anzac Day will be required to obtain a permit from the minister.

The bill provides a limited exception to the general restriction on the provision of entertainment before 1.00 p.m. on Anzac Day. The restriction will not apply to live entertainment if it is provided on premises which are currently licensed for the sale of alcohol. Effectively, live entertainment provided in conjunction with a current liquor licence would be carved out of the general prohibition. For example, where a pub is licensed to supply alcohol until 3.00 a.m. on Anzac Day morning, the provision of live entertainment until 3.00 a.m. on those premises will be permitted.

Under the Liquor Control Reform Act, where ordinary trading hours apply, a venue is authorised to supply alcohol until 11.00 p.m. on Anzac Day eve. However, the director of liquor licensing may approve extended trading hours which will typically allow venues to stay open after midnight and into Anzac Day morning.

The limited exception in the bill will not detract from the commemorative and sombre nature of Anzac Day. When considering whether to approve extended trading hours, the director of liquor licensing takes into account both the time of closure of a venue and its proximity to either the dawn service or the Anzac Day march, to minimise the impact on either of these events.

The approach proposed in the bill is aimed at recognising the importance of Anzac Day while limiting interference with the normal operations of licensed venues, which often includes the provision of live entertainment.

I commend the bill to the house.

Debate adjourned on motion of Dr DEAN (Berwick).

Debate adjourned until Wednesday, 8 May.

RACING ACTS (AMENDMENT) BILL*Second reading*

Mr HULLS (Minister for Racing) — I move:

That this bill be now read a second time.

This bill has two purposes.

Firstly, the bill amends the Racing Act 1958 and the Lotteries Gaming and Betting Act 1966 in order to allow bookmakers to form partnerships and restricted companies. These amendments implement national competition policy-related reforms and accord with the government's pre-election policy commitment to support the viability of the bookmaking profession.

Secondly, the bill amends the Victoria Racing Club Act 1871 to remove the borrowing limit imposed on the Victoria Racing Club. This amendment meets the government's objective to remove unnecessary legislative controls on the financial operations of individual racing clubs. The amendment arises from a request by the Victoria Racing Club and will expedite the completion of major project works at Flemington racecourse.

Bookmaking reforms

The bill allows bookmakers to form partnerships or restricted companies, subject to approval by the Bookmakers and Bookmakers Clerks Registration Committee.

Bookmakers have traditionally been required to operate as sole traders in Victoria. This has proven a useful structure for a number of years. An increase in the number of race meetings, however, together with greater competition from interstate and overseas bookmakers, has meant Victorian bookmakers now require greater flexibility in how they structure their businesses.

This bill provides bookmakers with that flexibility. Importantly, it does so whilst ensuring that strict probity and financial measures are maintained by requiring that all bookmakers proposing to form a partnership or a company obtain approval from the registration committee.

The bill also seeks to ensure that bookmaking remains the domain of individuals. This is achieved by requiring all partners in a bookmaking partnership to be individually registered bookmakers, and for all directors and shareholders of a bookmaking company to be individually registered bookmakers.

The government is committed to maintaining the presence of bookmakers on course, and the proposed new structures enable this to happen. It is essential for the continued success of the Victorian racing industry that the colour and vitality of bookmakers remain an integral part of its tradition. Faceless corporate bookmakers, as are endorsed overseas and interstate, are not welcome in Victoria. They are not in the racing industry's interests or indeed the interests of the race-going public.

Among the benefits of introducing partnerships and companies is to enable bookmakers with the opportunity to provide a continuous service to their clients. It is envisaged that a group of bookmakers could join forces in a partnership or a company and achieve a seven-day-per-week service. This service could cover thoroughbred, harness and greyhound meetings in the city and in the country.

Providing continuity of service to clients will also assist Victorian bookmakers to more successfully compete with their interstate and overseas competitors. The leakage of betting monies to offshore and interstate betting operators, which do not contribute to the Victorian racing industry, is of genuine concern to not only Victorian bookmakers but also the racing industry in general. There is no doubt that the most powerful way to address this problem is for Victorian bookmakers to become more competitive themselves. This bill will significantly improve Victorian competitiveness.

The formation of partnerships and companies also provides commercial and operational benefits to bookmakers, such as enabling bookmakers to utilise common marketing and administrative resources, pooling of capital strength and the spreading of financial risk.

The introduction of partnerships and companies accords with recommendations of the national competition policy review of Victorian racing and betting legislation. These recommendations were subsequently endorsed by a joint government-racing industry working party.

The working party comprised members of the Victorian Bookmakers Association, Tabcorp, Racing Victoria, Harness Racing Victoria and Greyhound Racing Victoria, and its deliberations included full consultation with the bookmaking profession.

The Bookmakers and Bookmakers Clerks Registration Committee is currently responsible for ensuring that all

registered bookmakers and prospective bookmakers meet appropriate standards of probity and competency.

This includes ensuring that bookmakers have sufficient finances to support their operation and are adequately guaranteed through participation in the Victorian Bookmakers Association Ltd's guarantee scheme.

The registration committee will continue its important regulatory function in respect of partnerships and companies. All bookmakers wishing to take advantage of the additional structures and operate as partnerships or companies will need to obtain approval of the registration committee.

Documentation such as partnership deeds or company constitutions will need to be submitted to the registration committee in order for it to ensure that the proposed structure is acceptable and that all probity and financial requirements have been met, including appropriate guarantee arrangements.

To assist the registration committee in dealing with partnerships and company structures the membership of the registration committee will be increased by one, with a person to be appointed who has expertise in corporate law or finance.

The additional person will enhance the structure of the registration committee, which currently comprises an independent chairperson and nominees of Victoria Police, Racing Victoria, Harness Racing Victoria, Greyhound Racing Victoria, Victorian Bookmakers Association and the Australian Services Union.

Removal of the borrowing restriction on the Victoria Racing Club

The other main purpose of the bill is to remove the borrowing restriction currently imposed on the Victoria Racing Club by section 26 of the Victoria Racing Club Act 1871.

This act is a private act which addresses a wide range of issues relating to the VRC's tenancy at Flemington racecourse.

Section 26 of the act provides the VRC with authority to borrow up to \$10 million. The VRC has sought the removal of this limit in order to undertake major capital works at Flemington. These works include the installation of tunnels for training track access and the reconstruction of the course proper.

Whilst the VRC has a strong financial position, it is likely that short-term borrowings in excess of \$10 million will be required to maintain cash flows

during the course of these and other planned works. The track improvements are considered essential for the continued success of the Melbourne Cup carnival and must not be hampered by the current borrowing restriction.

The government supports the removal of the borrowing restriction. As a private members club, the government is of the view that the VRC should be able to manage its financial and commercial affairs free of legislative restriction.

Furthermore, the privatisation of the TAB in 1994 signalled the end of the government's direct financial controls over the racing industry, including the distribution of funds received from wagering revenue.

The VRC is also no longer the governing body of thoroughbred racing in this state. On 19 December 2001, Racing Victoria Ltd took over that role from the VRC. There are no borrowing limits imposed on RVL, nor indeed any other Victorian racing club.

In considering the VRC's request to remove the borrowing limit from the Victoria Racing Club Act 1871, a review of the balance of the act has been recommended. The aim of the review is to ensure that the act contains provisions which are in keeping with 21st century — and not 19th century — standards.

The review is under way and has been partly subsumed into the recently established whole-of-government working party to develop uniform legislation for crowd control at sports venues. It is anticipated that recommendations arising out of that working party will be incorporated into future amendments made to the Victoria Racing Club Act 1871.

The racing industry is one of Victoria's most important industries, generating an economic impact of nearly \$2 billion per year, and providing direct employment for more than 40 000 people. The reforms contained in this bill, which relate to the future prosperity of bookmakers and the Victoria Racing Club, will assist the racing industry in maintaining its pre-eminent position in this state.

I commend the bill to the house.

Debate adjourned on motion of Mr MULDER (Polwarth).

Debate adjourned until Wednesday, 8 May.

Debate interrupted pursuant to sessional orders.

BUILDING AND CONSTRUCTION INDUSTRY SECURITY OF PAYMENT BILL

Debate resumed from 23 April; motion of
Ms DELAHUNTY (Minister for Planning).

Second reading

The ACTING SPEAKER (Ms Davies) — Order! The time has come for me to interrupt business. As the required statement of intention has been made pursuant to section 85(5)(c) of the Constitution Act 1975 I am of the opinion that the second reading and third reading of this bill are required to be passed by an absolute majority. As there are less than 45 members present in the house, I ask the Clerk to ring the bells.

Bells rung.

Members having assembled in chamber:

Motion agreed to by absolute majority.

Read second time.

Third reading

Motion agreed to by absolute majority.

Read third time.

Remaining stages

Passed remaining stages.

ENERGY LEGISLATION (FURTHER MISCELLANEOUS AMENDMENTS) BILL

Second reading

Ms GARBUTT (Minister for Environment and Conservation) — I move:

That this bill be now read a second time.

The bill before the house, the Energy Legislation (Further Miscellaneous Amendments) Bill 2002, is designed to restructure the mechanisms for appeals against certain decisions of the gas and electrical safety regulators, through the transfer of such jurisdiction to the Victorian Civil and Administrative Tribunal (VCAT), and to further clarify the regulatory framework for the electricity and gas industries.

By way of background, the Gas Appeals Board and the Electrical Appeals Board were established under part 4 of the Gas Safety Act 1997 and part 6 of the Electricity Safety Act 1998, respectively, to provide avenues of appeal against certain decisions and actions of the

Office of Gas Safety and the Office of the Chief Electrical Inspector. Regulatory decisions of the Office of Gas Safety and the Office of the Chief Electrical Inspector that may be appealed generally relate to industry licensing and registration, equipment and appliance approvals, the issuing of recall, improvement or prohibition notices and the issuing of specific directions to industry participants — although some differences exist between the two regulatory regimes.

It is worth noting that since the formation of both the Electrical Appeals Board and the Gas Appeals Board, no appeals have been lodged under either the Electricity Safety Act 1998 or the Gas Safety Act 1997. This may be a function of the fact that industry participants are in many cases well trained and have a good knowledge of the industry standards that they are required to apply. While this appears to have reduced the likelihood of appeals, it has also become apparent that the continued devotion of resources to maintaining these boards as separate entities is not efficient, and that their functions can be more efficiently managed through the existing VCAT structure. VCAT has the necessary infrastructure, processes and access to tribunal members and technical experts to effectively manage any such appeals from the decisions of the Office of Gas Safety or the Office of the Chief Electrical Inspector.

In addition, the absence of board activity has made it increasingly difficult to attract new members to the boards or to retain the interest of existing members. I would, however, like to take this opportunity to thank each of the current and past board members for their time on the board and, in particular, the initial chair of both appeals boards, Mr John Chamberlain, for his assistance in setting up and running the mechanisms that currently underpin the operation of both boards.

I turn now to each part of the bill. Part 1 of the bill states the purpose of the bill and provides for its commencement.

Part 2 of the bill contains amendments to the Electricity Safety Act 1998, principally aimed at abolishing the Electrical Appeals Board and transferring its appeal jurisdiction to VCAT. The transfer of the appeal jurisdiction to VCAT will not change the categories of decisions of the Office of the Chief Electrical Inspector that can be subject to review, with one exception. Section 70(2)(f) of the Electricity Safety Act 1998 currently provides that, in addition to the categories of decision prescribed by the act, other decisions prescribed by regulation are also appellable. This provision is not re-enacted in the bill as it is

inappropriate to confer additional jurisdiction on VCAT by regulation.

Furthermore, the transfer of appeal jurisdiction to VCAT will not change the categories of persons who are currently entitled to appeal; those same people will be entitled to bring an application for review before the tribunal. The transfer will, however, provide a more accessible mechanism for the review of relevant electrical safety decisions, as persons considering bringing an appeal will benefit from access to VCAT's shopfront service. Clause 4 of the bill defines those persons eligible to apply to VCAT for review of a decision and the types of decisions for which such an application is allowed.

In addition to its responsibility for electrical safety appeals, the Electrical Appeals Board is required to maintain a register of the exercise of powers of entry by enforcement officers pursuant to division 2 of part 11 of the Electricity Safety Act 1998. Clause 6 of the bill transfers this function to the Office of the Chief Electrical Inspector. The clause provides that the exercise of powers of entry by enforcement officers must be reported to the Office of the Chief Electrical Inspector within three business days after the entry. This is comparable to the reporting requirements imposed on enforcement officers exercising powers of entry under other Victorian legislation, for example the Fair Trading Act 1999, the Legal Practice Act 1996 and the Infertility Treatment Act 1995.

Powers of entry under the Electricity Safety Act 1998 are already subject to various checks on their use, including a general requirement for prior written consent from the Office of the Chief Electrical Inspector before the exercise of a power of entry, and a requirement to provide a copy of entry details to the owner or occupier of the land or premises. These provisions are contained in part 11 of the Electricity Safety Act 1998.

In addition to the above provisions, part 2, clause 5 of the bill contains amendments to empower a fire control authority to assign a low or high fire hazard rating for the purposes of the Electricity Safety Act 1998 and regulations, rather than ratings of high or very high, which is currently the case. This amendment will ensure that all areas across Victoria are assigned fire hazard ratings that accord with their level of bushfire risk, and thus ensure that vegetation management of trees near powerlines is not more extensive than necessary.

Clauses 7 to 9 of the bill provide for amendments consequential to the transfer of appellate jurisdiction

from the Electrical Appeals Board to VCAT. Clause 10 provides for the repeal of spent provisions of the Electricity Safety Act 1998.

Clause 11 provides for a new schedule 1 to the act which sets out transitional provisions for the transfer of appeal functions from the Electrical Appeals Board to VCAT. It provides that on the relevant commencement date the Electrical Appeals Board will be abolished and its members go out of office. In addition, it clarifies processes and procedures for pending proceedings. Proceedings which the board has not begun to hear immediately before the commencement of clause 9 of the bill, or which the board has begun to hear at that time but in which evidence on a material question of fact has not been presented, will be taken to have been commenced in the tribunal and will be heard and determined by the tribunal. However, if immediately before the commencement of clause 9 of the bill, the board has begun to hear an appeal and has been presented with material evidence on a question of fact, that appeal will continue to be heard, and will be determined by the board under the provisions of the Electricity Safety Act 1998 as in force immediately before clause 9 of the bill commences.

New schedule 1 also provides transitional arrangements for the transfer of the powers of entry register to the Office of the Chief Electrical Inspector and the transfer of any register or documents in the possession of the board relating to proceedings before the board to the principal registrar of VCAT.

Part 3 of the bill amends the Gas Safety Act 1997 to abolish the Gas Appeals Board and transfer its appeal jurisdiction to VCAT. These amendments are in principle similar to those contained in part 2 of the bill. The transfer of the appeal jurisdiction to VCAT will not change the categories of decisions of the Office of Gas Safety that can be subject to review, with one exception. Section 81(2)(h) of the Gas Safety Act 1997 currently provides that, in addition to the categories of decision prescribed by the act, other decisions prescribed by regulation are also appellable. This provision is not re-enacted in the bill as it is inappropriate to confer additional jurisdiction on VCAT by regulation.

Similarly, the transfer of the review jurisdiction will not affect the categories of persons that are currently entitled to bring an appeal; those same people will be entitled to bring an application for review before VCAT. Clause 13 of the bill defines those persons eligible to apply to VCAT for review of a decision and the types of decisions for which such an application is allowed.

As is the case with the Electrical Appeals Board, the Gas Appeals Board is required to maintain a register of the exercise of powers of entry by enforcement officers pursuant to division 2 of part 5 of the Gas Safety Act 1997. Clause 14 mirrors clause 6 of the bill, transferring responsibility for maintaining a register of the exercise of powers of entry to the director of the Office of Gas Safety. As with the Electricity Safety Act 1998, powers of entry under the Gas Safety Act 1997 are already subject to various checks on their use, including a general requirement for prior written consent from the Office of Gas Safety before the exercise of a power of entry, and a requirement to provide a copy of entry details to the owner or occupier of the land or premises. These provisions are contained in part 5 of the Gas Safety Act 1997.

Clauses 15 to 19 of the bill provide for amendments consequential to the transfer of appellate jurisdiction from the Gas Appeals Board to VCAT. Clause 19 provides for a new schedule 1 to the act which sets out transitional provisions for the transfer of appeal functions from the Gas Appeals Board to VCAT. It provides that on the relevant commencement date the Gas Appeals Board will be abolished and its members go out of office. In addition, it clarifies processes and procedures for pending proceedings. Specifically, proceedings which the board has not begun to hear immediately before the commencement of clause 18 of the bill, or which the board has begun to hear at that stage but in which evidence on a material question of fact has not been presented, will be taken to have been commenced in the tribunal and will be heard and determined by the tribunal. However, if immediately before the commencement of clause 18 of the bill the board has begun to hear an appeal and has been presented with material evidence on a question of fact, that appeal will continue to be heard and will be determined by the board under the provisions of the Gas Safety Act 1997 as in force immediately before clause 18 of the bill commences.

New schedule 1 also provides transitional arrangements for the transfer of the 'powers of entry' register to the director of the Office of Gas Safety and the transfer of any register or documents in the possession of the board, relating to proceedings before the board, to the principal registrar of VCAT.

Part 4 of the bill provides minor, technical amendments to the Electricity Industry Act 2000.

Clause 20 amends section 14 of the Electricity Industry Act 2000 to allow the amendment of the Victorian electricity supply industry tariff order. Clause 20 will permit clause 4.5.1 of chapter 4 of the tariff order to be

amended so as to clarify the application or non-application of the provisions of chapter 4 to tariffs charged by the Victorian Energy Networks Corporation.

Clause 21 clarifies that it is not necessary to apply for authorisation under the commonwealth Trade Practices Act 1974 in order to receive the benefit of the cross-ownership exemption in subsection 68(8) of the Electricity Industry Act 2000.

Part 5 of the bill replicates clause 21 for the gas industry, clarifying that it is not necessary to apply for authorisation under the Trade Practices Act 1974 in order to receive the benefit of the cross-ownership exemption in subsection 129(3) of the Gas Industry Act 2001 that will be available from 1 July 2002.

I commend the bill to the house.

Debate adjourned on motion of Mr McARTHUR (Monbulk).

Debate adjourned until Wednesday, 8 May.

Remaining business postponed on motion of Mr LENDERS (Minister for Finance).

ADJOURNMENT

Mr LENDERS (Minister for Finance) — I move:

That the house do now adjourn.

Tarago Dam: recreational use

Mr McARTHUR (Monbulk) — The matter I raise is for the attention of the Minister for Environment and Conservation, who appears to be running out of the house. I hope she will return so she can respond to the issue, which relates to Tarago Dam. I am sure you, Madam Acting Speaker, would know about Tarago Dam, given that you represent part of Gippsland.

Tarago Dam attracted some controversy in 1999 when an up-and-coming and ambitious candidate for the seat of Narracan, a man by the name of Ian Maxfield, promised the people of Narracan that, if elected, he would ensure the Tarago Dam would be opened for recreational use. He was supported in that promise by none other than the minister who has just run out of the house, the Minister for Environment and Conservation. She promised that together with the now honourable member for Narracan, they would open Tarago Dam for recreational purposes.

What happened? Not a lot! In October 2000 the minister actually got around to appointing a working group made up of diligent locals. At a relatively leisurely pace they met several times and presented a report to the minister in August 2001 — almost two years after the honourable member made the promise to reopen the dam.

The minister has been sitting on the report since August last year. The local media, including the *Warragul Gazette*, have several times asked the minister what she intends to do about it. The minister was too busy even to talk to the local newspaper. Her adviser said she was concentrating on forestry issues and asked the paper to come back when things got quieter. They rang back. Her adviser said, 'She is still too busy. She will have to get back to you some time later, but I am not sure when'.

Things have proceeded only a little. I raised the issue with the minister a year ago, the local papers have been raising it for some time, and two and a half years ago the honourable member for Narracan promised that the dam would be reopened for public use. Nothing has happened. The minister should make a decision: she should honour her promises or tell the truth.

Australian Football League: country football

Mr JASPER (Murray Valley) — I ask the Minister for Finance to direct to the attention of the Minister for Sport and Recreation in the other place my concern for the future of country football and country football clubs. I require action from the minister on what I have been seeking over the past 12 months, which is support for country football.

Country football clubs are the lifeblood of many small centres across country Victoria and particularly within my electorate, in which four football leagues are located — namely, the Picola, Murray, Ovens and Murray, and the Ovens and King leagues. Generally on each Saturday afternoon I attend a football match at one of the clubs in the Murray Valley. At the end of the football season I end up being a member of about a dozen football clubs — and in that way, always have teams in the finals!

Those clubs are battling for survival because they do not have enough funding support. The number of people living in the smaller centres is reducing and volunteers cannot continue to support the activities of the sporting clubs, which are the lifeblood of the small centres, as I said earlier. I could name a large number across my electorate that fall into that category.

About 12 months ago I wrote to the chief executive officer of the Australian Football League, Mr Wayne Jackson, bringing to his attention my concern that while the AFL was flourishing, country football clubs were battling for survival. I received a letter in reply from a Dr Ross in Mr Jackson's office. I wrote to him again late last year on the basis that I had received a disappointing response.

He wrote again, saying that the responsibility was with Football Victoria. Then I wrote to Ken Gannon, the chief executive officer of Football Victoria. Late last year he wrote a three-page convoluted letter indicating what his association is doing. He talked about some of the ways that he said his organisation was seeking to support country football. In the time available to me I cannot go through all the detail of the letter, other than to say it was unsatisfactory.

We have to get support for country football clubs, not just for the elite area — and not just support provided by development officers. I believe that with lateral thinking support can be provided by Football Victoria for the small country football clubs. If it does not do that we will see the demise of these small country football clubs and the small country towns they represent as well.

I want the Minister for Sport and Recreation to lend his support to action that secures the support of the AFL and Football Victoria for football in the country areas of Victoria.

Drugs: court strategy

Mr HOLDING (Springvale) — I direct to the attention of the Attorney-General a matter that affects the treatment and other options available for drug offenders, particularly as it pertains to my electorate of Springvale. I ask that he take action to address the high rate of prisoners who have committed offences while under the influence of drugs or to support a drug habit, as well as the fact that a high number of those offenders find their way into the criminal justice system. In whatever policy responses the government prepares it needs to ensure that treatment and therapeutic options, as opposed to simply sentencing options, are considered when these offenders are dealt with.

I preface my remarks by drawing to the Attorney-General's attention Department of Justice figures that indicate that about 41 per cent of prisoners have committed offences while under the influence of drugs or to support a drug habit. The figures suggest that those offenders who come into contact with the criminal justice system do so as a consequence of their

drug addiction or in pursuance of their drug addiction. Therefore any measures or policy responses developed by the government have to take these factors into account.

Some of the issues which affect the law enforcement system are the changing profile of drug offenders, who are coming before the courts more frequently and with more serious drug, health and welfare problems; the increase in young offenders using more serious drugs; and the increase in offenders from newly arrived communities with socioeconomic disadvantages.

This is particularly relevant in my electorate of Springvale, where many of the newly arrived communities are finding that they have trouble accessing the available range of services. They also have trouble educating their communities about the dangers of drug addiction, and they often have to deal with — —

Honourable members interjecting.

Mr HOLDING — You have not listened carefully to the contribution. Many of the newly arrived communities are finding that there is a great deal of stigma associated with addictive drug use.

I am asking the Attorney-General to take action to ensure that the high rate of offenders who have previously committed offences is taken into account when developing options apart from merely sentencing options.

Country Fire Authority: industrial dispute

Mr WELLS (Wantirna) — I ask the Minister for Police and Emergency Services to take immediate action regarding the ongoing dispute involving district mechanical officers, or DMOs, in the Country Fire Authority. This dispute has been going on for about two years now. The DMOs are a vital cog in the CFA.

I raised this matter in late February this year, when the government gave assurances that it would resolve this issue. It is unbelievable that two months later this matter still has not been resolved. That is typical of this do-nothing government.

The crux of the problem is that 17 of the 63 DMOs have a legitimate right to be in the Emergency Services Superannuation Scheme, but their efforts to join the scheme are being thwarted by the Bracks Labor government. This is typical of this government. What amuses me most is that when the newspaper contacted the minister his spokesman said:

... it was his understanding the dispute was between the CFA and its employees over superannuation and pay and had nothing to do with the minister.

What a stupid thing for a spokesman to stay on behalf of the minister! He said it had nothing to do with the minister, but it is a dispute between the CFA and its employees. We would then ask what the Minister for Police and Emergency Services is responsible for.

There is no question that the DMOs are widely respected and supported by the CFA volunteers. These are the men who maintain and repair the CFA vehicles. They are an important cog in the Country Fire Authority.

I call on the minister to take immediate action to have this matter resolved. We do not want fuel reduction being wound back because of vehicles not being ready, and we do not want training cut back because of their efforts across the state.

Darebin: community-building program

Mr LEIGHTON (Preston) — The matter I raise for the attention of the Minister assisting the Premier on Community Building concerns the East Preston and East Reservoir areas of my electorate. I ask the minister for practical assistance for this area, which includes a high level of disadvantaged people, the unemployed, people on low incomes, single-parent families and so on.

Last year the Bracks Labor government established 10 demonstration projects for community building. One of these was in the City of Darebin. I attended a public meeting late last year which established a planning committee chaired by Cr Chris Kelly. I congratulate her on her work, and I also thank the City of Darebin for the additional support in kind it has been prepared to put in for the project. I should also say that the state government has worked closely with the local council and community groups.

This committee was charged with developing a proposal for a community-building program. The program will not only direct resources to an area of disadvantage but also empower people by encouraging local community leadership and thereby help communities control their own future. The community-building program will also increase opportunities for business to contribute to their local communities. I hope the program will also drive change in government departments so they are more responsive to local concerns and more effective in delivering services.

The specific action I seek from the minister is that she ensure this program in the City of Darebin is directed to the East Preston and East Reservoir areas of my electorate. Although it cannot be incorporated in *Hansard*, if you look at the map of the census collector districts and the socioeconomic areas index, it is clear that East Preston and East Reservoir are the areas of most disadvantage — that is, the lowest socioeconomic areas. According to the index, for instance, East Preston and East Reservoir rank 640 to 873 compared with over 1000 for West Preston. So it is an area of disadvantage. In health status it ranks 66 out of 78 local government areas. There is increasing economic pressure on families, including increasing property prices; growing ethnic communities; unemployment; and early school leaving.

Through the state government I believe this is a very practical way that we can assist my local community. I know the minister is coming out next week to sign a memorandum of understanding, and I thank her for her support. Again I call for it to be located in East Preston and East Reservoir.

Tourism: East Gippsland

Mr INGRAM (Gippsland East) — I seek the active personal involvement of the Minister for Tourism to ensure that his staff and Bill Fox from Tourism Victoria focus on all East Gippsland tourist assets, including the forests and wilderness areas. Many tourist operators rely heavily on the wilderness sections of East Gippsland for their business. It is important that the minister works with all the government departments to provide for the promotion of those areas and for the infrastructure that is needed to ensure that activities and facilities such as tourism walks, parks and so on can continue, and to make sure there is a direction.

This year is the International Year of Mountains. It is also the Year of the Outback. Not too many members know that the outback is right on East Gippsland's back door. You can come to the high country, the alpine area in East Gippsland, where there are great assets.

Mr Perton interjected.

The ACTING SPEAKER (Ms Davies) — Order! The honourable member for Doncaster is out of his place and being disorderly.

Mr INGRAM — There is some concern within the tourism industry that there is the potential to rebadge Jigsaw promotions to place more focus on the Gippsland Lakes and to create a new lakes district. This would undermine much of the work that has been done by the Lakes and Wilderness Tourism Board and by

previous governments to promote the great assets we have, although much still needs to be done. It would also go against a lot of the work of the ministerial task force in response to the current timber industry restructure. Many good ideas have been put forward in that debate, such as tourism infrastructure ideas that focus on the wilderness areas of East Gippsland.

The action I seek is to make sure that the Minister for Tourism takes an active involvement in ensuring that all the areas of East Gippsland are promoted and that he works with the Department of Natural Resources and Environment, Parks Victoria, the Department of Innovation, Industry and Regional Development and his own ministry to ensure that East Gippsland has an extremely vibrant tourism industry to enable it to respond to some of the other restructures that are occurring.

Forests: regional reference groups

Mr PERTON (Doncaster) — I ask the Minister for Environment and Conservation to meet with the regional forest reference groups to explain to them why she has suspended them and what she proposes to do about the issues they have raised.

The forest communities in the Otways, Midlands and East Gippsland areas have now been disenfranchised by the suspension of the regional forest reference groups by a cynical minister who promises much and gives little. In good faith these groups worked together for a year — mill owners, loggers, environment groups and members of the Department of Natural Resources and Environment — to provide community input into forest management. Now in absolute 1984 George Orwellian newspeak the minister has suspended the groups as a new approach to consultation. Who, I ask, could be better than these communities who are most affected by forestry issues to comment on and help decide these issues?

In a farcical move the minister said she wants to explore new ways for the community to participate in decision making. The real reason for suspension of the groups is that the minister has received advice she did not want to hear. The groups knew more than the minister bargained for and the only way she could silence them was to cut off their access to her and to the department.

Is that the reason that repeated calls to the minister's office for direction were ignored and correspondence languished in the minister's in-tray for want of a reply? Out of a total of nine letters sent to the minister's office only one was replied to. Was the minister ever really

committed to the groups in the first place? I have been told from the outset there was no commitment from the minister's office. At the inaugural meeting of one group the minister's chief of staff, Rosemary Barker, was to have attended, but an hour into the meeting a phone call to the minister's office ascertained she had not even left Melbourne! It was promised that she would attend the second meeting; she did not show.

These people are angry. In a quote that I will read one member of a group said:

The minister didn't give a rat's arse about the groups.

I am sorry about the language, Madam Acting Speaker — —

The ACTING SPEAKER (Ms Davies) — Order! I should think so!

Mr PERTON — But it does express the frustration and anger of the people who have been denied the opportunity to comment on issues which affect their communities.

Federal minister: comments

Mr CARLI (Coburg) — I raise a matter for the attention of the Minister for Tourism in his capacity as the Minister assisting the Premier on Multicultural Affairs. It concerns ultimately the issue of social harmony.

As the minister is well aware, I represent an area of Australia that is one of the most diverse in terms of ethnic groups, religions and languages, so issues of harmony, cooperation and tolerance are very important. I am concerned about articles in the media which followed the recent meeting between state, territory and federal government representatives on immigration and multicultural affairs. In particular I am concerned about the comments made by the federal Minister for Citizenship and Multicultural Affairs, the Honourable Gary Hardgrave. He made a number of comments in newspapers, on television and on radio which focused on issues of law and order and ethnic gangs. His comments caused greater division rather than cohesion in the community.

I ask the minister to put straight the position of this government on multicultural affairs following that meeting. I am part of a government that works very hard for initiatives like the racial and religious tolerance information and education campaign to increase cohesion and promote racial and religious tolerance in our very diverse community. I therefore very much want the minister to make a clear statement on the

government's position following the state and territory government meeting. The comments that I have read from the Honourable Gary Hardgrave, which were reported in the *Sunday Telegraph*, typecast ethnic communities. They imply that ethnic communities and gangs are responsible for violence in the community and that for many people the ethnic communities do not uphold Australian values.

Mrs Peulich interjected.

The ACTING SPEAKER (Ms Davies) — Order! The honourable member for Bentleigh is out of her place.

Mr CARLI — I think these comments are inflammatory. They very much hinder the hard work that has been done by this government to promote harmonious relationships in the community.

Mrs Peulich interjected.

The ACTING SPEAKER (Ms Davies) — Order! There is too much audible conversation.

Mr CARLI — As I said, I seek a very clear statement by the minister on the position of the Victorian government, what its role was in terms of the state, territory and federal government meeting and what was discussed at this meeting, and I ask him basically to put the comments made by the federal Minister for Citizenship and Multicultural Affairs into some sort of context, because the way I read it he portrayed that meeting as very much a meeting about attacking violence which he saw being promoted in ethnic communities.

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

The honourable member for Bentleigh should leave the chamber or sit in her seat and hold her peace.

Rail: Geelong–Warrnambool line

Mr VOGELS (Warrnambool) — Next week in Warrnambool we have the three-day Warrnambool Cup Carnival, which includes the famous grand annual steeplechase.

The ACTING SPEAKER (Ms Davies) — Order! To which minister is the honourable member addressing his issue?

Mr VOGELS — To the minister for Transport.

There will be many other events over those three days. I understand the Minister for Racing and other ministers

will be travelling to Warrnambool for this event, according to the honourable member for Mitcham, and I commend them on this action. However, the action I seek is that they all travel down by rail.

West Coast Rail will be putting on extra carriages to ensure that the public can arrive safely and on time. The Minister for Transport has recently admitted that the line from Geelong to Warrnambool is the worst in the state, and he obviously needs the support of the Treasurer to get the finance through the budget to upgrade that line. The Kennett government provided \$10 million for rewelding of the lines from Melbourne to Warrnambool, and we need the government to provide the finance at this stage to keep that good work going. We need some sleeper replacements, some realignments and some ballast.

There is nothing like first-hand knowledge. I recently travelled down from Warrnambool to Melbourne in the locomotive with the drivers, which was a very interesting experience, and I got first-hand knowledge of which sections of the track need upgrading.

I ask the Minister for Racing to take the Minister for Transport and the Treasurer along with him on the way to Warrnambool. The action I seek is some real money in the budget to upgrade this track.

Brimbank: aquatic facilities

Mr LANGUILLER (Sunshine) — I raise a matter for the attention of the Minister for Gaming, who represents the Minister for Sport and Recreation in another place. I speak on behalf of many residents of the municipality of Brimbank, who wish to have an adequate aquatic facility in the municipality, particularly in the areas of Sunshine and Ardeer.

The action I seek is consideration of the allocation of funds for the aquatic centre. This could be in the form of either support for enhancement of the existing pool, which is supported by many residents and groups in the municipality, or alternatively for another local pool. These matters are to be worked through in consultation with all of the parties, including the municipality, the groups, the residents and the local members.

In March 2000 I wrote to the municipality seeking its support for the existing swimming pool and/or alternative aquatic centres to deliver the sport and recreation facilities to which the community is entitled. I said in my letter to the chief executive officer of the City of Brimbank, Ms Marilyn Duncan:

Sunshine needs a local pool. To cease having a pool in Sunshine would be an enormous loss to my electorate.

I strongly support the case for a local/regional pool in the Sunshine area.

I wish to place on record numerous representations that have been made to me in relation to the swimming pool and other facilities that are required in the municipality of Brimbank. I received correspondence from the Sunshine Commercial Association. The letter, which was signed by the president, Mr Bruno Tassone, said:

The Sunshine Commercial Association Inc., at its meeting on 2 March, considered the issue of the retention of a public swimming pool in Sunshine.

...

The association requests that council do everything in its power to retain the Sunshine pool ...

I received written representation from Mr Ian Claridge, principal of the Sunshine Special Developmental School, who said that on behalf of 76 disabled students who attend the Sunshine school he supports the retention of the swimming pool.

I received correspondence from Annia Ryan, acting principal of the Sunshine West Primary School, along similar lines and from Sr Geraldine Stapleton, principal of the Mother of God School. I also received representation from Mr Les Twentyman, AOM; from East Sunshine Kindergarten; from Sunshine Swimming and Life Saving Club; from St Albans Secondary College; from Caroline Chisholm Catholic College and from the Save the Sunshine Pool Action Committee.

I strongly support the community in its request for an aquatic centre in the municipality of Brimbank.

Liquor: licences

Mr WILSON (Bennettswood) — I raise a matter for the Treasurer, who represents the Minister for Small Business in another place. I ask the Treasurer to provide a guarantee that the government will not allow the removal of the 8 per cent cap on liquor licences which offers some vital protection to small liquor retailers in my electorate and across Victoria.

Small liquor retailers now face significant uncertainty. They do not know whether they can be protected from the major liquor chains over the longer term because the 8 per cent cap will disappear. Liquor retailers in my electorate have told me that the changes to liquor laws will cost jobs in the Victorian liquor industry. Jobs and small businesses will now be at risk. Liquor retailers in my electorate are angry that the Bracks government has gone back on its word that it would protect small businesses.

HIH Insurance: policy-holder

Mr HARDMAN (Seymour) — I ask that the Minister for Finance take action to help Mr Ted Gatezia, whose house is basically falling apart. He needs help to get a payment that is due to him so that he can get his house fixed and get on with his life. Like many other people, Mr Gatezia was caught up in the collapse of HIH. He estimates that work totalling \$40 000 is needed to fix the defects, but no carpenter will touch his house at the moment because he is not covered by insurance.

The situation is untenable for Mr Gatezia and his family, and there are many others like him across the state. If the federal government took its responsibilities seriously in relation to the HIH collapse this situation might not have arisen and this family's problems would have been solved. I think it is a shame that the Howard government took its eye off the ball and let a large insurance company like HIH collapse.

I congratulate the Labor candidate for Yan Yean, Danielle Green, for bringing this important and ongoing issue to my attention so that it can be raised with the Minister for Finance. It is a shame that people like the Gatezia family cannot get on with their lives. I ask the minister to take urgent action to see that these people receive the payments which are due to them so that they can enjoy their future in a new home.

Bodies corporate: disputes

Mr THOMPSON (Sandringham) — I raise an issue for the Minister for Planning. Mr John Oxlade, a highly respected resident of Sandringham, is concerned at the absence of an appropriate forum for the resolution of body corporate disputes — —

The ACTING SPEAKER (Ms Davies) — Order! The time set down for the adjournment debate has now expired.

Responses

The ACTING SPEAKER (Ms Davies) — Order! I call on the Minister for Finance to answer an issue raised by the honourable member for Seymour.

Mr Perton — On a point of order, Madam Acting Speaker, the tradition of this house is that ministers come in to answer matters that have been raised by honourable members from both sides of the house. This may be a new minister, but you would have seen the confusion on his face, Madam Acting Speaker — —

The ACTING SPEAKER (Ms Davies) — Order! I will cease to hear the honourable member for Doncaster!

Mr Perton interjected.

The ACTING SPEAKER (Ms Davies) — Order! I ask the honourable member for Doncaster to take his seat! I regard the action by the honourable member for Doncaster in deliberately continuing to speak after the Chair had stood on her feet to be rude and disrespectful in the extreme of the position of Acting Speaker. If there is a repeat of that action I will ask the Speaker to return to the chamber. There is no point of order. I called the Minister for Finance, and I will hear him now.

Mr Perton — On a point of order, Madam Acting Speaker — —

The ACTING SPEAKER (Ms Davies) — Order! I have ruled — —

Mr Perton — I have a fresh point of order, Madam Acting Speaker.

The ACTING SPEAKER (Ms Davies) — Order! I ask the honourable member for Doncaster to speak very carefully, and I ask him to sit while I am speaking. I call the honourable member for Doncaster, and I ask him to put his point of order very carefully.

Mr Perton — Madam Acting Speaker, you have a duty as the Acting Chair to speak in temperate language and to treat honourable members with respect. You have — —

The ACTING SPEAKER (Ms Davies) — Order! I have ruled that the previous point of order is out of order, and I rule that there is no point of order on this point of order. I have called the Minister for Finance, and I ask him to address the issue that was raised for him by the honourable member for Seymour.

Mr LENDERS (Minister for Finance) — The honourable member for Seymour raised with me an issue relating to Mr Ted Gatezia, whose house is falling apart. He has a \$40 000 exposure which is not being addressed essentially because of the collapse of the HIH insurance company. The honourable member sought action from me on what we could do to assist Mr Gatezia. He also drew attention to the hard work done by Danielle Green, the state Labor candidate for Yan Yean, who drew this to his attention and who has been working with Mr Gatezia to find some solutions and remedies.

As this house would know, the collapse of HIH has left many members of our community in a particularly difficult situation because their insurance policies are no longer being honoured and they are seeking redress from the government and from other insurance companies to try and help them out of the sort of situation that Mr Gatezia is in. It does not help him that the company could not honour its policies, and it does not help him that he falls through a loophole at the moment when relief is not there. His particular instance would be addressed by the passage of the legislation which is at the moment between the two houses.

One course of action I would seek is for the opposition to let the legislation go through the Legislative Council. That would address Mr Gatezia's claim, and I urge it to take that action. I will certainly address the issue with my colleague the Minister for Consumer Affairs to see if there is any other immediate relief available to him, but ultimately his solution is for the legislation to pass through the upper house.

The ACTING SPEAKER (Ms Davies) — Order! There are the other issues raised by honourable members.

Mr LENDERS — Thank you, Madam Acting Speaker, I was waiting for your call.

The honourable member for Monbulk raised an issue for the Minister for Environment and Conservation regarding the Tarago Dam, and I will raise that with my colleague.

The honourable member for Murray Valley raised an issue for the Minister for Tourism representing the Minister for Sport and Recreation in the Legislative Council regarding football clubs in country areas. I will raise that with my colleague.

The honourable member for Springvale raised an issue for the Attorney-General regarding — —

Mr Perton — It is too late! He has got the call!

Mr Hulls — Grow up, you silly prawn!

The ACTING SPEAKER (Ms Davies) — Order! I ask the honourable member for Doncaster to remain quiet. The Minister for Finance is on his feet.

Mr LENDERS — In light of the Attorney-General having far more information for the honourable member for Springvale, I propose that he take that up.

Mr HULLS (Attorney-General) — I thank the honourable member for Springvale for raising the issue

of the drug court. As he would know, and as I hope all honourable members in this place would know, the government is absolutely committed to providing Victorians with safe streets, safe homes and safe workplaces. I guess one of the ways of doing this is not just to be tough on crime but also to be tough on its causes. As part of this commitment the government is spending \$80.8 million on offender rehabilitation and diversion programs. This government certainly has a very strong commitment to tackling Victoria's drug problems.

Mr Wilson interjected.

Mr HULLS — You should try it some time!

We are all aware of the tragedy inflicted by drugs on our community. We have all heard stories about individuals who spiral into drug dependency and then spiral into crime and end up trapped in the criminal justice system.

I think it is fair to say that we have to be honest and recognise that traditional sentencing approaches are simply not working to break the cycle of drug use and offending. The drug court is one element of the government's very comprehensive drug strategy, which spans the areas of prevention, treatment, rehabilitation, saving lives and law enforcement. The drug court will complement a number of existing criminal justice drug initiatives such as police cautioning programs and the Magistrates Court credit program for lower end drug offending. These initiatives represent a fundamental shift in the way in which we deal with drug-related crime and drug offending and actually move towards a more therapeutic approach to this very important matter.

Rather than focusing solely on the offender's criminal behaviour, the drug court focuses on the factors which have contributed to that behaviour, such as drug dependency, homelessness and unemployment. Of course by addressing these very important factors — —

Dr Dean — Madam Acting Speaker, I draw your attention to the state of the house.

Quorum formed.

Mr HULLS — By addressing these factors the drug court seeks to reduce the offender's drug dependency and related criminal behaviour. It attempts to bring some sort of stability into their lives and to reintegrate them into the community. The Bracks government is certainly committed to advancing therapeutic approaches in the justice system generally, and it will

look at this as part of its court strategic directions project.

As honourable members will know, the drug court will be piloted over a three-year period, commencing in Dandenong in May this year. The Dandenong community is no stranger to the challenges posed by drug dependency and related crime, and it certainly has a very strong network of local drug treatment and housing services. For this reason Dandenong has been selected as the first location for a drug court.

I congratulate the mayor and the councillors of the City of Greater Dandenong for embracing innovation and leading the way with the drug court pilot. Local community support is absolutely crucial, and the community information seminar which was held in Dandenong at the local council chambers on 3 April — and I thank the honourable member for Springvale for being at that very important seminar — was well attended and extremely supportive of this initiative. I certainly look forward to the opening of the drug court in May, and despite the screaming, the whingeing, the whining, the moaning and the groaning of the shadow Attorney-General I hope that he supports this very important initiative — and we wish him well with his preselection.

Mr PANDAZOPOULOS (Minister for Tourism) — The honourable member for Gippsland East raised the importance of tourism-related infrastructure in East Gippsland. He drew attention to a whole lot of key challenges in that region that he is very much aware of and the government is very much aware of as well. He has focused also on the natural beauty of the area and the real opportunities — and rare opportunities in this state — that are available for building on nature-based tourism and ecotourism. That is a profile that as a state we are wanting to improve on.

Last year we announced our nature-based tourism plan, which is about helping drive that agenda — and Gippsland is a very important part of it. He would also be aware, as I reported to the house during question time, of the dollars that are available for tourism-related infrastructure in regional Victoria. Funding is available and there is no doubt we will look at some community projects for that area.

One of the projects funded last year by the Regional Infrastructure Development Fund was the improvement of the amenities and visitor facilities at the Buchan Caves Reserve, which is important. The whole idea of infrastructure is to ensure that it meets a certain standard so that you are satisfied that places can be promoted to encourage more visitors. Tourism is a

growing part of East Gippsland community life, and I thank the honourable member for his comments.

I will take up the matters that require coordination across government, as the Department of Natural Resources and Environment, Parks Victoria, and the Department of Innovation, Industry and Regional Development are involved in a range of those issues.

The honourable member for Sunshine raised a matter to be referred to the Minister for Sport and Recreation in another place. Funding is available as part of the Better Pools program. I assume applications will be made and assessed for that funding. Obviously pools are very important for communities. They are not only about year-round entertainment and about getting out of the heat but also about community life and swimming clubs and people learning to swim, which is an important issue for the honourable member for Sunshine, as he represents a multicultural area. That is important for communities that have not been exposed to our culture and beach lifestyle, as unfortunately they are overrepresented in drowning statistics. Adequate local pools are important for communities.

The honourable member for Coburg raised a very important issue about comments made by the federal Minister for Citizenship and Multicultural Affairs, the Honourable Gary Hardgrave. He referred to comments made by the federal minister that were reported in the *Sunday Telegraph* and also widely on television, which I saw myself the other night. The minister said that the federal government and the states have agreed to form a task force that will target race unrest. I do not know where the minister got that information from. There was a resolution, and I know a lot of New South Wales politics is involved in these issues, but I would hope that comments are made appropriately and are reflective of what happens at ministerial council meetings, otherwise the meetings are a waste of time and we might as well not attend them. There was a ministerial council meeting in Darwin last Thursday and Friday, which I attended.

The new minister is genuinely a breath of fresh air after the federal Minister for Immigration and Multicultural and Indigenous Affairs, the Honourable Philip Ruddock. Unfortunately he has not represented the facts of what was decided. The ministerial council agreed to set up a mechanism for jurisdictions to keep each other informed of initiatives undertaken to maintain community harmony at times when it is under threat. The reasons states and territories wanted to focus on that is because of the failure of the government after the events of 11 September. It was about the need for a

coordinated approach at certain times such as 11 September, and not to inflame — —

Mr Perton interjected.

The ACTING SPEAKER (Ms Davies) — Order! The honourable member for Doncaster is out of his place and disorderly.

Mr PANDAZOPOULOS — I would not be too proud if I were you representing — —

Mr Perton interjected.

The ACTING SPEAKER (Ms Davies) — Order! That is the honourable member for Doncaster's second warning. I have been on my feet for a good 10 seconds during which the honourable member for Doncaster continued to speak. I repeat that I regard that as inappropriate behaviour.

Mr PANDAZOPOULOS — This is a serious issue and it shows how the Liberal Party does not deal with it. It is a political party that lied to the people of Australia at the last election.

The ACTING SPEAKER (Ms Davies) — Order! I ask the minister to attend to the adjournment issue that was raised and to cease making points across the table.

Mr PANDAZOPOULOS — Thank you, Acting Speaker. The issue comes down to how representatives of the Liberal Party in the federal Parliament represent what has been signed up as agreements between them and every other state and territory leader. At the ministerial council meeting we sought a coordinated approach for times when state and federal jurisdictions deem that there might be a need to coordinate activity.

We also agreed to discourage the use of inflammatory and discriminatory language and to encourage the use of positive language that promotes community harmony. That is what we agreed on. We did not agree to set up a task force, as the federal citizenship minister said. He has it totally wrong. The focus of this resolution, to which the commonwealth agreed, was the inappropriate action of the federal government post 11 September, and its actions and lack of leadership during the federal election campaign — —

Mrs Peulich — On a point of order, Madam Acting Speaker, the honourable member for Coburg, who was so passionate about this issue, is not in the chamber. It is an appalling lack — —

The ACTING SPEAKER (Ms Davies) — Order! There is no point of order.

Mrs Peulich interjected.

The ACTING SPEAKER (Ms Davies) — Order! The honourable member for Bentleigh should know better than to keep speaking when the Acting Speaker is on her feet. There is no point of order. That is not a point of order, as the honourable member for Bentleigh well knows, and I will cease to hear her.

Mr PANDAZOPOULOS — The whole focus of the resolution was to encourage political leaders to use appropriate language and not inflame situations that can easily get out of hand.

Mr Perton interjected.

The ACTING SPEAKER (Ms Davies) — Order!

Mr PANDAZOPOULOS — I beg your pardon? Representing an ethnic community, how can you — —

The ACTING SPEAKER (Ms Davies) — Order! The minister is continuing to speak after the Acting Speaker is on her feet, and I suggest that that is disrespectful to the Chair. I ask the minister to be less inflammatory with his comments and perhaps there will be less debate across the table. I ask the minister to conclude his response on this issue.

Mr PANDAZOPOULOS — I apologise, Acting Speaker, but you need support and cooperation because it is a serious matter. I am pleased to comment that today the federal minister, Mr Hardgrave, following an outcry from the states and a number of ethnic community leaders, put out a press release refining what he actually said, and he agreed that we did not agree on a task force. We are pleased he has revised his views. Nonetheless it raises the point about how we all have to be careful about the language we use and how situations can become inflamed and out of hand if political leaders do not lead. That is exactly what the resolutions were about. That is exactly what the ministerial council was about. I thank the federal minister for at least putting out a press release and in effect retracting the comments he made.

Mr LENDERS (Minister for Finance) (*By leave*) — The honourable member for Wantirna raised an issue for the Minister for Police and Emergency Services regarding district mechanical officers in the Country Fire Authority. I will refer that to the minister.

The honourable member for Preston raised an issue for the Minister assisting the Premier on Community Building regarding assistance to the East Preston and East Reservoir communities. I will refer that to the minister.

The honourable member for Doncaster raised an issue for the Minister for Environment and Conservation on regional forest reference groups. I will refer that to the minister.

The honourable member for Warrnambool asked three ministers — the Minister for Transport, the Treasurer and the Minister for Racing — whether they would travel to Warrnambool by train. I will refer that to all three ministers.

The honourable member for Bennettswood raised an issue for the Treasurer, representing the Minister for Small Business in another place, about the 8 per cent cap on liquor retailers. I will raise that with the minister.

The ACTING SPEAKER (Ms Davies) — Order! I am not sure that the honourable member for Sandringham got any words in. I certainly do not have any notes written down of a particular minister and a particular issue. If that is out of line, I ask the Minister for Finance to respond to the issue raised by the honourable member for Sandringham on an issue of planning, I understand.

Mr LENDERS — Acting Speaker, I did not hear the honourable member mention planning, but I will inform my colleague the Minister for Planning that the honourable member for Sandringham endeavoured to raise an issue in the few seconds available to him.

Motion agreed to.

House adjourned 4.40 p.m. until Tuesday, 7 May.

QUESTION ON NOTICE

The answer to the following question on notice was circulated on the date shown.

The question has been incorporated from the notice paper of the Legislative Assembly.

The answer has been incorporated in the form supplied by the department on behalf of the appropriate minister.

The portfolio of the minister answering the question on notice starts the heading.

Tuesday, 23 April 2002

Multicultural affairs: Fantastic Communications Pty Ltd

- 609. MR KOTSIRAS** — To ask the Honourable the Minister for Multicultural Affairs with reference to work undertaken by Fantastic Communications Pty Ltd — (a) who authorised the company to undertake work for the Victorian Office of Multicultural Affairs; (b) what type of work was undertaken on behalf of the Government; (c) was the Government satisfied with all the work undertaken; and (d) what was the total cost of all the work undertaken.

ANSWER:

I am informed that:

The Acting Director of the Victorian Office of Multicultural Affairs engaged Fantastic Communications to review and edit a discussion paper and brochure concerning the Racial and Religious Tolerance Bill. Some of the recommendations made by Fantastic Communications for presentation of the discussion paper were adopted. The cost of the services provided by the company was \$3,553.00.

