

**PARLIAMENT OF VICTORIA**

**PARLIAMENTARY DEBATES  
(HANSARD)**

**LEGISLATIVE ASSEMBLY**

**FIFTY-FOURTH PARLIAMENT**

**FIRST SESSION**

**10 October 2001**

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**FIFTY-FOURTH PARLIAMENT — FIRST SESSION**

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The Hon. LOUISE ASHER

**Leader of the Parliamentary National Party:**

Mr P. J. RYAN

**Deputy Leader of the Parliamentary National Party:**

Mr B. E. H. STEGGALL

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Andrianopoulos, Mr Alex	Mill Park	ALP	Lim, Mr Hong Muy	Clayton	ALP
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Beattie, Ms Elizabeth Jean	Tullamarine	ALP	McIntosh, Mr Andrew John	Kew	LP
Bracks, Mr Stephen Phillip	Williamstown	ALP	MacLellan, Mr Robert Roy Cameron	Pakenham	LP
Brumby, Mr John Mansfield	Broadmeadows	ALP	McNamara, Mr Patrick John <sup>3</sup>	Benalla	NP
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Cameron, Mr Robert Graham	Bendigo West	ALP	Maughan, Mr Noel John	Rodney	NP
Campbell, Ms Christine Mary	Pascoe Vale	ALP	Maxfield, Mr Ian John	Narracan	ALP
Carli, Mr Carlo	Coburg	ALP	Mildenhall, Mr Bruce Allan	Footscray	ALP
Clark, Mr Robert William	Box Hill	LP	Mulder, Mr Terence Wynn	Polwarth	LP
Cooper, Mr Robert Fitzgerald	Mornington	LP	Napthine, Dr Denis Vincent	Portland	LP
Davies, Ms Susan Margaret	Gippsland West	Ind	Nardella, Mr Donato Antonio	Melton	ALP
Dean, Dr Robert Logan	Berwick	LP	Overington, Ms Karen Marie	Ballarat West	ALP
Delahunty, Mr Hugh Francis	Wimmera	NP	Pandazopoulos, Mr John	Dandenong	ALP
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Hardman, Mr Benedict Paul	Seymour	ALP	Savage, Mr Russell Irwin	Mildura	Ind
Helper, Mr Jochen	Ripon	ALP	Seitz, Mr George	Keilor	ALP
Holding, Mr Timothy James	Springvale	ALP	Shardey, Mrs Helen Jean	Caulfield	LP
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Howard, Mr Geoffrey Kemp	Ballarat East	ALP	Spry, Mr Garry Howard	Bellarine	LP
Hulls, Mr Rob Justin	Niddrie	ALP	Steggall, Mr Barry Edward Hector	Swan Hill	NP
Ingram, Mr Craig	Gippsland East	Ind	Stensholt, Mr Robert Einar <sup>2</sup>	Burwood	ALP
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Kennett, Mr Jeffrey Gibb <sup>1</sup>	Burwood	LP	Thwaites, Mr Johnstone William	Albert Park	ALP
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Kosky, Ms Lynne Janice	Altona	ALP	Viney, Mr Matthew Shaw	Frankston East	ALP
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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

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

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

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

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



# CONTENTS

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## WEDNESDAY, 10 OCTOBER 2001

PERSONAL EXPLANATION.....	879	ADJOURNMENT	
PAPERS .....	879	<i>Fruit bats: control.....</i>	965
RETAIL TENANCIES REFORM (AMENDMENT) BILL		<i>Porepunkah: sewerage scheme.....</i>	965
<i>Introduction and first reading.....</i>	879	<i>Livestock: thefts.....</i>	966
<i>Second reading.....</i>	940, 952	<i>Police: Preston station .....</i>	966
MEMBERS STATEMENTS		<i>Planning: Burwood open space.....</i>	967
<i>Freedom of information: Premier and Cabinet.....</i>	879	<i>Rural and regional Victoria: adult and</i>	
<i>Water: national action plan .....</i>	880	<i>community education .....</i>	967
<i>Dental services: funding.....</i>	880	<i>Warmambool: emergency helicopter.....</i>	968
<i>ALP: Greek business community.....</i>	880	<i>Peninsula Child Advocacy Group .....</i>	968
<i>Dr Igor Rogozinski.....</i>	881	<i>International Game Technology.....</i>	969
<i>Students: tertiary concessions.....</i>	881	<i>Parks: rangers.....</i>	969
<i>Housing: waiting list.....</i>	881	<i>Rosebud Hospital.....</i>	969
<i>Country Fire Authority: Hoppers Crossing</i>		<i>Leader of the Opposition: support.....</i>	970
<i>brigade .....</i>	881	<i>Responses .....</i>	971
<i>Professor Graeme Clark .....</i>	882		
<i>Mitcham: residents .....</i>	882		
GRIEVANCES			
<i>ALP: Dunkley federal candidate.....</i>	882, 886		
<i>Preschools: funding .....</i>	884		
<i>Schools: Mornington Peninsula.....</i>	887		
<i>Scoresby freeway: funding .....</i>	889, 891		
<i>Democracy .....</i>	893		
<i>Independents charter .....</i>	894		
<i>Shannon's Way.....</i>	896		
<i>Children: residential care .....</i>	898		
<i>Waverley Park.....</i>	900		
<i>Aged care: Gippsland.....</i>	902		
<i>Taxation: government policy.....</i>	904		
LIVESTOCK DISEASE CONTROL (AMENDMENT)			
BILL			
<i>Introduction and first reading.....</i>	906		
STATE TAXATION LEGISLATION (AMENDMENT)			
BILL			
<i>Introduction and first reading.....</i>	906		
VICTORIAN ARTS CENTRE (AMENDMENT) BILL			
<i>Second reading.....</i>	906, 920		
<i>Remaining stages .....</i>	940		
QUESTIONS WITHOUT NOTICE			
<i>Transport Accident Commission: financial</i>			
<i>position.....</i>	909, 912, 915		
<i>Water: national action plan .....</i>	910		
<i>Ansett Australia: financial crisis.....</i>	911		
<i>Economy: performance .....</i>	913		
<i>Schools: digital divide .....</i>	914		
<i>Spencer Street station: redevelopment .....</i>	916		
<i>ALP: Dunkley federal candidate.....</i>	917		
<i>Ansett Australia: tourism.....</i>	918		
DISTINGUISHED VISITORS .....	911		
SUSPENSION OF MEMBER.....	916		
TRUSTEE (AMENDMENT) BILL			
<i>Second reading.....</i>	941		
<i>Remaining stages .....</i>	947		
ROMAN CATHOLIC TRUSTS (AMENDMENT) BILL			
<i>Second reading.....</i>	948		



**Wednesday, 10 October 2001**

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

**PERSONAL EXPLANATION**

**Mr ROBINSON (Mitcham)** — On 2 October the *Herald Sun* published comments attributed to a Mr Tom Wilcox alleging funds had been spent by the Department of State and Regional Development on 'lavish offices' for me in my capacity as parliamentary secretary for that department. I understand the comments were based on an earlier press release dated 17 September by an honourable member for East Yarra Province in the other place, Mr David Davis. This claim is totally without foundation.

As parliamentary secretary for state and regional development I have occupied my current 14th floor office for almost a year. At no stage have I ever requested an upgrade of office accommodation at the department, and none has ever been provided. To the best of my knowledge the office I utilise is the same office used by my predecessor, the honourable member for Swan Hill.

**PAPERS****Laid on table by Clerk:**

Auditor-General — Performance Audit Report — Management of major injury claims by the Transport Accident Commission — Ordered to be printed

*Melbourne City Link Act 1995* — Statement of Variation No. 3/2001: Release from Single Purpose

Statutory Rules under the following Acts:

*Subordinate Legislation Act 1994* — SR No. 96

*Victorian Civil and Administrative Tribunal Act 1998* — SR No. 97

*Subordinate Legislation Act 1994* — Ministers' exception certificates in relation to Statutory Rule Nos 96, 97.

**RETAIL TENANCIES REFORM (AMENDMENT) BILL**

*Introduction and first reading*

**Received from Council.**

**Read first time on motion of Mr HAERMAYER (Minister for Police and Emergency Services).**

**The SPEAKER** — Order! The question is that the bill be printed and read a second time — —

**Dr Napthine** — Forthwith!

**The SPEAKER** — Order! The question is that the bill be printed and, by leave, be read a second time forthwith. Is leave granted?

**Leave refused.**

**The SPEAKER** — Order! The question is that the bill be printed and read a second time tomorrow.

**Mr Batchelor** — Today.

**The SPEAKER** — Order! The question is that the bill be printed and, by leave, be read a second time later today. Is leave granted?

**Leave granted.**

**Ordered to be printed and second reading to be made an order of the day for later this day.**

**MEMBERS STATEMENTS****Freedom of information: Premier and Cabinet**

**Mr KOTSIRAS (Bulleen)** — This government's claim that it is open and accountable is nothing more than a farce and a cruel hoax for all Victorians. Recently I directed a question on notice to the Premier in which I asked whether any people in his office were employed to police and monitor freedom of information (FOI). The Premier advised:

There are no individuals employed within the Department of Premier and Cabinet that police freedom of information requests.

According to a leaked document from Marisa Patitucci, the senior freedom of information officer in the Department of Premier and Cabinet (DPC):

The FOI unit — otherwise known as the FOI police — comprising of myself and Lucill Dunstan are authorised by the secretary to act on behalf of DPC.

This implies that either the senior FOI officer has misled the Premier, meaning that the Premier is unable to administer his own office, or the Premier has misled the house. The Premier needs to explain.

There is more! The leaked document also verifies that Marisa gives instructions to other public servants on how to deal with FOI. She advises them:

... to be aware that whatever is recorded may be made public.

Is Ms Patitucci advising public servants not to keep records? If so, that makes the government's commitment to be open and accountable to be full of rhetoric. The government is doing whatever is possible to keep the public in the dark.

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

### **Water: national action plan**

**Mr STEGGALL** (Swan Hill) — I wish to comment on the answer given yesterday by the Minister for Environment and Conservation when she criticised the federal government on its national action plan. A few things should be known about the plan. Victoria agreed to participate in principle in the national action plan in November 2000. It took it until July this year to sign off on an intergovernmental agreement. It sat on its hands and fiddled around until last July.

The national action plan has a three-stage process. It was not until 28 September that the minister signed off on the bilateral agreement. As I understand it she was then briefed by officials in Victoria on 2 October and expected the federal government to sign off within four working days of her making that commitment. Had Victoria got off its backside and signed the intergovernmental agreement and the bilateral agreement a lot earlier, as happened in other states, the funds of the national action plan would almost be flowing today, as they are in South Australia.

I am heartened that the Victorian government is so terrified by even the remotest possibility of a federal Labor government that the minister wanted the projects rushed through before the election announcement.

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

### **Dental services: funding**

**Ms OVERINGTON** (Ballarat West) — For the past five and a half years the people of Ballarat have suffered under a federal government that does not care about giving people a fair go. Among its worst decisions was the abolition of the commonwealth dental health program. The Howard government's decision to slash dental funding has meant too many people in my electorate of Ballarat West have gone without adequate dental health care for the past five and a half years.

The Bracks government has provided a huge boost to dental funding to try to repair the lack of federal funding, but it cannot do it alone. The Howard

government has said that dental care is not its responsibility, but of course it is! The people of Ballarat have a clear choice on 10 November: a Labor government that cares about the community, or more of the same. The federal Labor Party supports the reintroduction of a commonwealth dental scheme and I look forward to working with the next federal member for Ballarat, Catherine King, to improve the dental health of my constituents.

I understand 43.7 per cent of Ballarat people hold health care cards, making them eligible for the dental scheme, but because the Howard government abolished the commonwealth dental health program only a few of that number will be treated.

The basic issues — health and education — are important to people. The Howard government has not been able to deliver on those issues and unless it starts delivering on them it has no hope in the forthcoming election. We on this side of the house know the health and education issues will get us over the line!

### **ALP: Greek business community**

**Mrs PEULICH** (Bentleigh) — Over the last few days I have received three calls from very concerned and disturbed members of the Greek business community regarding what they see as their being targeted by the ALP for some good, old-fashioned fleecing in the lead-up to the federal election. They received an invitation to what was branded as 'The Greek business dinner' to honour the Greek business community, but if you have a look at the invitation you see they have to pay \$1100 per head or \$11 000 per table to listen to Premier Steve Bracks; Minister John Pandazopoulos; members of Parliament, the Honourables Theo Theophanous and Jenny Mikakos; and federal shadow minister Nick Bolkus, at the Grand Hyatt Melbourne on 23 October.

The letter creates the impression that this dinner is to honour the Greek community, when it is quite clear that the plan is for the ALP to fleece them and to honour itself. Members of the Greek business community have contacted me to say that they fear that if they say no there will be retribution and business activity exclusion, which is typical of the Bracks Labor government. More particularly they are concerned about how the invitation lists were formulated and whether they will be targeted by the union movement if they say no and do not cough up.

We have seen what happens when the union movement becomes displeased with business — for example, what happened with Skilled Engineering and Johnson Tiles.

These very important members of the business community do not want to be subjected to the union and the Bracks and Beazley small business policy.

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

### **Dr Igor Rogozinski**

**Mr SEITZ** (Keilor) — I place on record the work of one of the pioneers of St Albans and the Keilor district in particular. The postwar migrants established St Albans as a suburb and a shopping precinct that provides services for the community. The person I refer to is Dr Igor Rogozinski, who was the only dentist to provide a service to the St Albans community, including the migrant community in the area, during the postwar period.

Dr Rogozinski, like many other migrants, had to face the adversity of learning a language and endeavouring to have his medical qualifications and certificates recognised in Australia to be able to open a practice. During those humble times he rented a room in the front of a house in Main Road East and started providing a service particularly to the postwar migrants that came from refugee camps and had a desperate need for dental care. They had not even the basic equipment for dental care or any education in it. He was involved not only in providing hands-on services but also in the education and promotion of dental care in the district. With the Whitlam government providing dental care for primary school children, it was important to have dental units established in the western suburbs — —

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

### **Students: tertiary concessions**

**Ms DAVIES** (Gippsland West) — Yesterday I tabled a petition from the RMIT Student Union with 2622 signatures on it asking, firstly, that the \$75 fee for tertiary student concession cards be reduced to the same rate as that for secondary students and, secondly, that international part-time and postgraduate students be eligible for those concession cards. The government made a pledge to abolish — —

**The SPEAKER** — Order! The Chair is having some difficulty with the comments being made by the honourable member for Gippsland West because the house by motion yesterday agreed that this matter would be listed for debate at a future date. She must not pre-empt debate on that motion.

**Ms DAVIES** — I urge the government to take note of the needs of tertiary students, given that they are having a great deal of difficulty affording their studies in this day and age with the tighter student allowances. It is very important that all measures possible be taken to meet their needs and to make life easier for them so they can continue to study properly in the future and learn to obey the laws as we wish them to obey them.

### **Housing: waiting list**

**Mrs SHARDEY** (Caulfield) — A massive 2000 struggling Victorian families have now joined the waiting list for public housing thanks to the Minister for Housing and the state Labor government. This has happened in the space of just one year — from June last year to June this year — with the waiting list jumping to 42 817. In fact this increase in the public housing waiting list is the first since 1996. What an appalling achievement! Under the previous government the waiting list actually dropped by 20 per cent.

The worst hit areas are Ballarat, Bendigo, Shepparton, Wangaratta and the Mildura district. The government claimed that the reduction achieved by the previous government was because we controlled the eligibility criteria for the public housing waiting list. Yes, that is true; we own up to it. In fact we did so to ensure that the most needy were targeted so they got help and accommodation first. It will be fascinating to see how this government mismanages the eligibility criteria for public housing to ensure that the waiting list blows out yet again!

The Howard government, on the other hand, has pumped \$278 million into the Victorian housing construction industry. It has achieved a massive 75 per cent increase in private housing approvals since March and overseen the lowest mortgage interest rates in some 30 years. I am looking forward to the re-election of the Howard government.

### **Country Fire Authority: Hoppers Crossing brigade**

**Ms GILLETT** (Werribee) — It is with pleasure that I place on record my thanks to and appreciation of the Hoppers Crossing fire brigade. As I have done for each of the last five years I attended their annual dinner dance last Saturday night in Hoppers Crossing, and as usual it was a wonderful evening.

The master of ceremonies for the evening was a fine young man, Brandon Whitfield. He is witty, intelligent and a charming young bloke, as well as an excellent firefighter. I thank in particular the incoming captain,

Peter Boicovitis, for his hospitality and generosity, and I place on record my thanks to David Rentoule, the outgoing captain of the brigade.

I was able, as a small gesture, to express the gratitude of this government and my community as well for the work of the wonderful volunteers at the brigade. Because each and every one of them deserve it, I would like to recognise them here today to the extent that I can. They are: Steve Attard, Martin Bamford, Ron Boadle, Matthew Boadle, Peter Boicovitis, Karen Bretherton, William Buckles, Chris Cardwell, Andrew Chalmers, Selena Drapow, Frank Fitzgerald, Travis Golding, Mike Graham, Gerard Green, Peter Habersatt, David Izzard, Glenn Jones, Daniel King, Shane MacAllister, Leigh Marsh, Rod McDonald, Julie McDonald, Ray McGeehan and the remainder of the brigade, whom I have run out of time to name.

### Professor Graeme Clark

**Mr PHILLIPS** (Eltham) — I acknowledge the great contribution of Professor Graeme Clark, who happens to live in Eltham. Recently he was rewarded for his work in inventing or enhancing the bionic ear by being made the Senior Australian of the Year and the Senior Victorian of the Year.

I acknowledge him, firstly, because he happens to be a resident of Eltham; secondly, because of his outstanding achievement; and thirdly, because I am someone who probably would understand those who suffer with a disability, regardless of whether their disability is minor or major. I understand the thorough enjoyment some people would achieve through a solution to a total or partial hearing problem. He has been able to bring back to people the opportunity to hear again.

Professor Clark indicated through the media that living in Eltham for 30 years has been one of the things that has helped him, because of its beautiful and unique environment. I also believe it is because he has been represented by a good member for the last eight or nine years! I congratulate him wholeheartedly and wish him all the best for the future.

**The SPEAKER** — Order! The honourable member for Mitcham has 40 seconds.

### Mitcham: residents

**Mr ROBINSON** (Mitcham) — I wish to pay tribute to two recently deceased residents of the Mitcham electorate. Mr Don Sharp died on a family holiday in Scotland. He was a long-time Blackburn resident and former councillor of the City of Nunawading. He

helped establish the Blackburn Lake Primary School and was involved in many other community activities over many years.

Mr Roy Crist of Blackburn North also died recently. He had a long career as a renowned watch repairer and was well known for his dynamic work over many years at St Thomas's fete where his efforts raised thousands of dollars. I extend my condolences to Betty Sharp and her family and to Noreen Crist and her family.

However, it is not all bad news in Mitcham. On a brighter note I would like to congratulate Kevin and Betty Overend on their 50th wedding anniversary.

**The SPEAKER** — Order! The time set down for member's statements has expired.

### GRIEVANCES

**The SPEAKER** — Order! The question is:

That grievances be noted.

### ALP: Dunkley federal candidate

**Mr ROWE** (Cranbourne) — I grieve for the people of Frankston and Victoria. Once again we see that there are allegations of corruption in the Frankston City Council. I say 'once again' because during the term of the former coalition government the Frankston council was investigated for corruption and wrongdoing. At that time the Frankston council was found not to have done anything wrong — it was found just to be plain stupid.

Unfortunately the recent allegations about the Frankston council came to light as a result of an article in the *Cranbourne Independent* last week. The article contained confidential information that was the subject of discussion in closed council meetings. The chief executive officer of the council was so concerned about the article that he referred it to the council's solicitors, who advised him that they believed there had been a breach of section 77 of the Local Government Act and that it was his duty to report the matter to the Minister for Local Government and request an investigation.

The chief executive officer referred the matter to the local government division, and further investigations were undertaken as a result. As the week went on a number of people came forward and made suggestions and allegations about what had occurred, and the matter went a lot deeper. We are looking at the possibility of a member of that council having totally breached the confidentiality of the council and having acted in a

corrupt manner by providing information to a tenderer which caused the tenderer to alter his tender.

**Mr Viney** — On a point of order, Mr Speaker, I have been listening carefully to the honourable member for Cranbourne, and he is making some quite outrageous and scurrilous accusations against unnamed members of the council. I would like to know whether he is referring to Cr Parkin, the Liberal Party member who breached the — —

**The SPEAKER** — Order! The Chair made a statement about the taking of points of order before the commencement of question time yesterday. I will not permit the honourable member for Frankston East to continue in that vein; he is not raising a point of order.

**Mr ROWE** — The councillors received a confidential briefing about the recommendation proposed by the officers. During that briefing it became evident that the officers were recommending an alternative tenderer, and they listed their reasons for preferring that tenderer. One of the councillors left the meeting, made a call on his mobile phone and had a discussion. That person later returned to the meeting and the briefing continued. Less than half an hour later the non-preferred tenderer rang the Frankston council.

The non-preferred tenderer indicated to the council that they would alter their tender by removing some special conditions they had been requiring in the contract and that they would agree to sign it unamended. This was confirmed by email some 15 minutes after that. In addition the tenderer indicated that they would increase their bid by some \$4 million to \$5 million. This is not only a prima facie case that deserves investigation; it also smacks of absolute corruption. The person involved in making the phone call was alleged to be Cr Mark Conroy, the mayor of the City of Frankston. It is also interesting to note that Cr Conroy was the subject of the previous investigation — —

**Mr Viney** — On a point of order, Mr Speaker, this is a cowards' castle act by the honourable member, who besmirched the character of the honourable member for Burwood in the last critical election campaign.

*Honourable members interjecting.*

**The SPEAKER** — Order! I ask the honourable member for Frankston East to respect the authority of the Chair. When the Chair is standing he must take a seat. He is clearly not raising a point of order.

**Mr ROWE** — These allegations were given more weight yesterday when I was approached by a member of the ALP in this place, who expressed his concern

about what was going on at Frankston. That honourable member's words to me were, 'Where there is smoke there is fire: they are corrupt'. For that to come from a concerned member of the ALP adds further weight to the fact that there is definitely something stinking in Frankston, and it is not just the rotting seaweed on the beach. It appears that there were others involved.

I have been advised that the ALP councillors were being instructed on how they should vote on this particular project. The only problem was that these councillors became very concerned about the manner in which they were being told how to vote. They also felt that the thing was beginning to stink. They rebelled against the mayor and subsequently voted against him on particular motions that were moved in council with a view to altering the tender to favour his preferred tenderer.

It is interesting that these councillors also received phone calls from another person who belongs to the ALP. This person threatened them, telling them they had no political future in the ALP because they were not supporting the mayor, Cr Conroy, in his corrupt actions.

Yesterday I was told that the person who was making these threats pulls the strings of Cr Conroy, as it was put. One would have to ask what this person's interest is and why they would be ringing councillors and threatening them. One has to wonder why one of the councillors would have found it necessary to tape that telephone conversation. This morning they rang me to confirm that conversations took place and that they have a tape of the conversation in which they were threatened. It would be very interesting to hear it when the matter is investigated.

Unfortunately it would appear that the government is attempting to cover up these matters and not undertake the investigation as requested by the chief executive officer of the City of Frankston, because a spokesman for the Minister for Local Government has indicated to the media that it may not be investigated. This is typical of the ALP. Because this man, Mark Conroy, happens to be an ALP candidate in the current federal election, it is imperative that the investigation take place immediately and expeditiously and that it be a public and open process. Cr Conroy should stand down from the council, and he should stand down from his candidature in the federal election.

Cr Conroy was the subject of a previous allegation that he threatened the owner of a property in Beach Street, Frankston, that he would he would never get a permit while he, Cr Conroy, was on council. He is now

interfering in a multimillion dollar project and causing a tenderer to alter his tender. He is doing so with the assistance of none other than the honourable member for Frankston East.

*Honourable members interjecting.*

**The SPEAKER** — Order! I remind the honourable member of standing order 108, which reads:

No member shall use offensive or unbecoming words in reference to any member of the house and all imputations of improper motives and all personal reflections on members shall be deemed disorderly.

I ask him to restrain himself from doing that.

**Mr Viney** — On a point of order, Mr Speaker, I take offence at the imputation of the honourable member for Cranbourne and ask him to withdraw his remarks.

*Honourable members interjecting.*

**The SPEAKER** — Order! The Chair intervened and stopped the honourable member for Cranbourne from infringing in regard to standing order 108. The honourable member for Frankston East, in taking a point of order, has asked for some remarks that he has found offensive to be withdrawn. The tradition in this house has been that when that has been requested it is the requirement of the Chair to ask the honourable member making the remarks to withdraw them. The honourable member for Cranbourne, withdrawing.

**Mr ROWE** — Mr Speaker, although being unaware of what I am withdrawing, I withdraw.

**The SPEAKER** — Order! The Chair has asked the honourable member to withdraw the imputation contained in his remarks about the honourable member for Frankston East. I ask for his cooperation in doing that. The honourable member for Cranbourne has indicated he has withdrawn.

**Dr Napthine** — On a point of order, Mr Speaker, I understand the point you are making, but my understanding of standing order 108 is that honourable members can seek withdrawal if they feel there has been an imputation made against them, and I think it is up to — —

**The SPEAKER** — Order! I will not continue to hear the Leader of the Opposition on the point of order. The honourable member for Cranbourne has withdrawn. The matter has been resolved.

## Preschools: funding

**Mr MAUGHAN** (Rodney) — I wish to grieve today about the state of preschool education in the state of Victoria. As a preface I state the obvious: that preschool education is absolutely vital, not just to the development of individual children but also it is critical that we as a state and a nation provide sufficient resources to provide the best possible level of preschool education.

Many studies around the world document clearly that the first five or six years of a child's life is absolutely crucial in the development of well-rounded individuals, and if we do not do that in that first five or six years we have to pay the consequences further down the track in terms of antisocial behaviour, drug and alcohol abuse and ultimately the far more expensive prison system.

Various studies indicate that a dollar spent in that early childhood sector is much better than spending \$7 to \$10 further on dealing with the consequences of not providing adequate preschool education.

We in this house have discussed this issue on a number of occasions. There are a number of issues, including parity of salary for preschool teachers, adequate funding for administration, assistance for voluntary committees of management, and a range of other issues. We talk about that from time to time, but the reality is that for a long period of time neither side of politics has provided sufficient resources to ensure that we have a first-class system of preschool education in this state and in this country.

I want to use the time available to me today to put the case for providing more resources into that critically important preschool sector. I believe it is even more important given the problems that we have in our society today with broken families, various social problems and children needing even more help and assistance from the state. There is no doubt that a child growing up in a normal, well-developed family who gets the care and attention that that child needs — the love, the tuition and so on — will develop, generally speaking, into an individual who is well able to cope with later life.

Statistics clearly show the number of broken families: 40 per cent of all marriages these days end in divorce. One could refer to a whole range of other statistics to indicate the break-up of the traditional family unit. The consequences of that on early childhood development are very clear and well documented.

I come back to the point that we as a community have a strong responsibility to shore up some of those

deficiencies caused by family break-ups to assist young children — and I am speaking specifically of children from nought to six years of age — to have the best possible chance in life. We do not do that for a whole range of reasons. I have stood in this house on many occasions and appealed for more funding for speech therapists, occupational therapists and child psychologists. I am doing that right now in my home town of Echuca where we do not have sufficient services to assist children who might have minor learning problems in those early years, let alone those who have severe disabilities. We simply are not prepared to provide enough resources for speech therapists and child psychologists, in particular. Part of it is because the government will not provide continuity of employment.

If you are a speech therapist who goes to a country town straight from university, the chances are that because you only have a 12-month employment contract, once you start doing a useful job you then start looking around for permanent employment. Echuca is a case in point where time and again we will have a newly trained graduate take on the job of speech therapist only to find that that person rarely lasts 12 months. We currently have that case in education.

I note that about 7 per cent of children in Victoria are not receiving preschool education. To give credit where it is due, this government has increased funding to that underprivileged sector of the community, and I welcome that. It is absolutely vital that we do that. We need to remind ourselves that the preschool sector was established to assist those children who were disadvantaged and to give them a real opportunity in life. As time has gone on, the more affluent sectors of the community have quite rightly seen the benefits of preschool education and have taken up that opportunity. Unfortunately, the ones least able to afford it are the ones who are missing out. We need to do something about that. Again I acknowledge that the government has moved in that direction.

Still outstanding, however, are proper salaries for preschool teachers. If we are to attract and retain the best and the brightest in the preschool sector, we need to offer salaries that encourage them to do that. While there has been a move in the right direction, it is not sufficient. There is still not parity with primary school teachers who are similarly trained. We must constantly work towards parity and probably even better than that for preschool teachers as compared with primary school teachers. That area of early childhood development is absolutely crucial and we need to attract and retain the best and brightest.

Why are we not keeping the best and brightest? Quite apart from the salary scale, there is the career structure. Those who go into the preschool sector have nothing like the career structure available to them as do those in the primary school sector. We need to provide a proper career structure for preschool teachers.

We also need to ensure that there is adequate scope for personal and professional development for our preschool teachers. We then need to give special consideration to the more remote areas of the state where it is incredibly difficult to retain well-trained preschool teachers. One has only to look at the figures in the more rural areas of the state to find that the number of preschool teachers is declining. It is very difficult to attract and retain properly trained preschool teachers.

I welcome the release of the Kirby report. I believe Peter Kirby and his committee have done the state a great service by documenting clearly the problems in the preschool sector and coming up with a range of recommendations. I want the government to implement the recommendations of the Kirby report, some of which I will refer to.

Recommendation 12 of the report is for an increase in capital funding. Preschool communities find it very difficult to raise the amount of capital necessary to build and maintain a preschool. It costs around \$80 000 to build a fairly modest preschool centre in country Victoria, and that is beyond the reach of most communities unless they get special assistance from municipalities. The report therefore recommends the provision of increased capital funding for municipalities that have had to increase their levels of subsidy to preschool centres.

Salaries are dealt with in recommendations 3 and 5. Recommendation 3 refers to career advancement and states that the scale should provide a combination of automatic annual increments and increments based on merit. I fully support both provisions, particularly increments based on merit. As I indicated, I strongly support a salary structure that, hopefully, is comparable with and in many cases better than those in the primary school sector.

Recommendation 5 is for an increase in the salaries of preschool teacher assistants, which is very important because administrative support is needed, particularly in smaller rural preschools where perhaps only 15 children attend and a small group of dedicated parents are required to voluntarily raise anything between \$6000 and \$15 000 per annum simply to keep their preschools going. Given that the parents are the

same mums who are trying to assist their spouses in running farms or businesses and who are involved in all of the other things that happen in a small rural community, asking them to raise \$10 000 to provide a reasonable standard of preschool education is to ask too much. We as a state should be providing more so that every child, irrespective of where they live, is able to get that year of preschool education. As part of that I note the trend towards co-location of preschools and primary schools, which I see as important in the smaller rural communities and which I vigorously support.

I note that some areas of local government are attempting to withdraw their involvement in preschool education because of the funding burden they are left with. The government provides from 50 per cent to 60 per cent of the cost of running a preschool, and either local government and/or the voluntary committees of management have to pick up the difference. The burden is becoming too great for some municipalities. They argue that their first priority is to look after infrastructure — roads in particular — in rural communities and that they simply do not have the resources available to heavily subsidise the preschool sector.

I come back to the point that as a community we need to provide adequate resources and to shift resources if necessary. I am not calling for more money in the total budget, but I do call for a change in priorities, because while health, education, police and all the other things that government provides are very important, there is nothing — I repeat, nothing — more important than providing resources to the preschool sector. To get that into context, I indicate that the government spends about \$70 million a year in the preschool sector. Honourable members should compare that with the education or health sectors, which receive from \$3000 million to \$4000 million per year. In either one of those sectors one could easily find areas of considerable savings to provide more funding for preschools.

Professional development is also important, as is administrative assistance for those terrific volunteers who work on committees of management and in many cases are working their butts off to keep their preschools going by providing voluntary service. I pay tribute to the voluntary committees of management; they are doing a marvellous job. However, they deserve more assistance in administration than they are getting at the moment, particularly in country areas.

**Mr Delahunty** interjected.

**Mr MAUGHAN** — I had the pleasure of visiting with the honourable member a number of preschool centres in the Wimmera area. There are many examples in the Horsham and Wimmera areas of preschools that are battling to survive, and that is typical of the problem in country Victoria. I have visited preschools in Gippsland, which is the same, and I can certainly talk about those in my own electorate of Rodney. It is not only in the smaller preschools. In places like Echuca where there are three very well-managed preschools, the costs are going up. It is difficult to retain properly trained staff, and the preschool sector certainly needs to be made far more attractive.

In conclusion, I welcome the Kirby report. I acknowledge the government's attempts to provide more money to the sector, but more has to be done. Those on both sides of politics need to acknowledge that the preschool sector is vitally important and that higher priority should be given to preschool funding, even if it means taking funding from other sectors in the community.

#### **ALP: Dunkley federal candidate**

**Mr VINEY** (Frankston East) — I grieve for the people of Frankston on the Mornington Peninsula, in particular the children at government and Catholic schools, because the Howard government's last budget has robbed them.

I add Cranbourne to that because it is represented by a person who has raised in this house only scurrilous, unsubstantiated and appalling allegations. He did it to the Labor candidate in Burwood, now the honourable member for Burwood in the middle of the Burwood by-election. In this instance, again true to form and at the beginning of a federal election, he has referred to the ALP candidate for the seat of Dunkley. He has decided to be the opposition's muck-raker and spear-thrower.

He comes into this place, drags up muck, uses unsubstantiated allegations and tries to throw mud around the place while hiding behind parliamentary privilege in this coward's castle. He is not prepared to get out on the steps of Parliament and repeat his scurrilous allegations. He only wants to make them in this place and use the privilege of Parliament to try to besmirch the character of someone who has been representing the interests of Frankston and who in particular has been trying to oppose the building of a \$15 million municipal office, which is what this whole issue is all about. The mayor is the only councillor in Frankston who is prepared to say he does not support a municipal office, and a whole series of allegations are

being dragged up out of this process to try to make some cheap political point.

It is interesting to look at the history of the honourable member for Cranbourne, because my sources in the Liberal Party tell me that a year or so ago he led a scurrilous, outrageous attack on the Honourable Ron Bowden in the other place, and all the letters that were sent to Liberal Party members about the honourable member were post-marked Cranbourne. That tells us a little bit about the activities of the honourable member for Cranbourne! This man, true to form, is only capable of muckraking in this place. I grieve for the people of Cranbourne — —

**Mr Cooper** — On a point of order, Mr Acting Speaker, I draw your attention to standing order 108 and point out that the honourable member for Frankston East is referring to a matter of gross corruption by Cr Mark Conroy.

**The ACTING SPEAKER (Mr Loney)** — Order! Firstly, the honourable member for Mornington has drawn the Chair's attention to standing order 108. As Mr Speaker did earlier today, I remind all honourable members of standing order 108, which is that no member of this place can use offensive or unbecoming words in reference to any other member or to imply improper motives or to make personal reflections on any other member. I ask all honourable members to pay attention to that during the grievance debate.

In relation to the second part of the point of order, the Speaker has also been very clear that the Chair will not tolerate points of order that are clearly not points of order but points in debate.

### **Schools: Mornington Peninsula**

**Mr VINEY** — As I said at the beginning, I grieve for the students and parents of government schools and Catholic and other religious schools in Frankston and the Mornington Peninsula. In its last budget the Howard government gave each of the public schools in Frankston and the Mornington Peninsula an average of \$4000. Mount Eliza Secondary College — a good school — received \$4000, and Karingal Park Secondary College, Frankston High School, Monterey Secondary College, Mornington Secondary College and Langwarrin Secondary College also received an average of \$4000. I am told that Catholic schools received an average of \$60 000 from the Howard budget — schools such as John Paul College in my electorate and Padua College a bit further down the peninsula.

What did some of the elite private schools get out of the last Howard budget? Geelong College received \$2.85 million! Contrast that with, say, Mount Eliza Secondary College's \$4000 or John Paul College's \$60 000. Wesley College received some \$3.91 million — nearly \$4 million! I would like to know what the parents and students of Mount Eliza Secondary College, Monterey Secondary College, Karingal Park Secondary College and John Paul College in the Frankston and Mornington Peninsula region think of the web site at Wesley College, which says:

Life at Wesley is an energetic mixture of culture, sports, socialising and academia, and with its facilities and connections, students at college are very well equipped to get the most out of university.

The college's assets include a music room, one upright and two baby grand pianos ...

Wesley College's Glen Waverley campus even has a 25-metre indoor pool and astroturf hockey courts. Let's look at Geelong Grammar.

**Mr Cooper** interjected.

**The ACTING SPEAKER (Mr Loney)** — Order! I ask the honourable member for Mornington to assist the Chair and not the honourable member speaking.

**Mr VINEY** — Let's look at Geelong Grammar. The Geelong Grammar Foundation web site states:

The last capital campaign was for the dining hall at Timbertop, which today is the hub of life at that very special campus.

This is a school that really needed millions of extra dollars from the Howard government. It goes on:

From time to time the school asks the foundation to raise funds for small, specific projects ...

Small projects! I would like to know what the people at Mount Eliza Secondary College or the people at John Paul College or Padua College think of a small project like an equestrian centre. The Geelong Grammar Foundation web site says:

The equestrian centre has been funded totally from donors with an interest in riding for students ...

It also mentions the generous donors who have contributed to the technology centre.

I wonder what a small project might be at Mount Eliza Secondary College or Karingal Park Secondary College. A small project at those schools might be an extra computer for the classroom, but at Geelong Grammar it is an equestrian centre, a new dining

facility at Timbertop or an arts centre. The Geelong Grammar web site explains that:

The art school, the Sinclair Art and Ceramics Centre and the technology centre have some six full-time staff and cater for up to 200–250 girls and boys daily.

This is a school that really needed the millions of extra dollars from the Howard government!

The Howard government has ripped off the people of Frankston and robbed the children and parents of Frankston and the Mornington Peninsula. The Howard government, true to form, acts like Robin Hood in reverse — it robs the poor and gives to the elite. It did it with Medicare and with hospital funding, where it took funding out of the public hospital system and gave it to the private health insurance system; it has done it in the education system; and we all know it did it with the goods and services tax, which is essentially a regressive tax that takes from the less well off in our community — ordinary wage and salary earners — and gives massive tax cuts to people on high incomes. That is the Howard form.

Schools in my electorate such as Monterey Secondary College and those further down the peninsula such as Mornington Secondary College raise funds by holding the proverbial raffles, chocolate drives and barbecues. The honourable member for Rodney just mentioned fundraising in relation to parents of children in preschools, and I agree with him — it happens in preschools, in our secondary schools and in Catholic schools. But what happens? The Howard government thinks the schools that need the advantage and the benefit of taxpayers' funds are not ordinary public or Catholic schools that are struggling, but schools like Wesley College, which got \$4 million, Ivanhoe Grammar, which got \$2.4 million, and Geelong College, which got \$2.85 million — schools that tell us on their web sites about how their fundraising activities have built new rowing sheds for the rowers.

That is an important part of education, isn't it — a spot of rowing! It is if you are in those private schools, but some of the schools in my electorate down in Frankston and in the federal electorates of Dunkley and Flinders are struggling to find the funds to provide new information technology opportunities for their students. Yet at the same time we read on the Ivanhoe Grammar web site that it has laptops for all students. We also read on the web site — I remind honourable members that the school needed \$2.41 million from the Howard government — about Ivanhoe Grammar's Strathbogie Outdoor Centre:

The school's incredibly picturesque outdoor education centre (Strathbogie Outdoor Centre) is nestled in the valley of Lima East Creek in the Strathbogie Ranges south of Benalla. The outdoor education program extends the learning opportunities of all students from years 6 to 10 ...

I wonder what the people of Frankston, the people at John Paul College and the people at Padua College think of a government that has funded that school with an extra \$2.41 million this year with more to come in the future if that government is returned while at the same time delivering only \$4000 to the local schools.

The web site goes on to say:

The Strathbogie Outdoor Centre is an aesthetically beautiful site allowing highly qualified staff to provide reachable objectives and learning outcomes in our three main themes of self, community and place.

That sounds like a terrific education, and I commend all those schools I have mentioned for the fantastic education they are providing their students, but what I ask for is a bit of fairness for the people in schools in Frankston, on the Mornington Peninsula and across Victoria. They need some fairness in the funding system, not a federal government that simply robs the children of ordinary families to deliver additional services and additional funding for luxury items and luxury additions to schools that are already well off and providing their students with an outstanding education.

What we need is a bit of fairness in the system, not a system where funding is going to schools such as Ivanhoe Grammar School, which is able to proudly say about its capital campaign — and good on it:

The chairman and members of the board of governors, together with the chairman of the capital campaign, Mr W. L. Dix, AO, have pleasure in announcing that the campaign target of \$2.2 million has been exceeded and that construction on the Ridgeway secondary campus will be completed in December 2000.

Presumably it has already been completed.

So here is a school that through its fundraising and the students who are coming to the school is able to exceed its objectives — but the Howard government gives it even more. Not only does it give them even more, but it gives them even more at the expense of ordinary families who send their children to government schools like Mount Eliza Secondary College, Mornington Secondary College and Karingal Park Secondary College, and Catholic schools like John Paul College and Padua College. The parents and students of these schools are being ripped off and robbed by the Howard government, because it has a policy of funding with additional money only the elite schools that frankly, as good as they are, do not need it!

## Scoresby freeway: funding

**Dr NAPHTHINE** (Leader of the Opposition) —

Today I grieve for the people of the eastern suburbs of Melbourne in particular and the people of Victoria in general. I grieve at the failure of the Labor government in Victoria to guarantee to commence work on the Scoresby freeway this financial year; I grieve at the failure of the state Labor government to provide dollars for the Scoresby freeway in its budget; and I grieve for the people of Victoria because of the failure of the Labor government to give a genuine, rock-solid commitment to the construction of the Scoresby freeway.

The Labor Party has flip-flopped on the Scoresby freeway for years and years. It is now trying to play a game of political stuntocracy with the freeway, because we are yet to see a real commitment in genuine dollars in the budget, we are yet to see a tender, and we are yet to see any work commence on this project. The Labor Party simply cannot be trusted by the people of the eastern suburbs of Melbourne with respect to the construction of the Scoresby freeway.

There is no money from Labor in the budget, and there is no genuine commitment because of this lack of funding. For years and years it has had to be dragged kicking and screaming to address this issue. The Labor Party has been more interested in playing politics and a game of stuntocracy than genuinely delivering on the Scoresby freeway.

The people of the eastern suburbs of Melbourne need to ask themselves, 'Can we trust Labor on this important issue?', because this is the same Labor Party that promised the people of the eastern suburbs that it would save Waverley Park. Remember that promise? It was made by the same Labor Party that is now saying, 'Trust us on the Scoresby freeway'. The people in the eastern suburbs will long remember what happened to Waverley Park. We now know that Labor's so-called conversion to the Scoresby freeway is backed up by a lack of funding, a lack of capability and a lack of a guarantee to commence the project.

We also know how important the Scoresby freeway is to the people of the outer eastern and eastern suburbs and the people of Victoria. An article in the *Age* of 14 August 2000 states:

The 1998 environment effects statement on Scoresby by Sinclair Knight Merz estimated that due to the freeway:

Victoria's gross state product would increase by \$200 million annually by 2025.

National gross domestic product would increase \$400 million annually by 2025.

Travel times would reduce by 40 per cent, leading to operating cost savings and more productive work.

There would be a cumulative benefit of \$600 million to Victoria's economic welfare indicator by 2025. The net economic welfare indicator was defined as the discounted increase in consumption spending less spending on motor vehicle travel.

By 2025, 9000 extra jobs would be created nationally, with 4000 of these within Victoria.

That comes from a study undertaken under the previous Liberal government in Victoria, which was genuinely committed to the Scoresby freeway and was well on the way to commencing that project. If you contrast the Liberal Party position on the Scoresby freeway with the Labor Party position, which I will do during my presentation, you will see a stark difference between the Liberal Party's consistent support for the freeway and Labor's flip-flop. The Labor Party has had more positions on this than are in the *Karma Sutra* and more than Kim Beazley has had on the *Tampa* issue — or on just about any issue this year!

The Liberal Party made genuine progress towards the construction of the freeway during its term in government, and it made a rock solid commitment in its 1999 election policy. As the Leader of the Opposition my first commitment to a major project was to the Scoresby freeway. The federal Liberal government — —

**Mr Batchelor** interjected.

**The ACTING SPEAKER (Mr Loney)** — Order! I remind the minister that interjections across the table are disorderly.

**Dr NAPHTHINE** — On Monday, 14 May, the federal Liberal government put a solid commitment of \$220 million on the table, in writing and in the federal budget. Yesterday the Prime Minister announced a further allocation of funding. The Prime Minister, whom the people of the eastern suburbs can absolutely trust on this issue, has allocated further money to bring the total federal contribution to \$445 million. That will be provided in the federal budget, just as the \$220 million was provided in the last federal budget.

By way of contrast one should look at the position the Labor Party has taken on the Scoresby freeway over the years. It has done backflip after backflip. It has flip-flopped, it has no consistent position, and there is no substance to its position. In question time yesterday the Acting Premier was asked whether he would

guarantee that construction would start this year. What was his answer? No! There was no guarantee to start construction this year.

Where is state Labor government's commitment in dollars? There is none. If you look at page 54 of the public sector asset investment program document you see that the only mention of the Scoresby freeway is the \$2 million for another review. Two million dollars for a study! The people of the outer east want bulldozers on site and construction started, yet there is no money from the state Labor government for the Scoresby freeway. It can indulge all it likes in stuntocracy. What the people of the outer east want is a signature on a cheque and a signature on a tender so the work can start — not a signature on stuntocracy.

Labor made no commitment to the Scoresby freeway in its 1999 election policy, and it made no mention of the freeway in its transport policy. In its living suburbs plan for the future of Melbourne's eastern suburbs, there was no mention of the Scoresby freeway; there was only mention of upgrading Stud Road.

Look at the analyses made after the election. An article in the *Herald Sun* of 19 October 1999 says that one of the Labor programs would be to:

... scrap the \$900 million Scoresby freeway project.

An article in the *Age* of 21 August 2000 says:

In opposition, Labor condemned the Scoresby proposal —

in other words, Labor Party policy ignored the Scoresby freeway.

It is clear that the Labor Party was opposed to the Scoresby freeway for seven years in opposition, it was opposed to it going into the 1999 election, and it was opposed to it when it came to government.

The Minister for Transport said in the house, when he was asked about this on 3 November 1999, that there was no better way to scrap a project than to refuse to fund it. He said the government would not be pressured into funding things for which it did not have the money and the government would not be drawn into funding projects for which there were no funds available. It could not be clearer that in November 1999 the Minister for Transport was saying there was absolutely no way that the Labor government was going to fund the Scoresby freeway. He put it in writing to the Honourable Neil Lucas on 17 November 1999:

I ... advise that the government has made clear its decision with regard to Scoresby freeway. Construction of the

Scoresby freeway will not occur during the next four years because no provision has been made for it ...

Nothing has changed. Now the Labor Party is saying, 'Trust us on Scoresby', while it is saying it will not build it. This is the same Labor Party that has told the people of the outer east before to trust it on transport issues. I refer to an article in a local newspaper which states that commuters will travel direct to the city by light rail within four years under a state government proposal to extend the light rail system to Knox City. This article features a photo of the then honourable member for Wantirna, Carolyn Hirsh, the then transport minister, Jim Kennan, and Judith Dixon, an honourable member for Boronia Province. This promise from the Labor government appeared on Tuesday, 20 September 1988.

Labor was in government for another four years and was promising to extend light rail to Knox. Lo and behold, what did it promise when it came to government this time? Labor said it would improve Stud Road. What improvements have been made to Stud Road in two years? Absolutely zero! Labor also said it would initiate a \$19 million extension of the East Burwood tramline to Knox shopping centre. It sounds like a re-run of the old policy. But what has happened with that? Absolutely nothing! These are the same people who promised to save Waverley Park, promised to extend light rail and tramlines and promised to expand Stud Road and delivered nothing. Now they are telling the people of the outer east to trust them on funding of the Scoresby freeway.

The people of the outer east say you cannot trust Labor on these issues. They want money in the budget and they want tenders let this financial year. It is about time the Labor Party got on with the job instead of flip-flopping around all over the place and not delivering.

As the *Herald Sun* said in its editorial of 4 October, the federal government has already pledged \$220 million, but Victoria, which seeks a fifty-fifty split, has so far put in only \$2 million for planning. So what you have is a clear contrast between the two parties. You have a Liberal Party that has had a long-term understanding of the need for the Scoresby freeway and a commitment to it and a Liberal federal government that has put its money on the table and in the budget on a time frame to build the Scoresby. What you have from the Labor Party is a stuntocracy — hollow promises, no money in the budget, no tenders let and no construction guarantee.

The people of the outer east need to be very clear whether they can trust Labor to deliver on Scoresby.

Labor has always opposed and is philosophically opposed to Scoresby, and hates the outer east. The Labor Party cannot be trusted to deliver on the Scoresby freeway, just as it has failed to deliver on saving Waverley Park for the eastern suburbs, on the upgrade of Stud Road, and on extending the tramline or light rail to Knox City as it promised in 1988 and again in 1999. Can the federal Labor Party be trusted on this, or is this just another example of l-a-w, law, tax cuts? Do honourable members remember the l-a-w, law, tax cuts? That is how much you can trust the federal Labor Party. And, of course, the famous statement of the then Prime Minister, Bob Hawke: 'No child will live in poverty under the Labor Party'. They are the sorts of icon promises of the Labor Party. The people of the outer east need to be warned: 'You simply cannot trust the Labor Party to deliver on the Scoresby freeway'. The Liberal Party has put its money up, is prepared to build the project and understands its importance, not only for the outer east but also for the growth and development of Melbourne, for jobs and investment. The Labor Party is philosophically opposed to it. It hates the eastern suburbs of Melbourne and cannot be trusted to deliver on this vital project.

### Scoresby freeway: funding

**Mr BATCHELOR** (Minister for Transport) — I have just heard the most deplorable speech ever made in this Parliament by the Leader of the Opposition.

The Leader of the Opposition is widely known through the Scoresby corridor as Denis Dolittle, because that is exactly what he has done during the last two years — absolutely nothing. Labor got this project up and running; all the voters of the eastern and south-eastern suburbs know that Labor will deliver the Scoresby freeway. The Liberal Party in Victoria, led by Denis Dolittle, has done nothing to contribute to the project.

Today in this place the Leader of the Opposition made a number of false allegations, but we in the Bracks government can disprove all of them. The people of Victoria know that when the change of government occurred in Victoria we examined the budget that had been put in place by the previous Kennett government. The Leader of the Opposition made reference to his budget here today because I made reference to it in answers to questions and in correspondence of November 1999.

In November 1999 I reported to the Parliament and the people of Victoria the squalid truth that the previous Kennett government had been hiding the fact that in preparation for the building of the Scoresby freeway it had done absolutely nothing — zero! — and the Liberal

Party has continued that attitude all the way through since its defeat at the last election.

On coming into government I examined the forward estimates put in place by the Kennett government, which the current Leader of the Opposition was a key strategist in preparing. Those figures demonstrate that the Kennett government had put no money into the budget for that purpose. That is what I was referring to in the passage just quoted by the Leader of the Opposition. He was acknowledging that the previous government did nothing, and he has led the Liberal Party in Victoria in doing exactly that.

In recognising the importance of the Scoresby freeway the Bracks government has set out on a deliberate step-by-step strategy to make sure that the federal government lives up to its responsibilities and properly and adequately funds the project. Here we have, on the eve of a federal election, the first federal election of this new century — —

**Mr Wells** interjected.

**The ACTING SPEAKER (Mr Loney)** — Order! The honourable member for Wantirna is out of his seat and interjecting incessantly. He is disorderly!

**Mr BATCHELOR** — On the eve of a federal election we have placed Victoria and the people of the eastern suburbs in the best possible position. The Bracks government has already given a commitment to half-fund the Scoresby freeway. In addition to that both the Liberal Party — —

**Dr Napthine** interjected.

**The ACTING SPEAKER (Mr Loney)** — Order! The Leader of the Opposition!

**Mr BATCHELOR** — And that is why — —

**Dr Napthine** interjected.

**The ACTING SPEAKER (Mr Loney)** — Order! I advise the Leader of the Opposition, as I did the Minister for Transport when the Leader of the Opposition was speaking, that interjections across the table are disorderly. I ask for his cooperation with the Chair, as I sought the minister's when the Leader of the Opposition was speaking.

**Mr BATCHELOR** — As we near the federal election, because of the actions of the Bracks government we have the federal government and the alternative federal government being prepared to half-fund this project. We know that the Labor Party

will win the next election and that we will get on better with the new federal Labor government than we have with this last Liberal–National Party government.

Most people out in the eastern suburbs know and appreciate the work that the Bracks government has done to get the federal government to commit to the project. But had it not been on the eve of an election the Liberal Party would not have committed to this.

**Dr Napthine** interjected.

**Mr BATCHELOR** — I will tell you why! The Leader of the Opposition wants to know what is going on and why. I refer him to a press release by his shadow minister, the honourable member for Mordialloc, in which he says:

The proposal that was leaked —

referring to the initiatives that the Bracks government had taken to secure this federal government —

**Mr Wells** interjected.

**The ACTING SPEAKER (Mr Loney)** — Order! I have warned the honourable member for Wantirna previously!

**Mr BATCHELOR** — The honourable member for Wantirna wants the document made available because he has not heard about it. I will tell him what it says, Mr Acting Speaker. I quote:

If this state government expects the federal transport minister to provide \$500 million on the basis of this weak proposal, they are either silly or they are not serious about the Scoresby ...

So here we have the Liberal Party saying that if you continue to pursue claims to get up to half a billion dollars from the federal —

**Dr Napthine** — On a point of order, Mr Acting Speaker, the Minister for Transport is purportedly quoting from a document, although he had some difficulty identifying its source. The normal procedure in the house is to identify the source. I suggest that he make the document available so we can ensure he is accurately representing it.

**The ACTING SPEAKER (Mr Loney)** — Order! I advise the minister that a request has been made for it to be made available.

**Mr BATCHELOR** — I am happy to make it available.

**The ACTING SPEAKER (Mr Loney)** — Order! The minister will make the document available.

**Mr BATCHELOR** — The document is a press release from the honourable member for Mordialloc and shadow Minister for Transport. That is the source of it. It is a press release from the shadow Minister for Transport, and he says if any government thought the federal government would put in up to \$500 million it would be silly. That is the attitude the Liberal Party has taken over the last 12 months. The Bracks government has got on with the job.

It is important to understand what has happened here. Under Kennett the coalition committed zero dollars — nothing. This government, on coming into office, recognised the economic benefits of the project. The only plan the Liberal Party had in the past and then continued with was to charge tolls. When it was in government it had plans for an \$8 toll, and the honourable member for Forest Hill has continued that right through to recent times. Tolls are the policy of the Liberal Party.

The government has now secured funding for the Scoresby freeway without the need for tolls. The Howard government has picked up Labor Party policy, which is not to have tolls. The Prime Minister is now backing us rather than the Leader of the Opposition in Victoria. The Prime Minister knows it is the Labor Party policy that is the more acceptable to the people of the eastern and south-eastern suburbs, not the policy articulated by the Victorian Leader of the Opposition.

We have recognised the transport needs of the Scoresby corridor and have asked the federal government to fund not only the freeway but the public transport system as well. It has rejected the request for assistance with public transport. We have lobbied for more than 12 months to have the federal government declare the Scoresby freeway a road of national importance and to fund it on a fifty-fifty basis — and that is what we have achieved. In August last year we made a submission to the federal government on the national road funding and asked for fifty-fifty funding.

**Mr Cooper** — You do nothing. You just talk.

**Mr BATCHELOR** — We do much more than just talk. We have delivered the funding formula that is going to deliver this project.

It started in a briefing I gave to local councils on 4 August 2000 at the Novotel Hotel, where we set out — on the public record, before the representatives of all the people along the Scoresby corridor — what we were planning to do. Way back on 4 August 2000

we told the people out there the determined course of action this government was going to take. And it came to fruition last Friday when I signed that agreement with the federal government. The federal Minister for Transport and Regional Services signed up the following day. That is a typical example of the whole of the way through this process: Labor has led and Labor has delivered; the state Liberal Party has languished, done nothing and undermined, and does not think this is a good project.

In January this year I flew to Sydney to meet with John Anderson, the federal minister responsible for transport. We set up a working party to investigate the funding options for the Scoresby freeway. In March of this year the federal government offered \$150 million. First they said 'zero', then they increased their offer to \$150 million, and we said that was not acceptable; it was not enough. In May they increased their commitment to \$220 million. That was announced on the Sunday before Victoria's state budget was due to be tabled, and the budget papers were already printed. They announced it without any reference to us. We again said the \$220 million was not enough, because we had the best interests of the people along the Scoresby corridor at heart. We care about them. The only people who were opposing the project then were Liberal Party members here in Victoria, and they have continued to oppose it.

In the lead-up to the Aston by-election the Prime Minister announced that the federal government was prepared to consider joint funding. We pursued this issue. On 22 August the Premier and I signed a declaration of commitment with the 10 mayors and called on the federal government to also sign it. It was the Liberal candidates all along the corridor —

**Mr Wells** interjected.

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

**Mr BATCHELOR** — They had the opportunity to sign up. The mayors asked the Leader of the Opposition to join in signing up to this, and the Liberal Party refused. The only representatives here who have not signed up are members of the Liberal Party. They have been left out. The Labor Party at the state level, the Labor Party at the national level and even the Liberal Party at the national level, have all joined in offering to fund this project. The ones left out are the Liberal Party members here in Victoria. They are the ones who have been left out. They are hopeless.

The commitment the 10 mayors of the Scoresby corridor wanted, which was given by the Bracks government, has produced the outcome of the freeway component of the Scoresby corridor being jointly funded by the federal and state governments. The federal government has missed out on two things, however: properly funding the public transport component, which is a tragedy — —

**Mr Leigh** — And Kim Beazley? Bet you haven't got that from him!

**Mr BATCHELOR** — The shadow Minister for Transport wants to know whether the federal Labor Party is going to fund the public transport. That is an issue we will keep our eyes on over the next couple of days. The really significant matter is that the Labor Party in Victoria has given its commitment and has delivered. It has dragged Johnny-come-lately Howard kicking and screaming on board, and the only reason it got Johnny-come-lately Howard on board is that there is an election coming on.

What happened before the Aston by-election? He offered up \$220 million. There is now a general election under way and he has offered up \$445 million. The Prime Minister is running scared. He is staring defeat squarely in the eye, and if it had not been for the hard work of the Bracks government and the commitment of the local people, the mayors and their representatives, the Howard government would not have supported this.

### Democracy

**Ms DAVIES** (Gippsland West) — I grieve for over 5500 people who lost their lives during a few terrible hours in New York. I also grieve for the people who will continue to lose their lives in wars and under oppressive regimes amidst poverty and terror. Lives will continue to be lost until human beings learn to live together properly. I look at the three strong young men who used to be my babies, and I hope one day soon the world will operate in a saner fashion. At this point in Australian history we are a bit fractured and a bit fractious, and we should be looking for the values that unite us.

Whenever I go around to schools and talk to other social groups about Parliament and being a member of Parliament, the kids talk about the disgraceful behaviour of members of Parliament and their generally childish performances, particularly during question time. My message to them is always to emphasise the importance of our democracy and the fact that we should value and cherish it.

In other societies if you disagree with the government you can simply disappear. In other societies if you want to change the government you have to do so at the point of a gun. Our democracy is not perfect and it will never be, but it is infinitely better than any of the alternatives. At the more local level, that is not to say that there are not times, such as yesterday, when the performance of members of Parliament in question time could not be vastly improved.

However, I acknowledge and appreciate the fact that our democracy is in a much healthier state now than it was just over two years ago. I occasionally dip back into the mind-set that existed during the time of the previous government. The other day I saw a video clip of the previous leader of the Liberal Party shovelling sand into the faces of cameramen and their expensive cameras and encouraging a visiting Japanese delegation to laugh at what was happening. That video segment has always horrified me. I regard that as an abusive and destructive act of vandalism against people who were doing their job and had no way of defending themselves at the time.

The danger of the Kennett era was that there were attempts to make disagreeing with the government somehow unacceptable and even un-Victorian. There was a great deal of denigration of people who were not regarded as being part of the winning circle. That was a pity, because it was not a necessary part of the genuine achievements of that era. It is very much a demonstration of the value of democracy that despite the enormous aura of power that government exuded, it disappeared fairly quickly.

Opposition members usually get a bit upset when I criticise that era. They should not. When I am criticising that era I am not criticising them as they are now. As the opposition leader has said many times, now is a different time and there are different people. I hope no future Liberal government, and there will be a future Liberal government, will ever make the same mistakes as that government.

### **Independents charter**

This time two years ago the Independents were in the thick of negotiating with both potential governments. We had the charter and were waiting for their responses. The ALP's response was better, it won the Frankston East by-election, and we all know the result. Last year on the anniversary of the changeover we went through the charter with the government leadership group and ticked off many items, but there was still a great deal to do. This year we have gone through the same process. I have a written self-assessment prepared

by the government in relation to the issues on the charter, and I hope to be able to put it up on my web site and invite comment on it in the near future.

There have been many achievements. Some of them are on the go, and some of them are still to come. The fact that some of them are on the go rather than actually being in place has in itself become a bit of an issue that needs addressing. There have also been some disappointments.

There are four elements of the charter: promoting open and accountable government; improving the democratic operation of the Parliament; establishing clear plans and strategies for addressing rural needs; and giving some assurances to Independent members that there would be an observation of basic courtesies and the means to ensure that there was a proper flow of information to deal with the complicated issues that need to be dealt with by both the government and the Independents.

Section 1 of the charter deals with improving open and accountable government. There has been a huge overuse of those terms; they have been used very loosely in the last two years. It will never be perfect, but there is no doubt that we now have a much better flow of information in this society and a much less punitive attitude to information sharing, discussion and debate than we did. The fact that the government balances on a knife edge in terms of numbers certainly means that it cannot afford any abuse or overconfidence so far as that is concerned.

**Mr Leigh** interjected.

**The ACTING SPEAKER (Mr Savage)** — Order! The honourable member for Mordialloc will cease interjecting. The Chair will not tolerate a continuation of his behaviour.

**Ms DAVIES** — The requirement in the charter for consultation before introducing legislation has been very successful in sorting out contentious issues in some legislation. The processes undertaken in putting up the racial vilification and the farm dams legislation are examples of that process being very successful. The process was much less successful, I suspect because it was less systematic, when it came to dealing with the reform of the Legislative Council and the marine parks legislation. They were disappointments.

The second section of the charter discussed improving the democratic operation of the Parliament. I see the refusal of the Legislative Council to agree to reform itself as being an enormous negative. The trenchant opposition of the National Party and the fake arguments it used at the time were very unfortunate. The

Legislative Council has never ever functioned as a house representing areas; it has been totally dominated by the parties. The members of that house voted totally along party lines during the seven years in which many decisions were made that were very negative for rural Victoria. The Legislative Council operates as a house of review while you have a Labor government, but it does not do so while you have a Liberal–National Party government. The issue has now been handballed to the Constitution Commission of Victoria, and I hope it is more successful this time around.

The process of dealing with sessional and standing orders should be one of continual improvement. I do not think the sessional orders should be changed only once a session, as we have done so far; I believe it is an issue that needs to be continually followed up. We have made some good additions to the sessional orders. The 10-question minimum we instituted for question time has prevented a lot of ministerial filibustering, but that has been replaced with the problem of filibustering by an opposition that has become obsessed about raising points of order, some of which are perfectly justifiable but many of which are not.

We sit more than twice as often as we used to, and that is useful. I have always said that Parliament is not just about government attempting to pass legislation because there must be time for other issues to be discussed. The time allocated for members statements and other avenues has been very valuable. However, again, more can be done.

The Independents included a statement in their charter requiring ministers to answer the questions asked of them. I find this issue hugely frustrating. I have come to the view that ministers are genetically programmed not to answer questions. I am not sure how to ensure that they do, other than by having the occasional word in somebody's ear.

The other part of this section of the charter is aimed at opening up opportunities for debate on private members bills and petitions. I experienced a bit of a disadvantage with the way we do that this morning, as there are no opportunities for debating petitions. The Independents are having discussions with the government at the moment, and I hope we can do some more useful things to open up the Parliament.

The third section of the charter deals with better addressing the needs of rural Victoria. There has been a very marked improvement as far as that is concerned, particularly in giving local councils more autonomy. Further, I recognise that 45 per cent of the new funding in the budget for major infrastructure developments

went to rural and regional areas for roads and rail. A lot of those announced projects need to get under way, because we have been waiting a very long time for them. I accept there will be some delay because I appreciate the importance of proper planning, but we need to get a move on.

However, the government needs to recognise that we have a very long way to go in providing rural and regional Victoria with the basic services that metropolitan people take for granted. I refer to services such as main roads, gutters, drainage, gas supply, reliable telecommunications and access to community services. One of the community service issues I am particularly concerned about is the availability of proper respite and alternative care for the disabled and the elderly. We in rural areas still miss out on too many services.

Many of the issues I deal with are supposedly local government issues. I urge the government to offer as much financial support, planning assistance, ideas and advice to local government as possible. There is a huge difference between the difficulties experienced in sprawling and underserviced rural areas and the outer metropolitan growth areas and the services available to people in the well-serviced and built-up areas in the metropolitan Melbourne. There is a long way to go.

We have a major problem in some local government areas with the huge losses people have suffered from gaming. Last year over \$16 million went out of the Bass Coast shire because of losses on gaming machines. That figure was up from \$13.5 million the year before. Sometimes you just cannot wait for definitive proof that this or that measure will be effective; you just need to act. I accept that the government has research plans in place, but I believe we are moving too slowly. It is essential that more measures are taken more quickly.

The fourth section of the charter is aimed at giving Independent members the assurance that government would have a courteous and helpful relationship with them, and there is no doubt that that exists. There are times when that mutual courtesy needs to be extended, particularly with some members of the opposition. I understand that there are times when it would be beneficial to both sides if the repartee between the Independents and the opposition calmed down.

I acknowledge that the world situation, socially and economically, affects us all. There has been a downturn in the world and Australian economies. There has recently been a frightening loss of jobs across the country, with more expected to come as the effects of

11 September spread. I very much acknowledge that there is a need for prudence and care in managing the finances of this state. However, that does not mean I will not keep pushing for additional investment in the region I represent. As I said, we are coming from so far behind that much more is needed even to bring us up to the same level as other rural areas. That is the job I have been elected to do. As I look back on the last two years, I appreciate the gains that have been made, but as I look forward to the next couple of years I ask what is next, because we still have a very long way to go.

### Shannon's Way

**Ms ASHER** (Brighton) — I grieve for the 36 000 full-time jobs that we have seen exit Victoria this year. I draw the attention of the house to one consultancy firm that continues to get job after job from the Bracks Labor government. The company is called Shannon's Way, and along with CPR Communications and Public Relations and Essential Media Communications (EMC) — two other consultants based firmly within the Labor Party — it has been awarded a disproportionate amount of work through some very odd processes. I wish to convey to the house what I believe is a tale of deceiving the public. It is not only an example of jobs for the boys but a tale of the deception of the public and a fundamental fraud perpetrated on the Victorian public by the Bracks Labor government.

We are now seeing the style of government that has emerged in Victoria after two years. We are seeing a government which is very willing to give jobs to its Labor mates and very willing to deceive the public. Shannon's Way was awarded a contract to develop a new slogan for Victoria — 'The place to be'. This is an example of jobs for the boys, but it is also an example of a massive fraud perpetrated on the Victorian community.

On 4 January 2000 the Premier, by way of a press release, launched a campaign for the public to choose a new slogan. The Premier said the competition for this would close on 21 January. In my view the Premier was motivated by a desire to dump the slogan of the previous government — 'Victoria — On the move' — in retribution. On 18 May 2000 the Premier announced a new slogan for the state of Victoria:

Mr Bracks said the government had chosen the slogan after broad community consultation, including a postcard campaign asking Victorians to nominate a slogan which best summed up their state.

The Premier made it very clear that this new slogan had been developed after public consultation. Of course the

slogan was announced as 'The place to be' and three winners were announced as a result of the public competition. They were Jack Hollaway from Reservoir, Shirley Westaway from Foster and Mary Beck from Rushworth. The three — —

**Mr Lenders** interjected.

**Ms ASHER** — Well, if only Mary Delahunty could pronounce it as well. I have the excuse that I represent another electorate.

The three people were invited to lunch in the Premier's office and to participate in a press conference. What did these winners receive for having developed the slogan 'The place to be' through this public process and public competition? They received a signed, framed photograph of the Premier shaking hands with them as well as a set of numberplates. They received their numberplates on 17 October 2000.

The presentation of a set of numberplates to Jack Hollaway was covered in the *Herald Sun* of 17 October 2000 by a journalist named Ben Hart, who now works for this government. In referring to Jack Hollaway his article says:

Despite saying he was honoured to receive the first licence plate, he still admitted to feeling a little disappointed that the spoils of victory weren't greater.

That is what Mr Hollaway said when the Premier gave him the numberplates. However, I believe that behind the scenes a fraud was perpetrated on the Victorian public. This fraud is revealed in documentation I have received under a freedom of information (FOI) request. Documents show that \$87 000 was paid to Shannon's Way for developing this new slogan. On the one hand you have got members of the public being told, 'There is a competition. You develop a slogan'. I have spoken to Jack Hollaway, and he put in the slogan 'The place to be' as part of what he thought was a genuine competition.

**Mr Maxfield** interjected.

**Ms ASHER** — Three people did. On the one hand these members of the public were given a signed photo of the Premier and a set of numberplates. On the other hand a company called Shannon's Way has been given \$87 000 for developing the slogan.

Let me go through what documents I have received through FOI. On 17 March 2000 — again, I ask honourable members to note that the date is after the competition had closed — Shannon's Way wrote to Ms Kerriane Bradley, the senior communications

adviser in the Department of Premier and Cabinet, and said:

Thank you for the opportunity to present our expression of interest for the development of a new slogan for the state government of Victoria.

We then go on and note that by 30 April — this is after all the slogans were in — we see the first invoice from Shannon's Way for:

Government Slogan Development Project ... \$21 125.00.

The total of the bill is \$21 322.00.

By 8 May 2000 there is a purchase order from Information Victoria to pay Shannon's Way for:

Development of new slogan for the state of Victoria ... \$75 305.

On top of that there is an amount of \$9200 for additional focus groups. That is a total purchase order of \$84 505. According to these documents Shannon's Way was paid \$2975 to orchestrate the media launch of 18 May 2000 — the very day that Jack Hollaway came in to have lunch with the Premier and to receive his photo of that meeting. Indeed I have an invoice from Shannon's Way that shows that on 18 May — the day the Premier issued a press release announcing this — there is an amount for additional slogan development work that encompassed a photography shoot of a numberplate and the retouching that was required. I know who have been touched up on this issue: the members of the Victorian public who genuinely believed they were part of a competition, only to find the Premier's mate, Bill Shannon, pocketing over \$87 000.

Also I note that there is a series of invoices throughout April, May and June — don't forget that the competition opened and closed in January. All these invoices and the work commenced by Shannon's Way date from after it had been given the slogans that were developed by those three Victorians through the competition.

You may well ask, 'Who is Bill Shannon?'. He is very, very close to the ALP. He ran the 1999 ALP election advertising campaign. He is also president of the Progressive Business Association, which as members of this house will know is Labor's business fundraising vehicle. You will find Bill Shannon now down at ALP headquarters being involved in the current federal campaign. By every definition he is a Labor mate, and he has pocketed \$87 000 under the guise of developing a new slogan when the Premier had indicated to Victorians that there was a public competition and the

three individuals I have mentioned — including Jack Hollaway, to whom I have spoken — had developed that slogan. They came up with the idea; Bill Shannon got the money.

There are three rules in Labor's Victoria as far I can see. If you're a Labor mate you'll get a consultancy; if you're a Labor mate you'll get a job; if you're a Labor mate you'll get multiple consultancies as Bill Shannon has done. I propose to speak a lot about this, as I will about EMC and CPR.

These are consultancies directly delivered to Labor mates. However, while Bill Shannon got \$87 000, if you were a member of the public who participated in good faith in this competition you got a signed photograph of the Premier and a licence plate. That is the difference between members of the public who win public competitions run by this Premier and Labor mates who pocket the money after having received the slogan from the winners of the competition via the Department of Premier and Cabinet!

The government is still withholding documents which the opposition will pursue in the Victorian Civil and Administrative Tribunal. Access to 11 documents I sought in my freedom of information (FOI) application was refused on the basis, I was told, that they are commercial in confidence. Protecting Shannon's Way is commercial in confidence! This is one of the most shameful exercises I have seen a government involved in. It is shameful because the Premier was the one who ran the competition; it is shameful because his department has been forced to engage Bill Shannon; and it is shameful because it is a massive fraud perpetrated on the Victorian public.

The Premier told the public there would be an open, public competition, and then the Premier gave \$87 000 to Bill Shannon for coming up with a slogan that was developed by someone else. It is someone else's intellectual property! As I said, these other people received just about nothing for it while Shannon's Way has pocketed tidy sums not only on this consultancy but on a number of consultancies throughout the Victorian government.

The opposition has been refused access to 11 documents relating to this tawdry affair. It would appear to me that up to 10 documents have been only partially released. I suspect these documents will tell an even shabbier tale than the documents I have been given. As I said, the opposition will pursue these documents in the Victorian Civil and Administrative Tribunal because we wish to expose this shabby, shabby deal with Bill Shannon.

I conclude by making a couple of observations about this contract. Not only is it shameful and not only is it fraudulent, but it is perpetrating the worst possible fraud — this is perpetrating a fraud on the Victorian public. Not only is this an abject waste of taxpayers' money for jobs for the boys, but I believe this contract is corrupt. This is about a corrupt association between a Premier and Shannon's Way. This is about a corrupt link between Bill Shannon and the Premier of Victoria. This is a tacky, tawdry example of the misuse of taxpayers' funds and an abuse of public trust. It is a massive betrayal of the trust Victorians have in the office of Premier.

Victorians have been told there was a public competition. Three Victorians had lunch with the Premier and were told, 'Thank you very much. Here's a signed photo and here's a numberplate', while Bill Shannon pocketed over \$87 000 in this tacky, tawdry deal of the sort we are now seeing in ever-increasing numbers in Steve Bracks' Labor Victoria.

### **Children: residential care**

**Ms CAMPBELL** (Minister for Community Services) — Today I grieve for the vulnerable children and young people who reside in residential care services, particularly those who resided there during the term of the Kennett government.

Residential care services are provided for some of the state's most vulnerable and at risk children. They are children who have been unable to live with their own families because of abuse or neglect and whose life opportunities have been significantly damaged as a result of the family environment from which they have been removed.

The way in which these services are now managed is a clear illustration of the difference between the Bracks Labor government and the Kennett government. Under our government the residential care system has become a priority, and we have insisted on improvements in the quality of the outcomes for young people. Put simply, the previous government did not care, but the Bracks government does care — and we have put in place systems to measure that care.

When the previous government was in office these young children were neglected. The organisations that provided care for them were underfunded. The under-resourcing was quite significant and in some cases went to the very heart of the viability of the community service organisations. As a result, without adequate funding the quality of the residential care services offered by the previous government was poor;

and most importantly, the outcomes for the children and young people unfortunate enough to have to live there were quite disastrous. That did not bother the previous government, but it does bother this government. We have set in place practical steps to address the quality of care.

When we were in opposition the representatives of many organisations had to speak quietly: they had difficulty speaking publicly because of their funding and service agreements. However, they spoke to us about their concerns about the quality of care. When I became minister I ordered an audit of these services. That audit confirmed our great concerns for the safety and wellbeing of children who resided in residential care. We have taken strong and decisive action as a result of the disturbing findings of that audit, which have been presented publicly. They have been presented to the media, to departmental regions and to the community service organisations that in the past had to whisper their concerns. The findings of the audit are now available on the public record.

Because we have been open with the findings, we have been able to engage community service organisations to come up with strategies to improve the quality of care.

I contrast this public presentation with the 1996 audit report that was done by the previous government. The previous minister kept the placement changes report quiet. It was hidden — it could not be released — and of course because of that community service organisations could not sit down with the government and departmental officers and come up with solutions. Four years after the previous government did its placement changes report, it had to be the Bracks government that released it to the public.

Our own audit found that the previous government's policies had contributed to a situation where many of the children and young people were failing to attend school. They were abusing substances; they had therapeutic needs which were not being met; and they were engaging in a wide range of risk-taking behaviours as a result of their stress and often unresolved trauma.

The previous government turned a blind eye to this disgraceful situation. It did not want to know about the plight of those children and young people because it did not care. But the Bracks government does care, and I as the minister care — and we have demonstrated that in many ways over the past two years. We have worked in partnership with the non-government service providers to provide better outcomes.

In response to the audit findings my department has developed a strategy known as the 'Stronger youth, stronger futures — the safety and wellbeing strategy'. This has many components, but in simple terms it aims, as its name suggests, to improve the safety and wellbeing of children and young people in residential care. This strategy establishes a blueprint for reform. It is about reform over the next five years, requiring service providers to achieve 19 specific percentage-based improvements and 31 minimum standards.

It is a difficult task but one the government is prepared to take up in conjunction with the community service organisations. The government is prepared to adopt a strategy that the previous government refused to acknowledge was necessary. Of course, if you shy away from facing the facts, you definitely do not develop a strategy. In contrast, this government does care and has put a strategy in place.

The government has not only come up with strategies in response to identified needs; it has also put funding in place to deliver on those needs. The government will put an additional \$20 million into new recurrent funding for the day-to-day operations of residential care. That is almost double the funding made available to residential care services under the Kennett government. It is a remarkable increase.

In contrast to this government's pro-action, the previous government withdrew funding from a number of residential care services — something that should make the previous minister, the current Leader of the Opposition, hang his head in shame. Not only have we put money into recurrent expenditure but we have also put \$17.5 million into new funding for capital investment aimed at improving the quality of residential care facilities.

In contrast to what we have done, it is interesting to note by way of reflection that under the previous minister, now the Leader of the Opposition, the Kennett government allowed the standard of residential care facilities to deteriorate to unacceptable levels that appalled members of the Public Accounts and Estimates Committee when I presented photographs to show what we had inherited.

I turn now to the minimum standards for residential care that the government has established in consultation with the community service organisations which deliver the residential care system. Those standards are currently being implemented across the state. By way of contrast, incredibly the previous government was not concerned about the standards to which these services

operated, which is indicative of the previous government's lack of concern about the quality of residential care services. The Bracks government cares; the previous government did not.

In addition to developing standards of care the government has put in place a framework for monitoring compliance with the minimum standards and for assessing the quality of the care provided to the clients. This monitoring will include a focus on client outcomes, essential outcomes that so many of us take for granted — for example, the rate of school enrolment among the residential care population will be monitored as will the level of drug use and the level of engagement with support services. Most importantly, we will seek improvements in all areas.

In contrast the previous government had no way of effectively monitoring standards or behaviours and as a result did not bother to find out what the children in its care were confronting and what those children's lives were like. I repeat: this government cares; the previous government did not.

More improvements have been brought to staff training and development. A good residential care service is heavily reliant on the qualities of the staff who care for the children and young people concerned. To this end we have put in place a learning and development strategy that will better equip our residential care staff to maintain their quality of care. We want them to have a greater knowledge to ensure that their quality of care improves. By way of contrast, the previous government offered absolutely nothing in learning and development for residential care staff. The Bracks government cares; the previous government did not, nor did the previous minister.

The focus of our work has been on children and young people, and I thank the community service organisations that have worked in true partnership with us. Across the state those organisations have worked with my department to improve the quality of services through all the initiatives I have already spoken of, and we are delivering them together. In contrast the previous government put its services out to compulsory competitive tendering and as a result agencies were set against each other. We care, the community service organisations care, and together we are delivering a better partnership response for the children and young people.

In conclusion, the children and young people who reside in residential care are among the most vulnerable and disadvantaged citizens in our community. Collectively we have a responsibility to provide a level

of care for the children and young people that allows them to engage positively with their community and with all that life has to offer. The previous government failed to do that. The Bracks government has demonstrated its commitment to this most vulnerable group. It has increased funding for the day-to-day operations of services; it has built better residences for the children and young people to live in; it has put in place minimum standards which will shape the quality of the service they receive, and it will monitor those standards and continuously strive for improvements in the quality of the service and the outcomes being achieved. We are developing the skills of those who care for young people and thereby improving the quality of their lives.

I emphasise that this has been achieved because we have worked in partnership, and will continue to work in partnership, with the community service organisations that deliver these services in order to achieve positive client outcomes, all of which demonstrates clearly that the Bracks Labor government cares about residential care services and the vulnerable children and young people who reside in them. We intend to improve standards to deliver a better outcome for children and young people, which is in sharp contrast to the failure of the Kennett government, through the previous minister, to honour its responsibility to those young people.

### Waverley Park

**Mr COOPER (Mornington)** — I grieve for the people of the east, south-east and south for the failure of the Bracks government to keep its unequivocal promise made prior to the last election to save Waverley Park.

I am pleased to note that the Minister for Major Projects and Tourism — one of the people who continually made that promise — is in the house. On 26 August 1999 the then Leader of the Opposition, Mr Steve Bracks, now Premier, wrote a letter to the Save Waverley Park Group which states:

I give you an assured guarantee from Victorian Labor that we are 100 per cent committed to the fight to save Waverley.

... I am angry that the state government has not used its authority and powers to save Waverley ... I can guarantee that in the first week of an elected Bracks Labor government we will get the AFL to the negotiating table. We will tell them that we want to save Waverley, and we will also ask, what will it take?

...

You are right in the consideration of making saving Waverley an election issue. The time to save Waverley is now!

It goes without saying that members of the Save Waverley Park Group are bitterly disappointed with the government and its failure to even start the process going, its failure to keep the sort of commitment that is given here — this unequivocal commitment given by Mr Steve Bracks when Leader of the Opposition and which he walked away from when he became Premier.

On 27 October 1999 the Minister for Major Projects and Tourism and honourable member for Dandenong was reported in a newspaper as stating:

We will use the full authority of the government ... there are all sorts of ways in which the government can put pressure on the AFL.

He said that the Land Acquisition and Compensation Act, which allows the government to forcibly buy privately owned land, is just one of the mechanisms that could be used. Under that act Waverley Park would be valued according to its use as a sporting venue. The park is worth up to twice as much as residential land.

All that was built around the policy document of the ALP prior to the 1999 election, where it states — again in absolutely unequivocal terms:

Labor does not want to see spectator sport become the preserve of inner-city higher income earners ...

...

Preliminary legal advice —

I would like to know where they got this from —

indicates that the state government has substantial powers to save Waverley Park from closure. These include the power to rezone the land as a site of significance to the community and powers under the MCG Trust and Docklands Authority acts to limit the number of games at these venues to enable more fixtures to be scheduled at Waverley.

This contradicts the Premier's claims that the matter is one for the AFL alone and the state government has no role.

Labor will do what Premier Kennett has failed to do and demand that the ground be kept open. In the first week —

in the first week! —

of a Bracks Labor government we will call in the AFL, clubs and local councils to negotiate a means of keeping AFL park open for AFL games.

...

Labor will use the powers available to state government to help keep AFL park Waverley as an AFL venue, and we will work with local government, football clubs and businesses to enhance the site as a community sporting and recreational precinct.

They were the unequivocal guarantees and assurances given to the community out in the east, the south-east and the south about AFL park and what Labor was

going to do. There were no ifs and buts about it; it was absolutely crystal clear that AFL park was going to be kept as an AFL venue for AFL games if Labor came into office. Then lo and behold, unexpectedly and against every desire, hope or wish they might have had, they actually came into government!

What occurred in the Legislative Council on 10 November 1999? Mr Hall, the National Party member for Gippsland Province, raised the issue of Waverley Park. In that debate the lead speaker for the government was not the Minister for Sport and Recreation — no, he took a backroom role in this — but the Deputy Leader of the Government in the Legislative Council, the Honourable Gavin Jennings. Mr Jennings is the secretary of the cabinet, but he is not a minister. Some of the comments made by the deputy leader of the Labor Party in the upper house are interesting. Mr Jennings said at one point:

The government has taken a strong and strident position on this issue in the community. At times definitive statements might have been made that are hard to address and reconcile when assuming government.

What that means when taken down to simple language is, 'We are trying to get out of the promise we made because we found it was absolutely impossible to keep'. He went on to say:

The definitive nature of statements made in the lead-up to an election, how they may be interpreted and the difficulties they may create for an incoming government in fully undertaking its legal advice and statutory responsibilities need to be recognised.

In other words, what Mr Jennings was saying there was, 'It's easy to flap your trap off when you are in opposition, but it is damned hard to deliver when you are in government'. That is really what Mr Jennings was trying to say — that is, 'We have made a lot of promises. We can't keep them'.

The people in the Save Waverley Park group are deeply disappointed. They feel let down. They feel they have been used and abused, and based on the evidence they have every right to feel that way. They were given a promise that the Labor Party never had any intention of keeping. The members of the Save Waverley Park group were encouraged to go out there and campaign for the Labor Party and, more importantly, try to get a Labor member elected for Eumemmerring Province. They did all these things with the encouragement and at the behest of the honourable member for Dandenong and the then Leader of the Opposition, Steve Bracks, because they believed they were doing them in the best interests of the sporting community and football followers in the south-east of Melbourne. They thought

they would achieve something, because they believed the promises given to them by the Labor Party.

The reality is the Save Waverley Park campaigners were told a pack of lies. They were told things which the Labor Party did not believe but which they, in all their honesty, did believe. I am standing here today to say to the honourable member for Dandenong and Minister for Major Projects and Tourism and to the Labor government that they should not expect the Save Waverley Park campaigners to just totter along doing nothing about this issue.

Labor is going to have a fairly significant problem come the next general election in Victoria, because these people feel let down and they feel disappointed. They know they have been lied to and they know they have been cheated; therefore, they are going to do the thing the Labor Party understands best — that is, payback. Payback will arrive, and opposition members will look forward to that. However, one of the things members of the Save Waverley Park group cannot expect to get from us will be the kind of phoney, cheating and lying promises they got from the Labor Party prior to the last election.

That brings me to another point which I will make briefly before I sit down because I know a lot of other people want to contribute to this debate. If Labor makes these phoney, cheating and lying promises prior to a state election, what can the voters of Australia — certainly the voters of Victoria and more particularly the voters of eastern Melbourne, south-eastern Melbourne and southern Melbourne — expect during this current federal election campaign? I suggest that every time they hear a promise from a Labor Party identity or a Labor Party candidate they should think about Waverley Park and what went on prior to the 1999 election. Can they believe what the Labor Party is saying to them, because they have been badly let down over Waverley? Will they want a repeat of the dose and be badly let down again? Back in March this year —

**Mr Pandazopoulos** interjected.

**Mr COOPER** — The Minister for Major Projects and Tourism is seriously embarrassed. Back in March this year Kim Beazley, the federal leader of the Labor Party, said on radio:

If you don't have any policies, the issue of how you can afford them doesn't come up.

What a pity he did not relay that to Steve Bracks prior to the 1999 election, because then Mr Bracks and the Labor Party would not have made the crazy, phoney and lying promises they made about Waverley Park and

their commitment to it. Now Mr Beazley is out there making lots of promises and flip-flopping all over the place.

We on this side of the house want to know, and the people of the eastern and southern suburbs certainly want to know, where Mr Beazley stands in regard to the Scoresby project. Has he actually come out and committed himself to it or is he standing back flip-flopping as usual? Will he be on one side of the promise register today and on the other side of the promise register tomorrow, like he was with the illegal immigrants issue, when one day he was on one side and the next day he was on the other side? Where does he stand on the Scoresby freeway issue? Where is he in regard to his flip-flop position on defence? Where is he in regard to his flip-flop position on drugs? Kim Beazley's approach to policy making is to blow with the breeze. He is the windsock of federal politics. He just goes along with whatever seems to be a good idea at the time.

The people of the eastern, south-eastern and southern suburbs of Melbourne need to remember Waverley Park; they need to remember the lies they were told; and they need to remember that they were given promises that Labor had no intention of keeping. Now they are going to hear a lot more from the Labor Party about important issues that are vital for them in their survival in the community, in business and in their private lives. Will they be able to believe Labor candidates who are going to repeat the same kind of stuff we have heard time and again?

My view is that they will not be able to, because every time a Labor candidate or a Labor frontbencher makes a commitment on policy during the federal election, in their minds will flash up a picture of the Minister for Major Projects and Tourism, the honourable member for Dandenong. They will know just how untruthful those promises will be, and they should vote accordingly.

### **Aged care: Gippsland**

**Mr MAXFIELD** (Narracan) — I grieve for the frail, older people of Gippsland, who need but cannot get access to nursing home or hostel care. I grieve because Gippsland is the most underbedded region in the most underbedded state in a nation that is facing a shortfall of more than 11 000 aged care beds.

**Mrs Shardey** interjected.

**Mr MAXFIELD** — I noted the opposition member across the chamber asking, 'What are you doing?'. When I get through my speech she will have heard

about the Bracks government's commitments to aged care in my electorate, and that Victoria cannot get funding for beds from the federal government. But I will get to that shortly.

A recent report on the operation of the Aged Care Act from July 2000 to June 2001 showed that Victoria carried a nursing home bed shortage of 4990 operational places. What a damning indictment of the federal government. It is completely ignoring the needs of the elderly in our community, those who have worked hard to build us into the society we are today.

**Mrs Shardey** interjected.

**The DEPUTY SPEAKER** — Order! The honourable member for Caulfield will cease interjecting.

**Mr MAXFIELD** — This is a very serious issue, and it is sad that those opposite seem to want to interject and interfere with an issue as important as the care of the aged in our community.

In my electorate I am proud to have some fine facilities — at Neerim South, Warragul, Trafalgar, Drouin and Moe — which serve our aged very well. However, it is sad that we cannot get the funding for beds from the federal government to enable that to continue.

The commonwealth's own figures show that Victoria alone carries nearly half of the nation's residential aged care shortfall. What a tragic indictment that the federal government has chosen to ignore Victoria in such a way that Victoria has half of the dramatic unmet need across the country. Why is it that the federal government is so anti-Victorian? What is it that makes the federal government hate Victoria so much? It has cut road funding and a whole range of other funding initiatives for Victoria, and when it has come to the most needy in our community — the aged — once again the uncaring, federal government has tragically ignored the urgent and continuous pleas that have come forward from a range of areas in our community.

I refer to a media release of this morning from the Australian Medical Association Victoria. You certainly cannot accuse the AMA of being a Labor Party organisation. What does the AMA, which represents doctors — and which some would argue would in some areas have more affinity with Liberal than with Labor — say about aged care? In the press release it says in part:

AMA Victoria aged care spokesperson, Dr Mark Yates, said while it was acknowledged that Victoria had an overall

shortage of aged care beds, the analysis of these shortages by electorates has uncovered high levels of deficiency in certain areas.

I refer immediately to the two federal electorates of Gippsland. Gippsland is supposedly serviced by the mainly absent federal member for Gippsland, Peter McGauran, who spends most of his time going to the opera in Sydney rather than looking after his electorate. What is the benchmark shortage there? There is a shortfall of 209 beds in Gippsland alone. In the neighbouring seat of McMillan — which is ably represented by Christian Zahra, who is doing a fantastic job representing his community — what is the shortfall? It is 184 beds. Together there is a shortage of almost 400 beds. Gippsland is the worst affected region in the state, and Victoria is the worst affected state in Australia. What a damning indictment. Why is the federal government abandoning Gippsland?

I contrast that with what the state government is doing. In the Latrobe Valley it has put together a \$100-million rescue package. The best the federal government can come up with is a so-called package of \$12 million. Even then, areas like Baw Baw, which has had losses with the Bonlac factory, gets nothing out of that. This is a very sad indictment of the federal government.

The AMA media release refers not only to the lack of beds but also to the federal government's funding of the beds. Further it states:

Funding per bed is another key issue in this area, with aged care providers suggesting that current levels are inadequate to recruit and retain nurses and other staff.

While AMA Victoria welcomes moves to offer choice in aged care settings, any such moves will need to be well funded and resourced to ensure carers are supported and the problem is not being shifted from one sector to another. Support for care in the community and other facilities is essential, and especially while we are waiting for more beds to become available.

It concludes by saying:

'We hope that voters will use this information to make an informed decision on election day. Aged care policies for both parties will need to address bed numbers and funding per bed if we are to improve the care of older Australians',  
Dr Yates said.

Clearly the AMA has issued a damning indictment of the federal government's neglect of aged care, not only in Victoria but also in Gippsland.

I continue to look at some of the issues. It is appalling that the carers of the frail and elderly in Gippsland are experiencing anxiety, stress and uncertainty about not being able to access a nursing home or hostel when one is needed. I have received phone calls at my office from

people desperate to find appropriate accommodation for their loved ones, people in their family who they have loved and cared for and who at this most critical time in their lives need the support and care that in the past they would have taken for granted would be available. We have an ageing population and there is a great need, but sadly that need is not being addressed.

Are we near breaking point? I believe we are. Unprecedented pressure is being placed on our health system, and obviously that translates to what is happening in our hospitals.

I again refer to my own electorate and to the issue I raised when I started to speak — what is the Victorian government doing? There is a stark contrast. The town with the greatest need for nursing home beds in Gippsland is Trafalgar in my electorate. What has the state government done? It has promised \$2 million to build an aged care facility at Andrews House for a nursing home, and \$2 million is enough to build the facility. The only thing we are waiting on are the beds to be provided by the federal government. Trafalgar is the town with the greatest need in Gippsland, the region which has the greatest need in the state with the greatest need. At the last round how many beds did the federal government offer Trafalgar? Not one — a big zero. We put in an application. The local health care group and the government put in an application. I sent off letters, we lobbied, and Senator Judith Troeth and Christian Zahra, the federal members, strongly lobbied as well, but all of that fell completely on deaf ears.

We were stunned, because at the same time the federal government announced there would be hostel beds in towns nearby for private operators which were in excess of what they needed. Some towns, which had waiting lists of 30, got almost 80 beds, most of which went to private operators. But because the Trafalgar facility is run by the West Gippsland health care centre and is effectively owned by the community, did it get a bed? No.

That is because there appears to be this incredible bias towards private operators. Not only are they not giving us enough beds and ignoring our needs, but when some beds do get allocated it is based on some bizarre, ideological belief that a private operator is the better provider, even if the beds are not where the greatest needs are. Can you imagine how disjointed and twisted the federal government's thinking is? Knowing that there is this massive need, it ignores the areas of greatest need because the facilities are owned by the community and tries to allocate what little resources it has to the wrong areas because of that incredible bias to

private operators. That has left me feeling quite sad about how the federal government is treating aged care.

I will mention some of the facilities in my electorate. Andrews House in Trafalgar, which has already been referred to, has hostel-type accommodation which is very well supported by the community. I have visited this well-regarded community facility, and I congratulate all those people in the community who have supported it. I also congratulate the staff, who provide wonderful care for those who reside there. Some of those, unfortunately, need to move on to a higher level of care. We desperately need a federal government that will provide those beds so they can stay within the one facility and simply move to a higher level of care as required.

I refer to Coinda Lodge in Warragul, another great facility next to the West Gippsland hospital and part of the West Gippsland Healthcare Group, which has a fantastic reputation in the community for caring for the elderly. At Neerim South we have a wonderful bush nursing hospital and nursing home, which fortunately has been granted a small number of extra beds — although we need further funds to build the facility. It is well supported by the community and provides tremendous care to a very high standard, which we are very proud of.

I refer to the Lyrebird hostel at Drouin, another community facility that is supported by a lot of people. My own family has attended its fundraisers, and I went to a fete there the other day. It is a well-regarded facility that is owned by the community and run by the community for the community. Unfortunately, although it has been given a small number of hostel beds, the federal government has not given it the funds to assist with the building of a facility. I shall be lending my support to the activities which are about to begin in Drouin to raise the funds required. I will be at Lyrebird on Friday when we go forward to raise the finances that are needed to ensure the building of a fantastic facility.

We also have some facilities in Moe which are delivering great services to our aged and elderly. If only we could get the federal government to come to the party and give us some of the beds we need.

I will now look at the shortfalls. The City of Latrobe, which is in part of my electorate and is also ably represented by the Minister for Agriculture, has a shortfall of 42 nursing home places. The Shire of Baw Baw has a shortage of 40 nursing home places; and down the road the Shire of Wellington has a shortfall of 27 nursing home places. How sad it is that we have to

go through these figures, knowing the great need that exists!

At the beginning of this year Gippsland had a shortage of 129 nursing home places. Given that the population is ageing and there are virtually no new places coming on-stream, the situation is in reality worse than it appears. East Gippsland has a shortage of 38 residential aged care places, comprising 30 low-care places and 8 high-care places. The federal electorate of Gippsland has also been affected, as has the electorate of McMillan.

I place on the record my admiration for the untiring work done by the ALP candidate for Gippsland, Bill Bolitho, in roaming around the electorate lobbying for extra places. We have seen, for example, that because of the many retired people living in East Gippsland and in Lakes Entrance, including those who have gone to retire around the Gippsland Lakes, there is a great need for more nursing home care. We are seeing pockets develop not only across Gippsland but in other areas where, unless we act quickly, we will soon get into a difficult situation.

Bill, who I believe will be the next honourable member for the federal seat of Gippsland, has as one of his highest priorities the issue of aged care. I thank him very much for his strong interest in the area. I would also like to thank our own Minister for Aged Care, who has ably backed up aged care in Gippsland.

She is somebody I have been able to work with very closely. She has provided me with great support in lobbying and striving to meet aged care needs in Gippsland.

As I conclude my comments today I grieve for the lack of the wherewithal to meet those needs. Fortunately with people like the Minister for Aged Care and candidates like Bill Bolitho, as well as members like myself and Christian Zahra, the Labor Party will not give up. We will continue to fight for the facilities to cater for aged care needs in our community. We will not waste a minute of time in our fight to meet those needs in Gippsland. Gippsland is a wonderful community — —

**The DEPUTY SPEAKER** — Order! The honourable member's time has expired. The honourable member for Box Hill has 7 minutes.

### **Taxation: government policy**

**Mr CLARK** (Box Hill) — I grieve because of the high-taxing Bracks government and the ever-increasing burden it is imposing on ordinary Victorians, on

investment and on jobs. It is going down the same path as Rob Jolly did in the late 1980s.

If we look at the aggregate statistics for what has happened to taxation since the Bracks government came to power, setting aside the taxes that have been eliminated or varied as part of the commonwealth's new tax package and the electricity franchise fees, and looking at the ongoing tax burden the government is imposing on taxpayers, we see that since the Bracks government came to office there has been overall a 17.9 per cent increase in the tax burden — an increase of over \$1.2 billion! It is a massive impost in just two short years compared with the final budget of the Kennett government.

That tax increase is concentrated in a number of specific areas. If we look first of all at payroll tax we see an increased burden of \$375.7 million, or 16.9 per cent; if we look at motor vehicle taxes we see increased burdens of \$37 million, \$38 million and \$30 million on vehicle registration fees, stamp duty on vehicle transfers and other motor vehicle taxes respectively; if we look at taxes on insurance we see an extraordinary \$330 million increase, or 90.3 per cent, the explanation of which is not forthcoming in any of the budget papers that I can find; but if we look in particular at the increased burden on property we see that the increase has been quite extraordinary. A comparison of the 1999–2000 budget with the 2001–02 budget reveals that land tax has increased by 46.3 per cent, or \$179 million. If we look at stamp duty on land transfers we see a striking picture. The figure in the final budget of the Kennett government was \$911 million. The revised figures for the 2000–01 year put that figure up to \$1.26 billion — an increase of some \$349 million or 38.3 per cent.

This year's budget forecasts a reduction in that amount, but certainly on the trends to date this year it is likely that there will be a third successive windfall for the Bracks government in its stamp duty collections. Indeed the Treasurer confirmed in question time yesterday that stamp duty revenues for the year to date are running very strongly. Yet he refused to consider the possibility of granting stamp duty relief even if the government achieves, as it looks likely to on current trends, a third successive year of stamp duty revenue windfall compared with budget.

The Treasurer has tried to claim that this increase in stamp duty has been a result of the increased volume of transactions, a result of greater business activity. What he is doing is trying to distract attention from the fact that a very large proportion of this increase comes as a result of increased property prices and therefore as a

result of the increased burden on individual taxpayers in their individual transactions rather than as a result of any change in the total number of transactions. That is revealed starkly when one looks at the figures for the stamp duty payable on a median-priced property in Melbourne.

In September 1999 — the last quarter of the Kennett government's term in office — the stamp duty payable on a median-priced property in Melbourne was \$9490. In the June quarter of 2001 — the most recent available figures — that impost had risen to \$13 120, a massive 38.25 per cent increase in the amount of stamp duty payable on the purchase of a median-priced home in Melbourne. That is nothing to do with the volume of transactions; it is to do with the increased burden on individual transactions. If you break that down into the increase quarter on quarter in the burden imposed on the purchaser of a median-priced house in Melbourne, that works out at a 4.74 per cent increase per quarter in the burden — a very nice earner for the Bracks government!

We have now reached the point with the burden at \$13 120 that it is eating up virtually all of the \$14 000 first home buyer grant that is being provided by the Howard government. We have heard a lot of humbug on that score from the Treasurer over recent days. Rather than pick issues with the federal government he should be concentrating on the fact that nearly all of that \$14 000 is going back into state coffers to pay the increased stamp duty burden that has been imposed during the course of this government's period in office. This, as I said at the outset, is a parallel with the pattern under the Jolly treasurership in the 1980s, when on the back of increased property values the coffers were swollen with revenue, but when that revenue source dried up that government found itself in a very difficult situation.

The Treasurer has tried to justify this increase on the basis that Victoria has an off-the-plan stamp duty concession. He has attacked the first home buyer scheme, but that concession ironically provides greater benefit to the purchasers of higher value properties than to the purchasers of lower value properties. Both he and the Premier have on several occasions implied that that concession provides a total exemption from stamp duty, and they are incorrect on that; it only provides an exemption from that part of the stamp duty that applies to property that has not yet been built.

**The DEPUTY SPEAKER** — Order! The time for raising grievances has now expired.

**Question agreed to.**

## LIVESTOCK DISEASE CONTROL (AMENDMENT) BILL

*Introduction and first reading*

**For Mr HAMILTON (Minister for Agriculture)  
Mr Brumby introduced a bill to amend the Livestock  
Disease Control Act 1994 and for other purposes.**

**Read first time.**

## STATE TAXATION LEGISLATION (AMENDMENT) BILL

*Introduction and first reading*

**Mr BRUMBY (Treasurer) introduced a bill to amend the  
Duties Act 2000, the Land Tax Act 1958 and the Taxation  
Administration Act 1997 and for other purposes.**

**Read first time.**

## VICTORIAN ARTS CENTRE (AMENDMENT) BILL

*Second reading*

**Debate resumed from 19 September; motion of  
Ms DELAHUNTY (Minister for the Arts).**

**Mr PATERSON (South Barwon)** — The Victorian Arts Centre (Amendment) Bill is, although short, a very important bill, as we will discover. The principal objective of the bill is to amend the Victorian Arts Centre Act 1979 to expand the functions of the Victorian Arts Centre Trust so as to allow it to include in its responsibilities the establishment and maintenance of a public art collection. It also includes other related amendments.

It is timely to take this opportunity to pay tribute to the shadow Minister for the Arts, the honourable member for Mooroolbark, and we wish her a very speedy recovery and hope she is able to return to the chamber as soon as possible. I am sure all honourable members wish her well.

**Honourable Members** — Hear, hear!

**Mr PATERSON** — The main driver for this amending legislation is tax, and it results from a ruling of the Australian Taxation Office that made the legislation necessary. The Victorian Arts Centre Trust needs an explicit statutory role in relation to its public art collection and gallery-like functions so that people in our community who are generous enough to donate important works of art to the arts centre can participate

in the cultural gifts program. The bill will enable donors to have access to more generous tax deductibility arrangements than are available under other schemes. As I understand it, the bill brings the arts centre into line with many other arts institutions around Australia and simply complies with a ruling from the Australian Taxation Office.

The Victorian Arts Centre has an excellent collection, and I encourage all honourable members to see the artworks at the arts centre. Many people think that if they wish to view artworks they need to go to the gallery in Melbourne or one of the other wonderful galleries we have around Victoria including the excellent gallery in Geelong and the very good art gallery in Bendigo which I visited during the commemorative sitting. I am sure many other honourable members were also delighted to visit the Bendigo Art Gallery when we were there for our sitting. It is quite a large gallery, and the staff do an excellent job. I take this opportunity on behalf of the house to pay tribute to the generosity of the Myer family at Bendigo in particular and elsewhere around Victoria.

The Victorian Arts Centre's art collection comprises more than 1700 works by some of Australia's most highly regarded modernists and contemporary artists including painters Arthur Boyd, Sidney Nolan, Clifford Possum Tjapatjarri, John Olsen, Jeffrey Smart and Roger Kemp, and sculptors Inge King, Clifford Last and Clement Meadmore. These and many others are represented in the collection. Most of the art is on public display throughout the foyers and public areas of the centre, and there are wonderful sculptures around the arts centre itself, along St Kilda Road and at the Sidney Myer Music Bowl.

The Victorian Arts Centre wrote to the opposition encouraging us to allow this amending legislation through. It is very important to them. A letter from Tim Jacobs, who is the chief executive of the Victorian Arts Centre, states:

The amendment completes the process begun by the previous coalition government of incorporating the Victorian Arts Centre's collections and other associated exhibition and educational activities into the core charter of the trust.

It needs to be recognised that this process was started under the previous government, as was the extensive program of capital works at the arts centre.

Another aspect of this legislation is the amendment of the Museums Act 1983, which removes the requirement of the Museums Board of Victoria to obtain ministerial approval when engaging consultants

or technical advisers. We are advised by the department that this brings it into line with other statutory authorities and arts agencies in Victoria. I should signal a cautionary note. The record of the Minister for the Arts in overseeing of some of these matters, particularly at Cinemedia, shows that it is necessary for her to lift her game when it comes to some of her responsibilities.

The Liberal Party does not oppose the bill and trusts that it, particularly the first part, will encourage a great many more people to reconsider their generosity and perhaps contribute more significant artworks to the Victorian Arts Centre.

**Mr MAUGHAN** (Rodney) — It is with some pleasure that I speak on the Victorian Arts Centre (Amendment) Bill. I compliment the honourable member for South Barwon on his contribution. I also extend my very best wishes to the honourable member for Mooroolbark, who usually handles arts issues. I wish her a full and speedy recovery from her illness.

As the honourable member for South Barwon has already indicated, this is a relatively minor piece of legislation that essentially amends two acts of the Victorian Parliament. It amends the Victorian Arts Centre Act 1979 to change the functions and powers of the Victorian Arts Centre Trust to enable it to establish and manage a public collection of art. I will deal with the second aspect later.

Firstly I wish to distinguish the Victorian Arts Centre Trust from the National Gallery of Victoria. They are obviously two quite distinct institutions. The Victorian Arts Centre Trust manages about 1700 individual pieces of art, including some very notable paintings. Some very generous benefactors have given those artworks to the arts centre for display. The Victorian Arts Centre is a very important cultural and artistic icon in the state of Victoria. We have done remarkably well in this state over recent years since the establishment of that magnificent centre on St Kilda Road. I am sure many honourable members, like me, enjoy attending various functions at the centre to see the performing arts live and also exhibitions. It is a magnificent centre, and we as Victorians can be very proud of it.

This legislation essentially makes it very clear that benefactors and philanthropists who have given donations to the centre are eligible to receive benefits under the cultural gifts program. I will talk about this program briefly. It was initiated by the commonwealth government to provide taxation incentives to people who are prepared to give the important works of art they possess to public institutions throughout Australia. Something in the order of \$170 million worth of gifts

have been given under this program. I pay tribute to the federal Minister for the Arts, the Honourable Peter McGauran, for this program and for encouraging and developing it to enable works of art to come into the public domain. People who have valuable possessions can give them for the benefit of the overall public.

There is some doubt about whether the existing legislation makes it clear that benefactors are able to get those deductions. In the briefing we questioned the bureaucrats about whether that was made clear, and they undertook to provide us with a copy of a letter from the Australian Taxation Office (ATO). They did not provide a letter from the taxation department, but they did provide a letter from the executive of the Victorian Arts Centre Trust, which states:

... I received verbal confirmation from the ATO that the proposed legislation —

that is, the legislation we are dealing with today —

will provide the confirmation, required by the ATO, of the VACT's role as a 'public art gallery'.

This legislation is about clarifying the trust's role as a public art gallery to make it clear to donors that they are able to get the benefits under the cultural gifts program.

The cultural gifts program relies on the donor obtaining two valuations of the painting or artwork given to the gallery. The average of those valuations can then be claimed as a tax deduction for the financial year in which the gift was made. Further changes have been made to that legislation to waive some of the capital gains tax provisions on works of art donated to galleries under this program. It is an important program; something like \$170 million worth of artwork has been donated to galleries throughout Australia under this program.

The legislation makes some relatively minor changes to the Victorian Arts Centre Act 1979. Clause 4 of the bill inserts after section 3A of the principal act proposed section 3B, which defines a public art collection. That is an important addition to the principal act. The public art collection comprises all artworks, including paintings, works on paper, sculptures and textiles of cultural, social or historical significance that are vested in the Victorian Arts Centre Trust, acquired and accepted for the public art collection of the trust or given or bequeathed to the trust or held on trust by the trust, whether before or after the commencement of the Victorian Arts Centre (Amendment) Act.

The bill also enlarges the functions of the trust by adding two proposed paragraphs after section 5(1)(f) of the principal act. They require the trust:

- (fa) to establish, maintain, conserve, develop, promote and exhibit the public art collection; and
- (fb) to make any object from the public art collection available for study or loan to persons or institutions, subject to any conditions that the Trust determines ...

That is not controversial and there is bipartisan support for those provisions. I think this legislation will be supported by all sides of the house.

The bill also deals with the Museums Act 1983 and makes a tiny housekeeping amendment to that act. As it currently stands the Museums Act says with regard to the engagement of the consultants that:

The Board may with the approval of the Minister engage such consultants and technical advisers as the Board ...

That means that the Minister for the Arts must personally approve the appointment of the consultants and technical advisers the Museums Board of Victoria wishes to appoint. The amendment before the house essentially deletes the necessity for obtaining the minister's approval and vests that authority in the museums board. There is no problem with that, it is normal commercial practice.

The National Party will not be opposing this legislation. It supports the bill, and I wish it a speedy passage through the house. I hope that having clarified some of the aspects I referred to this legislation will encourage further donations to the Victorian Arts Centre Trust.

**Mr MILDENHALL** (Footscray) — I welcome the opposition's support for this government legislation, which is a significant milestone in the arts portfolio. The Victorian Arts Centre (Amendment) Bill has two essential features: it amends the Victorian Arts Centre Act 1979 to expand the functions and powers of the Victorian Arts Centre Trust to include responsibility for establishing and maintaining the public art collection; and it amends the Museums Act 1983 to remove the requirement for the Museums Board of Victoria to obtain ministerial approval when engaging consultants and technical advisers.

As other members have said, this is not earth-shattering legislation, but it is a useful bill which will enhance the arts centre's capacity to attract donations of significant works of art. Financial viability is obviously a key consideration of the Victorian Arts Centre Trust and the bill formalises and legitimises a longstanding activity of the trust — that is, the collection and reception of significant contemporary works of art. That is possibly an unusual function in the context of the arts centre's main role.

We look at the Victorian Arts Centre and we see the State Theatre, the Playhouse and the other theatres, the Melbourne Concert Hall and the Sidney Myer Music Bowl. We do not usually think of those buildings as having as a principal function the housing and displaying of significant artworks because they are mainly about the performing arts. However, as a result of bipartisan support and development work done by the previous government and the trust, legislation was passed through the Parliament last year to formalise the role of the collecting of material for the performing arts as one of the legislated functions of the Victorian Arts Centre Trust. This legislation formalises the role of the trust in collecting and receiving contemporary artworks.

Those who take an interest in these matters will know of the significance of the performing arts collection held by the Victorian Arts Centre. It is by far and away the greatest collection in Australia in terms of quality and breadth. The extensive collection of Dame Edna Everage costumes would be dear to every Melburnian's heart. The arts centre collection includes Tivoli-era programs and memorabilia, archival material and the history of the Australian Ballet through costumes. The Bell Shakespeare Company has made the Performing Arts Museum the home of its material.

We have that long-established role but the less well-known role is, as other honourable members have indicated, the housing of some 1700 significant artworks. Members will know of many of those pieces — the Arthur Boyd series, the magnificent Fred Williams which is outside one of the theatres, the Sidney Nolan mural and the important Aboriginal pieces in the foyer of the Playhouse. While the National Gallery of Victoria has a major role in this area, a role which is not threatened or compromised by this legislation, it is an enriching component and feature of the Victorian Arts Centre that so many magnificent works of art adorn its foyer areas and function areas.

As a previous speaker said, a key feature of this legislation is that it enables a level of tax deductibility for the donation of these contemporary artworks. A significant part of that is that it will enable the present-day value of those pieces of art to be claimed regardless of the original purchase price.

I would have thought that would be a significant incentive for a potential donor to the Victorian Arts Centre to see the maximum impact of the value of that generosity being available to the arts centre and, hopefully, publicly acknowledged.

The changes to the Museums Act enable the museums board to approve consultancies and technical advisers

without requiring ministerial approval. Apparently the need for this is regarded as the result of an oversight. In 1997 the former government changed the legislation for other arts agencies to allow for independence in engaging consultants and technical advisers, but the Museums Act was not included in that legislation. This bill puts various museums and the museums board under the same legislation as applies not only to other arts agencies but also to other government agencies across the board.

It is fair to ask why there would not have been a consistent approach in these matters, so including museums within a standard framework is obviously desirable. With the scale of operations of the museum — the level of visitation and the size of the financial operation — it is entirely appropriate to do this. My understanding was that the museums board had something in the order of \$400 000 in consultancies for the last financial year. We are not talking about an agency that conducts most of or a huge range of its activities via this means. All of those consultancies were of a figure less than \$100 000. This legislation rectifies a minor oversight rather than allowing a huge part of the operations of the museum to be subject to fewer controls.

Obviously, providing this greater ability or this lesser role of ministerial approval means that the museums board will need to adhere to the same standards as every other agency in terms of government purchasing guidelines. These guidelines have been tightened and adhered to more closely since the change of government. Some of the consultancies and practices of the previous government were the subject of critical comments by the Auditor-General. Debate on this legislation is not an opportunity to go into those matters. Other honourable members may do that as they make what I am sure will be expansive contributions on the Victorian Arts Centre (Amendment) Bill.

**Mr Baillieu** — Can you get a deduction for donating Paul Hudson to Richmond?

**Mr MILDENHALL** — There are works of art in the west that are heading closer to the arts centre precinct, but I think the role of antique works of art is not as valued in the Western Bulldogs team as it might be in the Richmond team!

The Victorian Arts Centre Trust has a very healthy level of contribution made to it by people who donate either works or cash. During the last three financial years such donations have been between \$2.98 million and about \$3.8 million. It is a healthy level of revenue flowing into the centre. It is fair to say that my

discussions with the trust have indicated that it expects a quite substantial increase in both revenue and the value of donated works as a result of this legislation going through. That will not only enhance the financial viability of the centre but will also potentially provide the centre with a wider range of works of art. It is clear that the momentum behind the donations program has seen not only the best performing arts centre and museum and collection of performing arts memorabilia in Australia, but also an extremely significant collection of contemporary artworks. That is fitting for such an icon in the Australian arts scene. Apart from the Sydney Opera House, the Victorian Arts Centre would be the pre-eminent and best known arts facility in Australia. With its range of functions and activities and impact on the Victorian community I am sure that its role and its viability will be enhanced by the passing of this legislation.

Since coming to power the Bracks government has enhanced the membership of the trust with the appointment of a couple of well-known Victorians — Stefano de Pieri and Victoria Marles — but we have also noted the retirement from the trust of Richard Pratt. I believe the Parliament needs to note the contribution made by Richard Pratt to the centre and to cultural life in Victoria generally. It has been a magnificent contribution.

At his appearance at the Footscray community arts centre the other day, when he accompanied the Premier in the launching of the community building program, his other magnificent efforts in philanthropy were recognised by members of the cabinet who were there and the many heads of agencies and local government. His role in the arts is also well acknowledged. His is a presence that will be missed by the Victorian arts community. Certainly we hope his amazing efforts in civic philanthropy continue with the same momentum that has characterised them to now.

This is minor but useful and valuable legislation, and I am sure it will be welcomed by the Victorian arts community.

**Debate interrupted pursuant to sessional orders.**

**Sitting suspended 1.00 p.m. until 2.05 p.m.**

## QUESTIONS WITHOUT NOTICE

### **Transport Accident Commission: financial position**

**Dr NAPHTHINE** (Leader of the Opposition) — I refer the Minister for Workcover, who is the minister

responsible for the Transport Accident Commission, to the Auditor-General's report tabled today, which once again shows that you simply cannot trust Labor with money management. In this case you cannot trust Labor with running the TAC. After presiding over a massive \$730 million blow-out in the TAC, will the minister advise the house what the commission's solvency margin was on 30 September at the end of the first quarter of this financial year, and is it below the 15 per cent prudential minimum standard set by the chairman of the TAC?

**Mr CAMERON** (Minister for Workcover) — I thank the Leader of the Opposition for his question. As honourable members are aware, the Transport Accident Commission made an insurance profit in the last financial year of \$237 million, reflecting the health of the scheme. As you are aware, Mr Speaker, the TAC operates effectively along commercial lines within the public sector. The TAC had the same chairman, Margaret Jackson, for eight years, and she did a very good job.

Honourable members will appreciate that in his very positive report about the TAC and its service delivery the Auditor-General makes it clear that the commission's work practices and policies provide a good framework for the proactive and accountable management of major injury claimants.

**Dr Napthine** — On a point of order, Mr Speaker, on relevance, the question relates to the solvency margin. I ask that the minister be asked to answer that question — that is, what is the solvency margin?

**The SPEAKER** — Order! I do not uphold the point of order raised by the Leader of the Opposition. His question made reference to the Auditor-General's report. The minister was responding and his response was relevant, and I will continue to hear him.

**Mr CAMERON** — Certainly the Auditor-General's report makes it very clear that in most of the key determinants the commission performed well, with adequate or best practice case management being observed in 9 out of 10 cases. The question is: is the TAC solvent? It is very solvent, notwithstanding the very poor investment environment at the present time as a result in particular of the events which occurred on 11 September.

The Transport Accident Commission is solvent. That is because over the years under the leadership of the former chairman, Margaret Jackson, the TAC put away excess capital, so in the event of a difficult investment environment there will be surplus capital. As Victorians

we certainly say thank you to the board of the TAC for that approach over the years.

The only people who get any joy out of the fact that global investment markets are down and the only people who get any joy out of the events of 11 September, most regrettably, are the members of the opposition. The TAC is solvent.

**Dr Napthine** — On a point of order, Mr Speaker, I take great offence at the suggestion by the minister that the opposition takes some joy out of the events of 11 September. That is an absolutely outrageous comment, and I ask him to withdraw it.

**The SPEAKER** — Order! The Leader of the Opposition has found the remarks made by the Minister for Workcover offensive. I ask the minister to withdraw.

**Mr CAMERON** — I did not make any remarks relating to an individual, but given the suggestion I will withdraw.

### **Water: national action plan**

**Mr STEGGALL** (Swan Hill) — I refer to the comments made by the Minister for Environment and Conservation in question time yesterday when she attacked the federal government for apparently not signing off on funding for Victoria under the national action plan (NAP). I ask the minister to inform the house how she expected the federal minister to sign off on the NAP when she and the Minister for Agriculture signed their approval of a list of proposals on Monday of this week and faxed the signed agreement to the federal minister yesterday at 11.30 a.m., just 3 hours before the minister stood in this place and accused the federal member of not signing off on the proposals before the federal election was announced.

**Mr Perton** interjected.

**The SPEAKER** — Order! The honourable member for Doncaster!

**Ms GARBUTT** (Minister for Environment and Conservation) — I am happy to enlighten honourable members opposite about the agreed process, which was that the projects would go through a series of assessments by a technical group and a steering committee and would then go to both federal and state members at the same time.

The federal ministers had those projects sitting in front of them for about the same time as my colleague and I had them, which was a couple of weeks, so it was not a

problem at all for the federal minister to sign what was sitting in front of him. The problem is that the federal minister did not sign!

We have been hearing from the commonwealth that Senator Robert Hill, the federal environment minister, wanted to sign but that the Minister for Agriculture, Fisheries and Forestry refused to sign. Let us make it very clear so members of the opposition understand: the letters did not have to go from me to the federal minister; they went to the state and federal ministers together, so they could easily have signed off. The federal colleagues of members opposite obviously did not tell them that. Clearly their federal colleagues do not trust them — and I am not surprised.

We are still having an argument with the federal government about funding other areas, including the north-east. Clearly the north-east should be a part of the national action plan on salinity and water quality. I have twice written to Senator Hill asking him to put it in. The regions were suggested to us by the federal government, which absolutely refused to include the north-east. We have been arguing that point, and we are still arguing it. However, the federal government is walking away from the north-east, and the federal minister for agriculture, who refused to sign the documents that were in front of him for two weeks, has walked away from rural and regional Victoria.

**Questions interrupted.**

### DISTINGUISHED VISITORS

**The SPEAKER** — Order! Before calling the next question it is my great pleasure to welcome to our gallery today a very distinguished delegation led by Madame Ky Lum Ang from the National Assembly of the Parliament of Cambodia. Welcome! I hope you find this session enjoyable.

**Questions resumed.**

### Ansett Australia: financial crisis

**Mrs MADDIGAN** (Essendon) — I ask the Acting Premier to provide to the house the latest information concerning the campaign by the Bracks government to keep Ansett flying as the third carrier. Will he also inform the house of any barriers to Singapore Airlines investing in Ansett?

**Mr THWAITES** (Acting Premier) — I thank the honourable member for her question. The Bracks government is committed to doing everything it can to keep Ansett Australia flying. I compare that to the

federal government, which has done everything it can to force Ansett into liquidation. Today the Premier met with Dr Cheong, the senior executive officer from Singapore Airlines. It was a very productive meeting which took about 1½ hours.

*Honourable members interjecting.*

**Mr THWAITES** — Members of the opposition laugh. As always they have no interest in protecting jobs. They want to make a mockery of Ansett and the 17 000 employees that their colleagues in Canberra are throwing out of work. They do not care about that. By contrast, Victoria's Premier this morning had a very productive series of conversations with Singapore Airlines. I can advise the house that the Premier made it absolutely clear to Singapore Airlines that it is very welcome in Victoria and very welcome to take part in a remodelled Ansett.

Following the meeting, Singapore Airlines is giving serious consideration to taking on a management role in Ansett Mark 2 and to working with the administrators on a blueprint to develop a long-term structure for the airline. I can also indicate that Singapore Airlines is giving serious consideration to a longer term involvement in a relaunched Ansett, and further, that Singapore Airlines executives will arrive in Melbourne early next week for further discussions with the administrator. This meeting is the culmination of many discussions over many weeks involving both the Premier and the Treasurer, who have attempted to do everything possible to ensure that Ansett keeps flying in this state.

Honourable members opposite have interjected about the Prime Minister or the federal government supporting this. It was only in August that the federal transport minister, Mr Anderson, said that very little could be done to save Ansett:

Holding out a false hope that Ansett, which no-one has been able to save, is just that, a false hope that will take us up a dry gully.

That was the attitude. What about the Prime Minister, who supposedly backs this? I quote from the weekend *Australian Financial Review* of 29 and 30 September:

How Howard killed off Ansett's bid for survival.

The Prime Minister, Mr John Howard, ruthlessly overrode senior ministers who favoured a Singapore Airlines plan to recapitalise Ansett ...

**Dr Napthine** — I raise a point of order, Mr Speaker, and refer to the standing order on debating questions.

**The SPEAKER** — Order! As the Chair understands it the question sought information about the factors influencing the government's decision on this matter. However, I ask the Acting Premier to desist from debating in responding to the question and to continue to provide information to the house.

**Mr THWAITES** — The question referred to the barriers to a relaunched Ansett, and there is one great barrier — that is, the federal government, which has persistently sought to drive Ansett into liquidation. Not only has the Prime Minister, Mr Howard, killed off Ansett, but once again the transport minister has demonstrated why he is a barrier to a reflowed Ansett by saying that Canberra wanted to 'see Qantas not confronted by a behemoth some time in the future' if Singapore Airlines was to buy up to 49 per cent of Air New Zealand. In other words, they did not want Singapore Airlines having an involvement in this airline.

We now face an even greater barrier. On 18 September the federal government issued a press release which stated that the federal government would pay for all unpaid wages and all unpaid annual leave and entitlements of workers. Then we find only this week that the federal Minister for Transport and Regional Services has written to the administrators asking them for \$150 million — money they would have had to invest in a reloaded Ansett — and saying, 'We want that money back for us'. The federal government is taking money out of Ansett and away from the workers to put in its pockets.

**Mr McArthur** — On a point of order, Mr Speaker, I refer to the sessional order that requires answers to be succinct. This answer has now been going for almost 7 minutes.

**The SPEAKER** — Order! I am not prepared to uphold the point of order. There have been a number of interruptions to the minister's answer. However, I remind the minister of the necessity to be succinct and ask him to conclude his answer.

**Mr THWAITES** — We have a situation where the federal coalition government is stealing workers' entitlements, and it is driving —

*Honourable members interjecting.*

**Mr THWAITES** — I have the letter here. The opposition might like to see this.

*Honourable members interjecting.*

**The SPEAKER** — Order! I ask both sides of the chamber to come to order. That level of noise is unacceptable.

**Mr THWAITES** — The federal government went out and said it was going to fund these entitlements; now it is stealing them back. But worse than that, it is making it impossible for the administrators to refloat Ansett.

**Mr Plowman** — On a point of order, Mr Speaker, following on from the previous point of order in respect of being succinct, the Acting Premier is currently debating the question and is certainly not being succinct. That period has now extended to 9 minutes.

**The SPEAKER** — Order! The Chair has already directed the Acting Premier to conclude his answer. I uphold the point of order and ask the Acting Premier to conclude.

**Mr THWAITES** — I call upon the federal government now to honour its previous commitment to fully fund these workers' entitlements and to do everything possible to allow the administrators to refloat Ansett so that we in Victoria and the rest of Australia can see a new Ansett and more jobs and more growth for this country.

### **Transport Accident Commission: financial position**

**Dr NAPTHINE** (Leader of the Opposition) — I refer the minister responsible for the Transport Accident Commission to the Auditor-General's report into the TAC, which states that claims expenditure is rising in all areas and that the scheme will require additional community funding or it will have to provide reduced benefits. I ask the Minister for Workcover to now advise the house which avenue the government intends to take — increasing premiums or reducing benefits.

**Mr CAMERON** (Minister for Workcover) — Regrettably the Leader of the Opposition has read this report upside down. If there had been problems it might have said that, but it does not say there are any problems at all. In fact, the report talks about the very good quality of service provision that exists within the Transport Accident Commission (TAC).

While the Leader of the Opposition tries to mislead the house, let me put the record straight.

*Honourable members interjecting.*

**Mr CAMERON** — Alan Stockdale understood insurance and these matters, but unfortunately there is no-one on the opposition side now who understands these things. I will read what the Auditor-General says. He says that the claims expenditure is expected to continue to rise:

... until the scheme matures in around 15 to 20 years when claims growth will be offset to same extent by retired claims ...

Unfortunately the opposition does not understand how insurance schemes — —

**Mr Perton** interjected.

**The SPEAKER** — Order! The honourable member for Doncaster!

**Mr CAMERON** — It does not understand how insurance schemes work when they are not mature.

**Dr Napthine** interjected.

**The SPEAKER** — Order! The Leader of the Opposition!

**Mr CAMERON** — This will continue to be the case and has continued to be the case since the commission — —

**Dr Napthine** interjected.

**The SPEAKER** — Order! I ask the Leader of the Opposition to show some cooperation and not to interject in that vein.

**Mr CAMERON** — That has been the case since the TAC was established on day one and it will continue to be the case until the TAC scheme matures because there are people who have lifetime care and more and more people are coming into the scheme each year.

The Leader of the Opposition tried to mislead the house, but if he had read the Auditor-General's report he would understand he was totally wrong. He would also understand that as a result of the good TAC insurance profit there is no need for there to be any impact on premiums, nor is there any need for there to be any impact on benefits.

### **Economy: performance**

**Mr LIM** (Clayton) — Will the Treasurer inform the house of the latest information concerning the outlook for the Victorian economy and employment growth?

**Mr BRUMBY** (Treasurer) — I thank the honourable member for his question. Since the house

last met two weeks ago a number of economic indicators have been released by the Australian Bureau of Statistics and other economic experts, and I want to bring those to the attention of the house. On Tuesday, 2 October, the ABS released its export statistics for August 2001, and I am delighted to advise the house that in August 2001 Victorian exports were up 13 per cent — again exceeding national growth — and up 30 per cent on the January figure. That is another example of the Victorian economy leading the Australian economy.

Last Wednesday the ABS released its building approval statistics, and they show that the number of new dwelling approvals in Victoria rose 34 per cent in August to a record high of 5378; that the value of total building approvals rose 29 per cent to a record high in August; and that the trend level of approvals in Victoria was the highest in Australia for the seventh consecutive month.

On Monday of this week the ANZ's September survey of job advertisements was released. Again, Victoria defied the national trend: in Victoria advertisements rose by 0.6 per cent, but nationally they fell by 1.6 per cent. For five consecutive months Victoria has recorded a positive growth in job ads.

Export statistics, building approvals and ANZ job ads are all confirmation that Victoria is leading Australia's national economy. Of course the more we get these positive statistics the more we get a vindication of the policies of the Bracks government. The doom and gloom merchants over there sink in misery every time there is a positive announcement for this state and gloat every time a job is lost. There is no state, economically, which is performing as well as Victoria.

Today Access Economics released its September 2001 business outlook.

*Honourable members interjecting.*

**Mr BRUMBY** — Well you hate that too, don't you, because there is more good news in it!

I will tell the house what Access Economics says about the Victorian economy. Firstly, it says this. It forecasts Victorian gross state product growth of 3.5 per cent in 2001–02, the highest of any state in Australia. Secondly, it notes that Victoria has 36 per cent of nationally committed economic infrastructure projects — again, the highest share in Australia. Thirdly, Access Economics predicts that for 2002–03 and 2003–04 Victoria will have the lowest unemployment rate of all of the states.

Here is what Access Economics says about our state and about the economic management of this government. It says this:

The success of recent years has been impressive, all the more so as the key driver of growth over the last two years —

that is, exports —

have never been ... a strong suit of Victoria.

It also says this:

The sustained Victorian turnaround is bearing fruit in terms of better population growth, as many economic refugees from the 1990s return to the fold.

It then says this:

Access believes that Victoria 'is superbly placed' to meet the national swing towards rapidly rising domestic demand.

The fact of the matter is that wherever you look — at whatever set of statistics or whichever report — they all say that the economic leadership in this state is exceeding that of any other state in Australia and that Victoria is the best positioned.

Here is another example. Last Friday the executive director of the Housing Industry Association, John Gaffney, was interviewed on 3LO by Jon Faine. In talking about the housing industry he said this:

... I think Victoria —

*Honourable members interjecting.*

**Mr BRUMBY** — 'What about the home owners grant?'. Here is an opposition that wants to pay the first home owners grant to multimillionaires. It wants to waste all the money out there —

*Honourable members interjecting.*

**Mr BRUMBY** — That is what you want to do!

*Honourable members interjecting.*

**The SPEAKER** — Order! I ask the house to come to order.

**Mr Perton** interjected.

**The SPEAKER** — Order! The honourable member for Doncaster.

**Mr BRUMBY** — Here we have John Gaffney saying:

... I think Victoria is unique at the moment. It has a very vibrant economy with lots of international migration arriving here and lots of interstate people coming back here, and that's

the driver: people drive housing rather than the other way around.

**Ms Asher** interjected.

**Mr BRUMBY** — The former shadow Treasurer keeps barking across the table, 'What about interest rates?' and 'What about the first home owner scheme?'. Interest rates and the first home owner scheme are the same in every state in Australia. Don't you understand that? They are the same in every state in Australia!

**Mr McArthur** — On a point of order, Mr Speaker, I draw your attention to sessional order 3(5), which says:

All answers to questions shall be direct, factual and succinct.

This one is far from factual and it is certainly not succinct, because it has now been going for over 7 minutes.

**The SPEAKER** — Order! I am well aware of the sessional order in regard to being succinct. I ask the Treasurer to conclude his answer.

**Mr BRUMBY** — Honourable Speaker, I was asked about the recent economic statistics for Victoria, and I have been providing the house with that information. The fact is that the opposition does not like the facts. It hates good news for Victoria, and it hates confirmation that we are performing better in this state — and better than the former Kennett government — than any other state in Australia.

The Bracks government is leading the way in economic recovery, getting on with the job, turning around the state economy and providing job opportunities for Victorians in ways that have never been provided before.

### Schools: digital divide

**Mr SAVAGE** (Mildura) — Under the information technology bridging the digital divide initiative the government has issued a public tender for 23 000 desktop computers. It is imperative that the servicing of these computers be retained at a local district level and not returned to a central servicing point in Melbourne. Can the Minister for Education give an unequivocal commitment that regional jobs will be protected and local servicing will be strictly adhered to?

**Ms DELAHUNTY** (Minister for Education) — I thank the honourable member for Mildura for his question and for his very clear understanding of the Kennett government's cruel computer funding formula

that left country kids right out of the action when it came to computers.

The Bracks government is investing \$63 million to broaden Victorian students' access to computers in schools, to bridge the digital divide and to continue driving the skills development that is largely responsible for the sort of economic development in Victoria that the Treasurer has outlined. This \$63 million includes funding for 23 000 computers right across the state, improved Internet access for schools right across the state and facilities such as computer pods in classrooms.

The important factor here is that this funding will be provided not according to whether schools can run lamington drives or sausage sizzles but according to need. This is an essential tool in the modern education repertoire. We will build the ratio so that it is one to five, and this will apply to all schools.

*Honourable members interjecting.*

**Ms DELAHUNTY** — No, not across the state, and that is the point. The Auditor-General has pointed out that country schools missed out — —

**Mr Perton** interjected.

**The SPEAKER** — Order! The honourable member for Doncaster!

**Ms DELAHUNTY** — Country schools missed out on the acquisition of computers, and that is the digital divide. You don't like it, but that is the fact.

**Mr Perton** interjected.

**The SPEAKER** — Order! I have asked the honourable member for Doncaster to cease interjecting on half a dozen occasions. I now warn him.

**Ms DELAHUNTY** — The tender has now been let for the provision of the 23 000 computers. It will ensure that Victorian students get best value out of this investment. This tender will also ensure that regional suppliers provide the local servicing of these computers. Further, the tender adheres to the Victorian government's participation commitment to maximise local industry involvement.

The aggregation of the purchasing of these extra computers has meant that we will get 6000 more computers for the same amount of money, so this is a sensible, best-value policy. Apart from regional suppliers doing the local servicing, we will continue to provide a further \$10 million to schools annually for the

maintenance of their information and communications technology (ICT) systems. This expenditure is at the schools' discretion, and one would expect it to be spent locally.

The honourable member for Warrandyte might find it quite illuminating that the Bracks government has also provided for the ongoing employment of over 500 technicians to support the ICT program in schools right across the state, country and city. We are investing in computers for kids and laptops for teachers and that will provide more employment opportunities across the state in the ICT industries and has ensured local industry involvement.

The last government, in which the honourable member for Warrandyte was a leading education minister, closed schools, sacked teachers and left country kids out in the cold when it came to computers. We are bridging the digital divide, city and country.

### **Transport Accident Commission: financial position**

**Dr NAPHTHINE** (Leader of the Opposition) — My question is to the Minister for Workcover who is responsible for the Transport Accident Commission. I refer to the parlous state of the TAC, whose annual report shows it has gone from a \$447 million profit last year to a \$192 million loss and to comments by the chief executive, Stephen Grant, in the *Age* of 28 September, that the TAC was undertaking a strategic review of services provided to seriously injured accident victims and in particular the cost of providing attendant care. Is this so-called strategic review the Labor government's underhand and sneaky way of significantly reducing care to seriously injured, long-term accident victims such as paraplegics, quadriplegics and those with severe brain injuries?

**Mr Helper** — On a point of order, Mr Speaker, I draw your attention to the need for the Leader of the Opposition to have succinct questions.

*Honourable members interjecting.*

**The SPEAKER** — Order! The Minister for Transport will find himself outside the house very shortly. Similarly, the honourable member for Kew, if he is not careful.

The honourable member for Ripon raised a point of order in regard to the need for succinctness of questions. I am of the opinion that that question was in the realm of not being succinct. I ask the Leader of the Opposition to come to his question immediately.

**Dr NAPTHINE** — I have finished it. It was so succinct it is finished!

**The SPEAKER** — Order! The Leader of the Opposition will also find himself outside the chamber if he continues in that vein.

*Honourable members interjecting.*

Questions interrupted.

### SUSPENSION OF MEMBER

**The SPEAKER** — Order! The Chair has been very tolerant with honourable members interjecting whilst it is on its feet. I name the honourable member for Kew for continuing to interject after he has just been warned, and under sessional order 10 I ask him to vacate the chamber.

Honourable member for Kew withdrew from chamber.

Questions resumed.

**The SPEAKER** — Order! I will not uphold the point of order on this occasion; however, I indicate to the house that there is a need for succinctness in both answers being provided and questions being asked. I call the Minister for Workcover.

**Mr CAMERON** (Minister for Workcover) — There are no plans to change the benefit regime in the legislation. As the Leader of the Opposition will be aware, the Transport Accident Commission produced an insurance profit last financial year of \$237 million. That is the measure of the financial strength of the TAC, the measure that is used by this government, as used by the previous government and as used by the Honourable Alan Stockdale. Certainly, solvency goes up or down, and that obviously depends on equity markets. For example, three years ago there was a substantial drop in solvency that picked back up again in the second and third quarters.

Of course, one of the things the Auditor-General makes clear is that you always have to be looking at improving your services, and you have to examine matters to bring about greater social action and a greater level of independence, particularly for people with acquired brain injury. They are the sorts of things the TAC has done over the years and will continue to do.

### Spencer Street station: redevelopment

**Ms ALLAN** (Bendigo East) — Will the Minister for Transport inform the house of the progress of another Bracks government major investment project for

Victoria, especially for regional Victoria, the redevelopment of Spencer Street station?

**Mr BATCHELOR** (Minister for Transport) — I am pleased to announce that the Bracks government is getting on with the job. As could be heard from the Acting Premier's response, we have Australia's leading economy and that is because we have got important infrastructure projects like the Spencer Street station redevelopment well under way. I am pleased to inform the house that Spencer Street station is to be redeveloped into a world-class showpiece for Melbourne and Victoria as a whole, and this follows the short-listing of three consortiums to bid for the station's redevelopment.

Honourable members would be aware that in July the Premier asked the private sector to lodge expressions of interest to build, operate and maintain a new world-class transport interchange at Spencer Street as well as to undertake commercial development there. In response to the expressions-of-interest stage, world-leading consortiums have come together — leading Australian consortiums made up of architectural firms, construction companies and financing companies — in competitive bids for this important project. As well as delivering a world-class station for the 21st century this project, which has a value of between \$200 million and \$300 million, will generate some 2000 jobs during construction.

I am pleased to announce that three outstanding consortiums have been selected to tender for this landmark project. They are the Civic Nexus consortium, which is made up of ABN AMRO Australia and Leighton Contractors — —

**Mr Honeywood** — On a point of order, Mr Speaker, as the Minister for Transport is reading from a two-year-old announcement, he might like to make the document available to the house.

**The SPEAKER** — Order! I will not uphold the point of order unless the honourable member for Warrandyte makes clear to the Chair what his point of order is.

**Mr Honeywood** — As per standing orders, Mr Speaker, I ask that the minister make available to the house the document from which he is reading almost entirely.

**The SPEAKER** — Order! Was the Minister for Transport quoting from a document?

**Mr BATCHELOR** — I am referring to my notes.

**The SPEAKER** — Order! I do not uphold the point of order.

**Mr BATCHELOR** — Clearly, the opposition does not like successful projects, and it resents world-leading companies doing business with the Bracks government. The business community understands that Victoria is the place to be and that major infrastructure projects are being undertaken right across the state.

Yesterday we had the Scoresby announcement. Today we have got Spencer Street — and they go on and on. You can understand why the opposition is resentful of the Bracks government getting on with the job, turning the state around and delivering major projects.

As I was explaining to the house, three consortiums are competitively tendering for this multimillion-dollar project at Spencer Street. The first is a consortium named Civic Nexus, which as I said is made up of ABN AMRO Australia and Leighton Contractors. They are using architects of outstanding national ability — namely, Daryl Jackson Pty Ltd. The second consortium that has been asked to tender is Spencer Connect, made up of the Commonwealth Bank, John Holland and Australand Holdings — leading Australian national companies — using architects such as Ashton Raggatt MacDougall, who were responsible for designing the National Museum. The third consortium is the Multiplex Rothschild consortium, made up of Multiplex Constructions and NM Rothschild and Sons (Australia) Ltd, which is using architects Denton Corker Marshall.

We have leading architectural firms on the international and national stage, leading construction companies and leading financiers. They are competing against one another for this important project. We hope to have the tenders appointed early next year with construction starting later that year and the project coming to completion in 2005.

This will be a landmark civic building for Victoria. The market research we have conducted so far with people who use Spencer Street on a daily or regular basis indicates that the development is long overdue because Spencer Street station is a neglected part of our transport system.

The project is a historic opportunity to properly link the Docklands with the western end of the central business district, to improve investment and redevelopment opportunities in that western part of Melbourne and to provide a great economic boost. It fits in exactly with the sort of strategy outlined today by Access Economics and reported to the house by the Treasurer.

### ALP: Dunkley federal candidate

**Ms McCALL** (Frankston) — I refer the Minister for Local Government to a memorandum from the chief executive officer and the mayor and councillors of Frankston City Council advising that a possible breach of section 77 of the Local Government Act, which relates to the improper use of information, has been referred to the minister for investigation. Will the minister guarantee to the house and the people of Dunkley and Victoria that he will expedite this investigation even though the councillor under investigation is Cr Mark Conroy, the current mayor of Frankston, who is a factional mate — —

*Honourable members interjecting.*

**The SPEAKER** — Order! The honourable member will conclude her question. The latter part of the question was not heard by the Chair.

**Ms McCALL** — Will the minister guarantee to the house and the people of Dunkley and Victoria that he will expedite this investigation, even though the councillor under investigation is Cr Mark Conroy, the current mayor of Frankston and a factional mate of the minister and Labor candidate for Dunkley?

**Mr Batchelor** — On a point of order, Mr Speaker, it is clearly the federal election silly season that is breeding that sort of a question.

**The SPEAKER** — Order! The minister will get to his point of order.

**Mr Batchelor** — My point of order is that slabs of that question are significantly out of order in that they do not deal with the minister's area of responsibility. The federal election campaign in Dunkley is not one of his responsibilities, and I ask you to rule those parts of the question out of order.

**The SPEAKER** — Order! The honourable member for Frankston asked the minister a question regarding his guaranteeing to the house that he will conduct an investigation that was requested by the honourable member for Frankston. That part of the question is in order. The latter statement in that question is out of order.

**Mr CAMERON** (Minister for Local Government) — The honourable member for Frankston wants gross political interference. I can tell her now it will not happen.

The chief executive officer of the council has written to me and makes no allegation about the person the

honourable member refers to. I understand her sensitivity because the Labor candidate outshines her all the time and the last thing she wants is a federal member who continues to outshine her again and again.

### **Ansett Australia: tourism**

**Ms GILLETT** (Werribee) — I refer the Minister for Major Projects and Tourism to the \$10 million tourism package the government provided in response to the Ansett crisis and ask him to inform the house of the latest progress in this campaign and the response the government and tourism industry have been given by the federal caretaker government to their call for a major commitment.

**Mr PANDAZOPOULOS** (Minister for Major Projects and Tourism) — I thank the honourable member for Werribee for her question on the tourism industry. There is a great contrast between the state Labor government and the federal Liberal government on leadership in tourism — a major difference!

Within days of the collapse of Ansett the Premier had shown his leadership by getting the tourism industry together in a round-table forum, which said, 'Nothing less than \$50 million from the federal government as a rescue package will help restore the tourism industry post-Ansett and post-terrorism in the United States'. Now the federal government is again thumbing its nose at the tourism industry, at the quarter of a million Victorians who benefit directly from tourism in this state as well as all the many young people in regional Australia who benefit from tourism.

The federal minister responsible for transport thumbed his nose at Ansett and called it a carcass. He wants to see Ansett dead because he messed up and does not want to give any life or breath to the company so that it can recover. We saw today some of that in the action referred to by the Acting Premier. We saw him thumb his nose at Singapore Airlines back in 1999 and again only a few months ago; then we heard him only last night saying, 'We welcome Singapore back'. The only reason he said that is that the Premier of this state has shown leadership by going to Singapore so that we can try to do what the federal government has not been able to do. The federal minister responsible for transport thumbed his nose at tourism.

And what about Jackie 'Blip' Kelly? What an insult to the tourism industry! People in the tourism industry tell me they went to a meeting with her and after meeting her felt embarrassed to be in the tourism industry.

What has come out during the period of the federal caretaker government? It has announced \$20 million in

assistance. Contrast that to the leadership of Kim Beazley, who weeks ago announced \$76 million as a rescue package to the industry. The federal government has announced \$20 million, and what is the \$20 million going to do? The federal government announced it during the caretaker period. It is leaving the industry hanging in the air not knowing whether any of that money is going to be spent now. The only government spending money of the proportion required is the Victorian state government, because of the leadership of the Premier.

What is that \$20 million for? What will that \$20 million do? Will it help Victoria? The reality is that hardly any of it will benefit Victoria. It is intended to assist places like Broome, Alice Springs and the Whitsundays. The federal government is thumbing its nose at Victorian tourism.

Contrast that with the leadership shown by the state government. The government offered \$10 million up front, met with the industry and announced \$1 million to encourage Victorians and those close by not to put off their holidays but to hop in their cars and make their bookings. We are seeing the early results of that in regional Victoria, with bookings starting to firm up. That comes from our leadership.

I am pleased to advise the house of two other very important initiatives. One is the government's doubling of the amount of money available for the regional cooperative marketing campaign for all the different Jigsaw regions in Victoria. It means that the electorate of the Leader of the National Party can now bid for more money to market the Lakes and Wilderness region. Those running the campaign to promote the Yarra Valley and Dandenong Ranges in the electorate of the honourable member for Evelyn will now have the opportunity to bid for more dollars. Bids can also be made for the Great Ocean Road region. The reality is that the government is doubling the money for regional marketing.

I also advise the house about another result of the leadership of this government. The Premier today has met with the tourism industry in Singapore and announced that an \$800 000 campaign to promote tourism to Victoria will appear on Singaporean television for the first time ever. That is leadership. There is no leadership by the federal government. There is leadership from federal Labor through Kim Beazley and there is leadership from state Labor, but there is no leadership nationally!

Singapore is an important market for Victoria. The latest figures show that in the last 12-month period

there was a 30 per cent growth in tourism from Singapore. The industry has needed leadership, and it is getting it from this government — but it is not getting it from the federal government. The federal government should put its money where the industry thinks it is needed. The industry needs a minimum of \$50 million to support it, and the federal government should provide it. Kim Beazley has promised \$76 million, and the state government has put in \$10 million to do its bit.

**Dr Napthine** — On a point of order, Mr Speaker, it would seem there is a significant error in the Auditor-General's report of October 2001 entitled *Management of Major Injury Claims by the Transport Accident Commission*.

**Mr Thwaites** — That is not matter for a point of order.

**The SPEAKER** — Order! The Acting Premier!

**Mr Nardella** interjected.

**The SPEAKER** — Order! The honourable member for Melton!

**Dr Napthine** — I would have thought the Acting Premier would be interested in the accuracy of the report.

*Honourable members interjecting.*

**Dr Napthine** — On page 5 of the executive summary the report states in table 1A — —

**Mr Thwaites** interjected.

**The SPEAKER** — Order! I ask the Acting Premier to desist from interjecting so the Chair can hear what the Leader of the Opposition is saying.

**Dr Napthine** — Table 1A, which is headed 'Key elements of the commission's financial operations 1996–97 to 2000–01', shows the net financial result before tax for the year 1999–2000 to be a profit of \$71 million — —

**Mr Hulls** interjected.

**The SPEAKER** — Order! The Attorney-General!

It is not clear to the Chair what point of order the Leader of the Opposition is raising. I will not permit him to quote extensively from the report. He should come to raising his point of order.

**Dr Napthine** — The point of order I raise is that the table shows a profit of \$71 million for that financial — —

*Honourable members interjecting.*

**Dr Napthine** — It should read \$571 million. It is a significant error.

**The SPEAKER** — Order! The Leader of the Opposition is not raising a point of order that the Chair can rule on. I will discontinue hearing him on it.

**Dr Napthine** — On a further point of order, Mr Speaker, the mistake is significant.

**The SPEAKER** — Order! I suggest to the Leader of the Opposition that this is not the appropriate way of raising the accuracy or otherwise of information contained on a page or in a paragraph of that report. Unless he demonstrates to the Chair how raising this point of order can resolve this matter, I will discontinue hearing him.

**Dr Napthine** — I ask that you, Mr Speaker, investigate this matter and seek action to correct it.

*Honourable members interjecting.*

**Dr Napthine** — Have a look at it. It is a mistake, and it needs to be corrected.

**The SPEAKER** — Order! The Leader of the Opposition cannot use a point of order to pursue the line of argument he is pursuing. I will discontinue hearing him unless he demonstrates to the Chair clearly what his point of order is.

**Dr Napthine** — The Auditor-General reports to the Parliament — —

**Ms Kosky** interjected.

**The SPEAKER** — Order! The Minister for Finance!

**Dr Napthine** — The annual report of the Transport Accident Commission (TAC) for that same year shows a \$571 million profit, but this report states it is \$71 million. It is a mistake, and it needs to be corrected.

**The SPEAKER** — Order! I will not continue hearing the Leader of the Opposition. The responsibility of the Chair is to ensure that the reports required by statute to be presented to this Parliament comply with the relevant provisions of the act. The report he refers to was tabled this morning. He may not

pursue issues concerning a report by raising a point of order.

The time set down for questions without notice has expired, and a minimum number of questions has been dealt with.

## VICTORIAN ARTS CENTRE (AMENDMENT) BILL

### *Second reading*

#### Debate resumed.

**Mr WILSON** (Bennettswood) — I am pleased to make a contribution to the Victorian Arts Centre (Amendment) Bill, a small but important bill that will further the cause of the arts in Victoria. At the outset I join with other honourable members in conveying my best wishes to the shadow Minister for the Arts, the honourable member for Mooroolbark. I wish her a speedy recovery and look forward to seeing her back here exercising her parliamentary and shadow ministerial duties.

The primary purpose of the bill before the house is to amend the Victorian Arts Centre Act 1979 to expand the functions of the Victorian Arts Centre Trust in order to include responsibility for establishing and maintaining a public art collection. The Victorian Arts Centre Trust has been collecting and exhibiting artworks since the 1970s. In his contribution the honourable member for South Barwon advised the house that the trust's art collection totals some 1700 pieces, including works by Arthur Boyd and Sidney Nolan. Most of the art collection is on public display in the foyers and public areas of the Victorian Arts Centre. Access to the collection is actively encouraged, and an ongoing loans program is in place.

The bill before the house will allow the trust to attract more donors by allowing it to participate in the commonwealth government's cultural gifts program. By giving certainty to the trust's relationship with the cultural gifts program it is hoped that donors will be more confident and therefore more inclined to donate artworks to the trust. I gather that the Australian Taxation Office has been consulted and has advised that these legislative amendments will remove any existing uncertainty.

The bill also makes some minor amendments to the Museums Act 1983, and the honourable members for South Barwon and Rodney made sufficient comment on those matters. The Liberal Party is not opposing the bill, and I wish it a speedy passage.

**Mrs MADDIGAN** (Essendon) — It is with pleasure that I join in the debate on the Victorian Arts Centre (Amendment) Bill. It is indeed a pleasure to speak on a bill on which all parties agree and which involves two such important features of Melbourne. The Victorian Arts Centre Act and the Museums Act cover institutions which all Victorians are very fond of. I will deal initially with the provisions relating to the Victorian Arts Centre.

The Victorian Arts Centre is a flagship for the performing arts in Victoria and a focal point of Melbourne's cultural precinct. There would be very few people in Victoria who have not attended a performance at the arts centre at one stage or another. The Melbourne Concert Hall is perhaps the most magnificent part of the arts centre. It seats up to 2670 people and was home for many years to the Victoria State Opera.

The Victorian Arts Centre has experienced some difficulties over the past year. It lost its main tenant when the Victoria State Opera was amalgamated with the Australian Opera and went to Sydney. It is a great credit to the staff at the Victorian Arts Centre that they have worked so hard in the past few years to enable the arts centre to operate in a profitable and appropriate manner.

The arts centre also has a number of theatres, including the State Theatre, the Playhouse and the George Fairfax Studio. These theatres are often used by the Melbourne Theatre Company, which is the centre's major theatre tenant. Other sections of the arts centre that are less well known but very much appreciated include the Alfred Brash Soundhouse, which deals with creative music technology, and the Performing Arts Museum, which has an excellent display of costumes, including some worn by Dame Joan Sutherland. The Victorian Arts Centre Trust provides a research service to arts institutions in the state. The arts centre also houses the Blackbox, which is the alternative performance space for fringe and experimental theatres.

If one thinks of the number of activities that take place in the Victorian Arts Centre one realises that many people pass through the centre and that its art collection, with which this bill deals, is of significance. It is not only theatrical activities that are held at the arts centre, because it is also a major forum for conventions. Many major activities are held at the centre, including one which a number of members would have attended — namely, the Premier's Anzac lunch. Therefore the Victorian Arts Centre has great visibility.

The Victorian Arts Centre Trust has been building its art collection over the years. This year's budget gives an idea of the usage of the arts centre. It is expecting to hold 1450 arts performances this year, which is a significant improvement on last year. The target for 2000–01 was 1157 performances, but in fact the centre achieved 1368 performances — a healthy performance that will be improved on again this year. That says a great deal for the administration of the arts centre.

I spoke earlier of the significant concerns expressed about the concert hall when it lost its major tenant, the Victoria State Opera. People who have been interested in opera for a number of years were worried about how Victoria would fare under the new Australian Opera. I think the general consensus is we have not fared very well. The loss of its major tenant created a major problem for the arts centre in having to seek alternative uses of that hall. However, it has been quite successful.

It is coincidental that only this week I received in the mail an interesting brochure from the World Orchestras International Advisory Council about some concerts that will be held in the Melbourne Concert Hall next year. Those concerts will give Victorians an opportunity to see some excellent symphony orchestras. Between March and September 2002 Melbourne will host the Pittsburgh Symphony Orchestra, the BBC Symphony Orchestra and the Israel Philharmonic Orchestra. That sort of program will only add to the concert hall's lustre in the musical world. Many Victorians will be very pleased to have the opportunity to attend those concerts.

Because so many people pass through the Victorian Arts Centre it is important that the provisions in this bill apply to it as well as to other arts institutions in the state. The cultural gifts program is significant in enabling people to get more generous tax deductions than are normally available. This will be of great benefit to the Victorian Arts Centre not, as the honourable member for Footscray said, because it is trying to set itself up as a rival to the National Gallery of Victoria but because it has space to display various types of artwork, including sculpture and tapestries.

The arts centre is a public building, so it is important that it has high-quality artwork available for people to see. The Victorian Arts Centre Trust has been collecting such artwork since 1984 and now has a significant collection of contemporary art, Aboriginal art from the Western Desert, tapestries, sculptures and works on paper. The cultural gifts program should enable the trust to increase its capacity for collecting artwork. That will enhance the visual amenity of the facility and enhance visitors' appreciation of Australian

art. A number of people from interstate and overseas attend performances at the Victorian Arts Centre, so it is important that we show Victorian art, whether it be Aboriginal art or art from other sectors of the community, as well as the many other arts activities people engage in.

This bill will make it much easier for people to be involved in the arts. It will not change the focus of the trust and therefore fits in well with the trust's charter. The Victorian Arts Centre Trust has been changed significantly in the past few years, which has provided a much better management structure for the arts centre.

Part of this bill refers to that aspect in particular. Clause 5 inserts two new paragraphs in section 5, which covers that facility for establishing, maintaining, conserving, developing, promoting and exhibiting the public art collection and gives the Victorian Arts Centre the capacity to lend its collections to other institutions in cooperative arrangements.

The Performing Arts Museum is of particular interest in the Victorian Arts Centre. It has many areas that reflect the history of arts activities and show business very well. I can tell honourable members who have not been there that it is well worth a visit. Not only are there the amazing costumes that have been provided for various performances at the arts centre, but also there are a number of costumes, programs and other memorabilia that were left to the museum by the Victoria State Opera. Preservation of this material has been enabled so that the history of the VSO, which operated for many years, is there for the community to see. As the honourable member for Footscray said, Dame Edna Everage, the patron saint of Moonee Ponds, has donated a number of her items to the museum. She has offered other items, but there is an issue of storage space, so there is the possibility of increasing that collection in the future. The items in that collection are very valuable and unique. It would be difficult to find them in any other facility in Victoria or, indeed, Australia.

Donations are already very important to the arts centre. The centre's 1999–2000 annual report indicates how much money the arts centre raises during the year. Some honourable members may be familiar with the Arts Angels program that was established in 1994. That program raises approximately \$1.8 million per year. Currently most of that money goes to performing arts, but some of it could well go to static art provision as well. The arts centre generally raises about \$3.5 million of funds each year. It has had some significant donations from the art world, particularly the donations from Mrs Lyn Williams, the widow of Fred Williams.

The Fred Williams collection and the generosity of Mrs Williams have been greatly appreciated by the arts centre. The shadow Minister for the Arts, the honourable member for Mooroolbark, has spoken before in this house about the contribution of Fred Williams and his family to the art world and the arts centre. Like all other members of the house, I wish the shadow Minister for the Arts a speedy recovery and we all look forward to her early return to this Parliament. She has a sincere interest in the arts and the state's arts environment.

The second part of the legislation refers to Museum Victoria. Once again, Museum Victoria is perhaps more complicated than a cursory look at the Museums Act might lead one to believe. It is not just the one glorious new building in Carlton; it also covers Scienceworks, that great museum of the west; the Immigration Museum; the Hellenic Antiquities Museum; and the National Wool Museum. The museum also has responsibility for other buildings — namely, its stores in Abbotsford and Moreland. The museum also contributes greatly to Melbourne. In this year's budget estimates the target for the number of visitors to Museum Victoria is 1 895 000. This shows a significant interest in museum activities in Victoria. What an international drawcard these museums are to Victoria, particularly in view of some of the initiatives that the current government is taking to stimulate tourism in Victoria. Obviously these institutions can expect to have a healthy influx of visitors in the future.

The Melbourne Museum now has some areas that are well respected and regarded very highly by many people. These areas include: Bunjilaka, the Aboriginal Centre; the Science and Life Gallery; the Mind and Body Gallery; the Australian Gallery; and the Children's Museum Big Box Gallery.

Part of this bill is quite different to the Victorian Arts Centre legislation and refers almost specifically to the engagement of consultants and technical advisers. The current situation is that the minister has to approve the engagement of consultants and technical advisers. The amendment in the new legislation will enable the Museums Board of Victoria to engage consultants and technical advisers as necessary without the need for ministerial approval. This does not mean that there will be less scrutiny because all engagements will be subject to the usual government purchasing guidelines. As the honourable member for Footscray also indicated, this was left off the amendments to the 1997 act, which related to a number of other arts institutions. That was mainly an oversight rather than any specific attack on the museum. This amendment brings it into line with other arts agencies and most other statutory authorities,

which under legislation have authority for the engagement of consultants and technical advisers.

The amount of money involved has not been high in Museum Victoria's history. Indeed, the 1999–2000 annual report identifies that during that financial year Museum Victoria commissioned a total of 20 consultancies for a total sum of \$421 000. So it is not a large number of consultancies and it is certainly not a large amount of expenditure. Each of the consultancies was valued at less than \$100 000. It is a credit to the staff at the museum that they can operate with so little consultancy; it says a great deal about the excellent staff that the museum has employed.

Consultancies are always a vexed question, but in relation to the museum possibly one of the reasons why they are fairly small is that the specialised area of museum collections, preservation of materials and archival activities associated with it is very small.

Certainly from my dealings in the past with the museum staff I know that they have some extremely well-qualified and experienced staff who are very capable in dealing with these areas. While there was considerable concern about how the museum might change in its new building, it is clear that the staff has worked very hard to ensure that the scientific and cultural integrity of the museum exhibits have been protected. I believe the staff has been very successful in that. I am pleased to see that in many areas it has managed to retain some of the important aspects that were in the museum prior to the fairly significant changes. I know there are still people in Victoria who would much prefer the museum to have been built somewhere else, but considering that argument has well and truly passed the museum management can be proud of what has been achieved at the Carlton site.

This bill is a very sensible bill that tidies up a number of provisions which will make it easier for the museum and the Victorian Arts Centre to operate and will provide great benefits to both of them. I believe we can look forward to a more generous donation program for the Victorian Arts Centre because of the changes to the cultural gifts program, and I have no doubt there will be added efficiencies to the museum board through its capacity to be able to engage consultants without seeking ministerial approval. I consider that there will be very positive outcomes from this bill being passed through the Parliament.

**Mr CARLI (Coburg)** — I am pleased to speak on what is seen by all speakers as a very small but significant bill, and certainly it is. I am pleased to follow a whole raft of honourable members who have

spoken not only about the importance of the bill and the Victorian Arts Centre, but also about their own experience of the arts centre and its significance for them, and no doubt the importance and significance that the arts centre has for Victorians.

This bill essentially does two things. The first part is an amendment to the Victorian Arts Centre Act 1979 to expand the functions and powers of the Victorian Arts Centre Trust. It will include the establishment and maintenance of a public art collection. The second part which I will address a little later deals with an amendment to the Museums Act.

Clearly while this bill is about extending the functions of the trust in terms of the public exhibition and public art, we have a major collection in Victoria — one that has been built up since the 1970s. Previous speakers have spoken about the 1700 works that comprise this collection. They are in paintings, tapestries and sculptures and on paper, and they are very much a *Who's Who* of contemporary Australian art, certainly from the middle of the last century. In terms of the modernist movements in art it is a great collection.

I know from my own perspective I often take visitors to Melbourne, whether they be from overseas or interstate, to the arts centre because in terms of seeing contemporary Australian art there is a fantastic collection there. As I say, it is really a *Who's Who*; it includes major pieces by Nolan, Fred Williams and Arthur Boyd, and obviously very major pieces of Aboriginal art which are among the most important pieces in the country. In the works of sculpture, there is Clement Meadmore's piece — the steel plate artefact which very much stands out in terms of the arts centre and its compound.

It is important to acknowledge the vast range. Certainly when you think of contemporary Australian art and the big figures of the last century, they are all there. The most important thing about this art collection is that it is very dynamic and vibrant. We have a constant update of pieces of work; newer artists are being picked up, their works being purchased and becoming part of the collection.

The objective at the start in the 1970s was very much a collection to diversify and enhance the broad arts experience of visitors to the centre. That is certainly what it does. It now really does stand on its own. While it is no challenge or threat to the national gallery, it is a striking collection.

This amendment allows for a clarification of the statutory role of the trust to obtain what is called a

cultural gifts program. There was some concern about whether the Australian Taxation Office endorsed the trust to utilise this — —

**Mr Honeywood** — On a point of order, Mr Speaker, this is no reflection at all on the honourable member for Coburg, who I happen to believe is one of the government's better speakers, but as there are only four government members in the chamber, I call your attention to the state of the house.

**Quorum formed.**

**Mr CARLI** — Now that I have a bit of an audience I would like to continue to talk about the dynamic nature of the collection. The sculptures of this collection are around the arts centre and the environs of Southbank. They are particularly striking and effective. As I said, for any visitor to Melbourne from interstate or overseas it is certainly worth a wander around that precinct to see the sculpture collection, let alone the art that is within the arts centre itself.

It is a very open collection. It often lends its works to exhibitions around the country and is very much part of a major legacy. The fact that we can ensure that people who wish to donate to this collection can utilise the cultural gifts program and can get and maximise tax concessions means that more people will be prepared to donate major pieces of contemporary work to this collection. This will enhance the cultural amenity of the centre and that precinct. I believe it is important to acknowledge in this year of federation the importance that this precinct has. We now talk about its importance as a cultural precinct. It has been an entertainment precinct for 100 years.

Many honourable members would recall a photographic exhibition earlier this year involving photographs of 25 personalities prior to the spire being constructed and prior to the centre being built. If we go back 100 years we find that the Fitzgerald brothers circus produced the first permanent fixture on the site, known as the Olympia. That was followed by numerous entertainment venues including, I suppose, very many that were lowbrow. There were dance halls and palaces, open air theatres, miniature trains, water chutes, a Japanese tea house and rollerskating rinks — a long tradition of 100 years of entertainment.

This year one of the ways Victorians celebrated Federation was through a photographic exhibition of 25 personalities from Victoria's past and their contribution to the arts precinct. We should always see that precinct as part of our culture. It is a very fine venue, but it is also very much part of entertainment. It

is not all highbrow, neither in its art exhibitions nor in its use of venues. It offers everything from the Australian Opera to next year's program of classical music as outlined by the honourable member for Essendon. The centre also has the Playhouse, the George Fairfax Studio, the Sidney Myer Music Bowl and the State Theatre, all of which offer everything from the high arts to popular entertainment. Even the way the Melbourne festival is organised, with the street party outside the arts centre, shows how much it tries to involve people in the entertainment offered in that area.

It is important that we never fall for the trap of believing that the arts centre belongs exclusively to the elites or to high art. It is there for all Victorians and should be appreciated by all Victorians. It offers a diversity of art from the theatres in the various venues both inside and outside the building to the sculptures that surround the centre and go down to Southbank. All contribute to the view that the arts centre is an entertainment precinct, and a very fine one at that.

As I said, the debate has been interesting and has highlighted the importance of the arts centre and its significance for all Victorians. This is an important piece of legislation. It allows the Victorian Arts Centre Trust to establish and manage a public collection of art and to enhance that art collection, which currently consists of 1700 works and which the trust will enhance by annually seeking out the best in contemporary and other art. The collection contains various forms of art expression, from works on paper to paintings, tapestries and sculptures and is now a very important collection. It must also be recognised that the arts centre is second only to the Sydney Opera House as the most significant arts establishment in this country. Certainly it is a centre of world significance.

The second part of the bill amends the Museums Act. In a certain sense it has been a long time coming. Currently the Museums Act requires ministerial approval for engaging consultants and technical advisers, an unusual practice these days and an impractical way of running a museum. As we know, Melbourne no longer has one museum, it has a system of multi-site, multifunction venues of different types. It is therefore important to have some flexibility so that ministerial approval does not have to be sought every time a technical adviser is needed, which will save a lot of unnecessary red tape. Clearly the public interest is sufficiently protected by ensuring that tenders are correct and appropriate.

The amendment makes the Museums Board of Victoria accountable for the engagement of consultants and technical advisers, so that it is no longer under the

minister's control and direction. That arrangement will be very important for the day-to-day running of the museum as well as for maintaining the museum's diversity.

As I said, these are two minor changes to legislation dealing with different parts of Victoria's cultural collections. One deals with the Victorian Arts Centre and the Victorian Arts Centre Trust and offers greater tax deductibility to people who contribute works to the Victorian Arts Centre. It provides an opportunity for donors to utilise taxation benefits that are available to donors to other collections and clarifies what is available to the Victorian Arts Centre.

On first reading the bill appears to open up the possibility of setting up an art collection, but that is not the case. The current collection exists, and it is an outstanding art collection of which we should all be proud. The changes are not about creating a rival to the National Gallery of Victoria but about ensuring that the existing collection grows and continues to be outstanding. As I said, it is important not simply to Victoria. The collection has been made available to galleries in both regional Victoria and throughout the country. It is a *Who's Who* of Australian contemporary artists. The collection contains major Aboriginal works, particularly from the Western Desert. It contains major tapestries, sculptures and works on paper. It is greatly appreciated by all Victorians.

I often take people to the arts precinct, not necessarily to attend a concert but simply to see the works that are exhibited, from the sculptures outside and along Southbank to the works inside the centre itself. I welcome these changes, as do all honourable members, and I wish the bill a speedy passage.

**Ms ALLEN** (Benalla) — I rise with pleasure to speak on the Victorian Arts Centre (Amendment) Bill. The bill is a statutory acknowledgment of the trust's responsibilities in establishing and managing a public art collection. We all know that the Victorian Arts Centre is one of the most striking arts centres in Australia that houses some of the most magnificent pieces of art from contemporary overseas and Australian artists including many of our world-famous indigenous artists. The Victorian Arts Centre and its unique precinct adds to the sophisticated culture that has made Melbourne famous. It is sophisticated, classy and one of the most striking arts centres in Australia.

The bill reminded me when reading it of the importance given to and the emphasis put upon a trust's responsibility in establishing and managing a public art collection. It reminded me of the situation with the

beautiful Benalla Art Gallery, which is fast returning to its position as one of the most beautiful regional art galleries in Victoria. About 20 years ago Benalla Art Gallery was given a donation of artwork known as the Ledger collection, which is under the trusteeship of the Shire of Delatite. The collection was given to the Benalla Art Gallery with the proviso that it never be sold.

The Delatite shire, and I presume the board of the art gallery, have decided in their wisdom to sell off about 400 of the 480-piece collection, which has caused a lot of angst in Benalla, particularly among the friends of the art gallery, because neither they nor the community as a whole were consulted. This is an art collection that was given to a public gallery for the public to enjoy, and the public should be consulted on whether those particular art pieces should be sold at all.

The Benalla Art Gallery is currently showing some artwork that is not part of the Ledger collection, including some pieces by Albert Tucker, Arthur Streeton, Frederick McCubbin and Tom Roberts, and Margaret Preston and Ethel Spowers are among the female artists represented in the current collection.

A couple of months ago I had the privilege of opening a very special exhibition of art allowed to be shown at the Benalla Art Gallery by Barbara Tucker, the wife of the late Albert Tucker. The fact that such a collection is able to be shown at the Benalla Art Gallery is a demonstration of its class and standing. Given all the works by wonderful contemporary and indigenous artists on display at the Benalla Art Gallery, which is a public gallery, it is only fair and proper that the public be consulted as to whether part of the Ledger collection should be sold off.

**Mrs Peulich** — Mr Acting Speaker, I draw your attention to the state of the house.

**Quorum formed.**

**Ms ALLEN** — It is wonderful to have the opportunity to talk again about the wonderful Benalla Art Gallery. I thank the honourable member for Bentleigh for giving me that opportunity.

As I was saying, the beautiful Benalla Art Gallery, which is part of the statewide network of regional public art museums, is fast becoming one of the major regional art galleries in the whole of Victoria. It is the centre point of the Benalla township and is attracting a huge number of tourists.

I and a number of local people are working on a very exciting tourism idea for Benalla and we hope to soon

establish a wonderful annual festival based around the sophistication and culture of Benalla and the way it lends itself beautifully to the arts, to horticulture, to antiques and also to dramatic arts. It is a wonderful idea and hopefully it will all come to fruition in the very near future.

The Benalla Art Gallery was built in 1972. It is located on a very attractive site in the botanic gardens on Lake Benalla and is unusually striking. Although the Victorian Arts Centre is the major art gallery in Victoria, the Benalla Art Gallery is the major art gallery in regional Victoria, and this bill demonstrates that the responsibilities of the Victorian Arts Centre Trust should also apply to the trusts of regional art galleries and the way they operate those galleries. As I said earlier, the Delatite shire — I presume with the cooperation of the board — has chosen to sell off about 400 of the 480 pieces of the Ledger collection which was donated to the art gallery some 20 years ago with the proviso that they never be sold.

The Friends of the Gallery in Benalla are quite upset about this and have sought legal advice to stop those paintings being sold. If a trust such as the Delatite shire decides it is going to do something like this with public artworks in a public gallery, the people who should be consulted on whether those pieces are to be sold are the members of the public and in particular the Friends of the Gallery. The decision should not be left to the shire just because it thinks it does not have any more money to put into such a beautiful building as the Benalla Art Gallery. The council should be thinking of other ways to raise money to put into the art gallery.

That is why I came up with the idea which I have since put forward to some very prominent people in Benalla to promote Benalla as a sophisticated cultural centre based around its art gallery, its rose gardens, its beautiful lake that runs through the centre of the town, its beautiful antique shops and its dramatic art, which it is very good at. Having this bill enacted in relation to the Victorian Arts Centre with its — —

**The ACTING SPEAKER (Mr Lupton)** — Order! I remind the honourable member for Springvale that standing orders require that members should not walk between the Chair and the person on their feet but should walk around the chamber.

**Mr Holding** interjected.

**The ACTING SPEAKER (Mr Lupton)** — Order! Do not argue.

**Ms ALLEN** — Thank you, Mr Acting Speaker. The honourable member for Springvale should not be in my line of vision with the Acting Speaker.

**The ACTING SPEAKER (Mr Lupton)** — Order! I ask the Treasurer to counsel the honourable member for Springvale on how to behave in the chamber. It is obvious he does not understand the standing orders of this place. I apologise to the honourable member for Benalla for the manners of the honourable member for Springvale.

**Ms ALLEN** — Thank you, Mr Acting Speaker, your apology is accepted. The main purpose of the art collection at the Victorian Arts Centre is to enhance and maintain the cultural amenity of the centre, which is a major icon in the Victorian community. All honourable members know that not only the Victorian Arts Centre but the majority of art galleries right across Victoria and Australia rely extremely heavily on donated artworks. Their future depends on the generosity of donors such as Mr L. H. Ledger who donated to the Benalla Art Gallery 480 pieces of art which the Delatite shire as trustee now wants to sell off.

That collection contains a huge amount of 19th and 20th century artwork from some of the most famous artists from both overseas and Australia. To sell off that artwork would be absolutely criminal and would be against the policy of a public art gallery in accepting donations for the public to see. I believe it would be totally unfair for the shire to do that. Consideration should be given to amending the legislation covering trustees responsible for the management of artworks donated to regional galleries, and that is something I will personally speak to the minister about.

This bill will allow the art gallery to participate in the commonwealth government's cultural gifts program which provides donors of artworks with more attractive tax arrangements. The people of Benalla are concerned that the selling off of the majority of the Ledger collection will deter donors of artwork to the gallery because they will fear that any donations they pledge to the gallery will be sold off. It would be advantageous for them to be able to claim tax deductions on their donations and that in turn would encourage donors to donate their artwork to the Benalla Art Gallery. That is something I am adamant about pursuing because of what is going on in Benalla at the moment.

In addition to amending the Victorian Arts Centre Act, the bill also makes a minor amendment to the Museums Act 1983 to make the Museums Board of Victoria fully accountable for the engagement of technical advisers and consultants. To me that is pure, logical sense. The

board will now be able to make those decisions on its own instead of having to go to the minister, which of course puts it in a long bureaucratic line. The board is put in place to run a museum, such as the one we have here.

**Mr Wilson** — On a point of order, Mr Acting Speaker, out of respect to the honourable member speaking, I draw your attention to the state of the house.

**Quorum formed.**

**Ms ALLEN** — I thank the opposition for the opportunity to continue to talk not only about the Victorian Arts Centre but also the beautiful Benalla Art Gallery. Let me just talk a little more about the public programs at the Benalla Art Gallery, because through the year the gallery hosts a temporary and travelling exhibition program as a complement to the permanent displays. These exhibitions are frequently changed so that one is sure of a new experience on each visit. I would like to extend an invitation to everybody on the government benches, and I will even extend that invitation to the opposition benches, to come to look. Yes, the honourable member for Bennettswood can come too; he is welcome at any time. It is free to get in, so he will not even have to pay.

The beautiful Benalla Art Gallery has some of the most magnificent pieces of artwork from contemporary artists around Australia as well as some of the most beautiful work from indigenous artists. In fact, it has a tapestry of Sidney Nolan's Ned Kelly, which is huge and magnificent. It is a tapestry of one of the best pieces Sidney Nolan ever produced, and it is on show at the Benalla Art Gallery.

Without further ado I would like to endorse this amendment bill for the Benalla Art Gallery — I should have said the Victorian Arts Centre. I just love Benalla, and I cannot stop talking about Benalla.

**The ACTING SPEAKER (Mr Lupton)** — Order! I remind the honourable member for Benalla that while she has mentioned Benalla 300 times the house is talking about the Victorian Arts Centre.

**Ms ALLEN** — Yes, I did correct myself. I did not mean to say the Benalla Art Gallery; I meant to say the Victorian Arts Centre.

This bill will allow the gallery to participate in the commonwealth government's cultural gifts program and will provide attractive tax deductibility arrangements for donations. In addition to amending the Victorian Arts Centre Act the bill makes a minor amendment to the Museums Act. As I said, it makes

logical sense to make the Museums Board of Victoria fully accountable for the engagement of technical advisers and consultants.

It is a very professional bill, a good bill, and a bill that I would like to see extended to the regional galleries. With that, I commend the bill to the house.

**The ACTING SPEAKER (Mr Lupton)** — Order! I remind the honourable member for Mornington that we are talking about the Victorian Arts Centre.

**Mr COOPER** (Mornington) — Thank you, Mr Acting Speaker; that is what I understood the bill to be about. The Victorian Arts Centre (Amendment) Bill is not opposed by the opposition, and I do not intend to take up a lot of the time of the house with my contribution. However, I draw the attention of the house to one of the possible problems with this bill — that is, the situation of the Museums Board of Victoria with the removal of the requirement for ministerial approval for the engagement of advisers and consultants and making the museums board fully accountable for the engagement of such people.

A cautionary word needs to be sent to the government on such a matter, because over the years under various state governments of whatever political persuasion the old arrangements certainly worked well. I am a little concerned when a minister allows himself or herself to be removed from such matters. Oversight by the government is very important in these areas, and I would be unhappy if things ran amuck and the minister were able to say that he or she was at arm's length and that problems were really not his or her responsibility. I am not quite sure of the reasons for this change, but I put forward a cautionary note on the matter and would hope that a considerable degree of oversight will still be exerted by the minister so that these matters will not just be left and hidden either from accountability of the minister or from the approval of the general public.

The honourable member for Benalla mentioned the lovely art gallery at Benalla, and she is quite right about that. Of course, when considering any bill relating to the arts, we should all be very proud of our regional gallery network throughout this state, which has been built up over successive years.

Mornington also features very well in that network. The regional art gallery, the Mornington Peninsula Arts Centre, started in a house in Vancouver Street some years ago, in the early 1970s. It was developed with the very hard work of three magnificent local citizens — Tom Hast, David Collings and Vin Kennedy. The gallery moved to its new home on the Civic Reserve a

few years ago. The funding for that was provided by the state government, and some was provided by the federal government. The funding provided by the state government at the time was when the Cain government was in power. By the time the — —

**Mr Robinson** interjected.

**Mr COOPER** — I believe in giving credit where credit is due. It was interesting, though, that when the building was opened, John Cain was no longer Premier; he had been thoroughly shafted by his own side. The Mornington Peninsula Regional Gallery remembered the fact that John Cain was the Premier when the funding was provided and invited him down to do the official opening. We had a very pleasant afternoon. The Mornington Peninsula art gallery is one of which all on the peninsula are proud. I would hope that in future people continue to support it in the same numbers as they have in the past.

Finally, as I am talking about an arts bill, I raise the subject of the Victorian Concert Orchestra and appeal to this government to do a better job than it has been doing in supporting the orchestra. I do not say that in a nasty sense, because the government has been supportive in saying that it will provide some money. However, the terms and conditions that have been placed upon that money are onerous indeed and are creating enormous concerns within the oldest orchestra in Australia.

The Victorian Concert Orchestra is an orchestra of which all of us right around the state should be proud. It takes itself off all around country Victoria and entertains people with very acceptable music — the sort of music that people can tap their toes to and so can have a good afternoon out. I believe the government should look much more closely than it is currently at the benefits provided to the general community by the Victorian Concert Orchestra.

I note with interest that the Minister for Aged Care has contracted the orchestra to go to various functions under her auspices around country Victoria. That is an indication that at least one minister in this government understands the benefits of the Victorian Concert Orchestra. It is a pity that it seems the Minister for the Arts does not understand them as well as the Minister for Aged Care.

Perhaps I could use this opportunity to urge the Minister for Aged Care to go and talk to the Minister for the Arts and acquaint her with the huge benefit that the Victorian Concert Orchestra delivers to the people of country Victoria. I am sure the orchestra needs to

continue its life in an expanded form and unfortunately it does not seem to fit in with the approval of the arts mafia which controls so much of what goes on in this state. It seems that when you are on the inside in the arts world you get everything you ask for, but if you are on the outside you do not get a damn thing. Unfortunately, for reasons unknown to me the Victorian Concert Orchestra seems to have been shunted to a position that is outside the arts world and therefore is not receiving the level of support that I think it needs and deserves.

The opposition does not oppose this bill and I am very happy to support the position of the opposition.

**Mr ROBINSON (Mitcham)** — I commence my remarks by indicating that this is a slightly unusual debate in that the shadow Minister for the Arts, who would have much enjoyed the opportunity to participate in this debate, is not able to be in the house due to a publicised illness. I am sure all honourable members would wish to extend to her best wishes for a speedy recovery in dealing with that particular illness.

Having said that, I am disappointed that the honourable member for Berwick is not in the house because yesterday we had quite a performance from him demanding that the government introduce an omnibus bill. He wanted an omnibus bill. Today, less than 24 hours later, we have in the Victorian Arts Centre (Amendment) Bill an omnibus bill. This bill seeks to amend the Victorian Arts Centre Act 1979 and the Museums Act 1983, thus fulfilling the minimum threshold for the definition of an omnibus bill. We would like to keep the honourable member for Berwick happy at all times and it is a pity that he has not participated in the debate to this point in time.

**The ACTING SPEAKER (Mr Richardson)** — It may be an omnibus but it is only a two-wheeler!

**Mr ROBINSON** — Thank you, Mr Acting Speaker. Clause 4 of the bill inserts into the principal act a new section 3B to define a public art collection. This begs the question, ‘What is art?’ Beyond saying that art is in the mind of the beholder, that question has raged in and beyond artistic circles for as long as settlement began in Melbourne. In keeping with the artistic theme, it is a question which has raged in Melbourne for as long as that wonderful portrait of Chloe has hung in Young and Jackson’s, a well-known Melbourne landmark. I am reminded of *Chloe* because at the invitation of Carlton and United Breweries I had the opportunity of yesterday attending the launch of their CUB Spring Expo of Beers. It would have been an enjoyable occasion at which I could have not only

extended my education on things to do with the brewing industry but could have done so in the presence of *Chloe*.

I could have pondered matters of artistic merit at some length in a very salubrious environment. I mention that because I want to put it on the public record that I did try my best to organise a pair so that I and an honourable member on the opposite side could have extended our critical awareness of artistic issues and participated in that event, but, sadly, I was unable to do so. However, if any honourable members opposite would be keen to join in such an event in the future they need only get in touch and we will see what can happen the next time we get an invitation to attend a function at Young and Jackson’s.

The issue of what is art has raged in Australia and in Melbourne for generations.

**Mr Kotsiras** — Mr Acting Speaker, I direct your attention to the state of the house.

**Quorum formed.**

**Mr ROBINSON** — Before the call for a quorum I was reflecting on the timelessness of the debate in this community over what is art. As well as *Chloe*, we do have a more contemporary example from the 1970s — that is, *Blue Poles*. At the time it was purchased by the very visionary Whitlam government it was criticised far and wide. I think at the time it cost in excess of \$1 million, which was considered by conservatives to be a king’s ransom. However, if anyone were to suggest today that *Blue Poles* was not worthy of its place as a central exhibit in the nation’s prime collection they would be hounded down.

**Ms Duncan** interjected.

**Mr ROBINSON** — The honourable member for Gisborne begs to differ. Interjections are disorderly, Mr Acting Speaker, and perhaps that is a debate that we will leave for another day!

In his contribution, the honourable member for Mornington followed the example set by the honourable member for Benalla and commented positively on efforts at a local level to promote art and artistic endeavours. In that vein I would also like to pay credit to the City of Whitehorse, which has for many years through the passage of different councillors and council administrators built up a substantial collection of public art. I guess the City of Whitehorse has more reason than most to do that because of the legacy of the Heidelberg School, in particular, which was used as a location for many of the famous works of art that have

adorned public buildings in this city. I refer to locations in and around Blackburn Lake — a very famous artistic setting.

We do have a number of councillors who have pursued this over the years. The councillor today who is most involved in Whitehorse council's artistic pursuits is Cr Kaele Way — someone who would be known to you, Mr Acting Speaker. All councillors at Whitehorse have supported efforts of that council over the years to establish a fine art collection. We hope that will continue well into the future.

Clause 4, in attempting to define public art collection, begs the question again as to what is art. Last Sunday we had in Melbourne the very rare spectacle of several thousand people baring all for the sake of art. I am happy to declare to the house I was not one of those people who shed all but my birthday suit for the sake of art.

**Ms Allan** — That is art's loss, Tony!

**Mr ROBINSON** — Yes, well that is another discussion we will have to have at another point in time.

I am not so sure how many residents in the Mitcham electorate would interpret mass nudity as art, but some people do. Indeed, the internationally renowned photographer who organised the event and recorded the matter for posterity has done so, I understand, in a number of settings around the world. I am not sure that the Victorian Arts Centre Trust would necessarily regard that as an artistic exhibition worthy of its prime efforts, but such are the arguments that surround art and what constitutes art that one would not be surprised.

The bill is an effort at promoting art in public collections. We in this Parliament play a small role in that the Parliament has been used for many years as a venue for the hanging of pieces from the National Gallery's collection. However, it has been my experience in my relatively limited time in this house that the works which are on loan are rotated very slowly. When I first became familiar with this building in the early 1990s there were pieces hanging on the walls which were still in their same positions on the walls in the late 1990s. It would seem to me that perhaps that policy needs to be reviewed so that we have a slightly more rapid turnover of those fine pieces of art.

Taking up the comments of the honourable member for Mornington when he referred to clause 8 of the bill, which seeks to remove the need for approval of the minister for the engagement of consultants and

technical advisers by the Museums Board of Victoria, I offer a contrary opinion. That opinion is based on discussions I have had in recent days with a senior member of the other side who, with prior ministerial experience, was of the view that good public policy would be served by trying to lessen the administrative load.

That discussion did not arise by virtue of this bill or with foreknowledge of it, but it serves as an example of the contrary opinion which suggests that ministers have more than enough to do without having to worry about every appointment that is made by every board responsible to them. The reason we put boards such as the Museums Board of Victoria in place is to allow them to administer things for which their skills and experience properly equip them. If the recommendation that forms the basis of clause 8 is well based and not unreasonable, and the risks therein to the good management of the assets and programs of the Museums Board of Victoria are minimal, we ought not be too suspicious of it. Good public policy is served by an appropriate and reasonable system of delegation. Clause 8, on my reading at least, seeks to do just that.

In conclusion this is very good legislation, notwithstanding its inability to answer conclusively the questions of what constitutes art and what constitutes good art. The bill effectively allows the Victorian Arts Centre Trust and the Museums Board of Victoria to further streamline their operations, and it allows them greater freedom to discharge their responsibilities in promoting public art in venues across the state. As a consequence I am very pleased to endorse the bill and wish it a speedy passage.

**Mr LONEY** (Geelong North) — I welcome the opportunity to join the spirited debate on the Victorian Arts Centre (Amendment) Bill — a bill of some importance in this house. The cultural life of Victoria is important to the government, as it should be, if not to the opposition. The cultural life of the community is an important issue for all governments. I note the number of government speakers who have taken the opportunity to join the debate and speak about the provision of culture within their own communities, including how it is being extended and how the government is addressing the cultural concerns of those communities.

These are important issues. We have come off seven years of a government that was interested in only one aspect of culture — the provision of circuses for the masses. And what form of circuses did they give us?

**Mr Mildenhall** interjected.

**Mr LONEY** — As the honourable member for Footscray rightly points out, the former government also had numerous clowns in its cabinet.

The Victorian Arts Centre (Amendment) Bill is important, as honourable members are aware. Since it opened in 1984 the Victorian Arts Centre has become a distinctive and vital part of Victoria that many honourable members of this place and of the wider community, including myself, use on a regular basis. The decision of previous governments to support and commit to the cultural aspects of Victorian life has been very important.

When the arts centre opened it was welcomed by Victorians. It has often been said that Australia has a wonderful opera house, with its exterior in Sydney and its interior in Melbourne. The acoustics within our centre are indeed marvellous. The concert hall in Melbourne is a marvellous place for concerts. It is a pity that under the previous government we stripped out most of the companies that operated from the arts centre.

I see the honourable member for Wantirna is keen to get me an audience. Should I wait for him, Mr Acting Speaker?

**Mr Wells** interjected.

**Mr LONEY** — I thought he was going to suggest my speech was worthy of a bigger audience. I would certainly concur with that. If the honourable member for Wantirna wishes to go ahead with that, let him.

The Victorian Arts Centre is a wonderful place that is home to a range of branches of the arts in this state, including the performing arts and the visual arts. I have attended many events there, from international touring opera companies performing indoors to community music festivals within the grounds of the centre. It is a well-used facility.

The gallery's collections represent a marvellous conglomeration of artworks, and as Victorians we can be proud of them. The gallery contains the largest collection of Australian art on public display outside the national and state galleries. We are fortunate that during the redevelopment of the centre in recent times many of the artworks have gone into regional areas for the first time. That has allowed Victorians all across the state to enjoy works of art that have traditionally been housed in Melbourne.

**Ms Overington** interjected.

**Mr LONEY** — I understand from my colleagues the honourable members for Ballarat West and Ballarat East that Ballarat has recently benefited from artworks going up there. It has augmented collections held in regional galleries. We should not underestimate that, because it has brought people into many regional galleries to see the wonderful collections they hold. My own local gallery, the Geelong Art Gallery, has a magnificent collection of early Australian works from the colonial era and many works of the Heidelberg School, some of which are its most important works. Recently, as part of these arrangements some of the works from the Geelong Art Gallery also travelled to other places.

It is important for the people of Victoria that we pay attention to not only the economic life but also the cultural life of the community. After seven years of a government that was unable to see anything other than the economics of the community, it is welcome and refreshing to return to a government that has some regard for cultural life.

The amendment to the Victorian Arts Centre legislation will ensure that the centre has a statutory role in managing and maintaining the collection. That is very important. One of the things that has become obvious is that it is not only important that a gallery has a collection, it is important how the collection is managed and looked after — how the inventory is kept and how the gallery keeps track of things. Unfortunately, we have found in the past that many galleries do not know what works they have, how important they are or where they are until they have done full inventories. That may well be the subject of a contribution by another honourable member.

During the last year or so those of us who serve on the Public Accounts and Estimates Committee have been involved in an inquiry into the valuation of heritage assets. As part of that inquiry it has been necessary for us to meet with the curatorial staff of many galleries and cultural institutions across Victoria and Australia. We have found from those meetings that galleries need to be able to keep proper inventories, to be able to work out the value of what they hold and to have a register of artworks that are so important to the people of the state that they are regarded as priceless assets that should not be used or moved around. There are also artworks that may be useful at some stage in improving exhibitions — that is, they may be used to augment the collection if a better example of a particular artist's work becomes available.

These are the things we are referring to when we talk about managing and maintaining a collection. On the

one hand the management of a gallery ensures that it has the best possible collection for the people of Victoria; on the other hand, the maintenance aspect goes beyond that and involves actually looking after not only the items that are on public display at any given time but also the huge number of items that are often in storage. Unfortunately in some cases they have never been on display for the people of the state. It is interesting that the redevelopment works of both the Victorian Arts Centre and the National Gallery of Victoria have provided the opportunity of going back over the inventory to find out what was held and what aspects of the collections were largely unknown. The amendment to the act which ensures that the Victorian Arts Centre has a role in managing and maintaining the collection is very important.

The bill will also allow the Victorian Arts Centre Trust to offer tax deductibility to any patron or person wishing to donate works of art to the trust. That is also very important. We have been very fortunate because the overwhelming majority of philanthropic bequests in Australia occur in Victoria. I looked at the figures some time ago, and from memory at the time around 80 per cent of all philanthropic bequests in Australia occurred in Victoria.

**Mr Holding** interjected.

**Mr LONEY** — As the honourable member for Springvale rightly says, we are a generous community. Those bequests occurred prior to these amendments, but this bill should encourage an even greater level of philanthropic bequests not just from individuals but also from companies. I note that the Prime Minister some time ago talked about things like the mutual obligations of companies and called on them to get involved in the community. Making bequests of works of art to the gallery is a real way for companies to get involved in the cultural life of the Victorian community.

We know that many companies are in the business of purchasing works of art — and I am sure members can think of a few good examples. The Bond Corporation, Qintex and a number of other companies were very active in purchasing works of art. It is probably a pity that this rule did not prevail then and that those companies did not make donations to the Victorian Arts Centre Trust or other institutions. If it had, those artworks would be available to the public now rather than being housed where they are — and in some cases I would not wish to hazard a guess as to where they are.

This legislation takes further the offer of tax deductions in return for the donation of works of art, but in some

ways it has been brought about as a consequence of the changes to the federal taxation regime and the introduction of the goods and services tax. Mr Acting Speaker would not want me to go too far down the track of talking about the effects of the GST on Victoria, so I will try to contain my enthusiasm. It is important to understand that while the bill will provide incentives for people to make donations directly to the Victorian Arts Centre Trust through these mechanisms, it is not about creating competition for artworks with the National Gallery of Victoria or the regional galleries I spoke about, including those at Ballarat, Bendigo, Ararat, Benalla and elsewhere.

These arrangements are not intended to make it such that the Victorian Arts Centre will become the only body henceforth to receive donations of this type from companies or others. It is about building the total body of artwork that is made available through donations. It is our sincere hope as a government that the artworks provided to the people of Victoria in that way will become available to regional areas through touring exhibits and other avenues.

I turn now to the amendment to the Museums Act. Currently the Museums Board of Victoria must seek ministerial approval for the engagement of consultants and technical advisers. Under the current circumstances, that approval is provided annually through a delegation from the responsible minister. All engagements of consultants et cetera are of course, and properly so, subject to the usual government purchasing guidelines. However, I should add the qualification that they are subject to the usual purchasing guidelines of this government, not those of the previous government. That is a very important distinction to make, because having had a look at a few of the purchasing arrangements of the previous government I would find it difficult to describe any of them as usual. The adjective 'unusual' is probably more properly applied to many of the purchasing arrangements the previous government put into place.

The amendment to be made to the Museums Act by this legislation will give the Museums Board of Victoria the authority to engage consultants and technical advisers without the need for ministerial approval. Of course changing that requirement does not in any way free the museums board of the obligation to act responsibly in employing consultants. It must still ensure that when such decisions are made they are made responsibly and for justifiable purposes. This amendment follows on from the amendments the former government made to the legislation governing other arts agencies in 1997. Those amendments allowed for independence in engaging consultants and technical advisers, but

because of an oversight the Museums Act was not included. This amendment will bring the Museums Act and the Museums Board of Victoria into line with all the other arts agencies and most other statutory authorities involved in the engagement of consultants.

In the short time I have left I place on the record the fact that there is a very strong move for a museum within Geelong. Unlike many other regional centres Geelong does not have a museum, and many people in the local community have worked particularly hard to make a case for a museum in the city. I commend the Geelong people for the effort they have made in putting together collections for the day when Geelong gets its own museum. With those few brief remarks, I wish this bill a speedy passage.

**The ACTING SPEAKER (Mr Richardson)** — Order! We all wish it a speedy passage, although it seems unlikely to me that that will occur!

**Ms GILLETT** (Werribee) — It is with pleasure that I make a few brief remarks on the Victorian Arts Centre (Amendment) Bill. The bill deals with some of Victoria's most important cultural assets — the Victorian Arts Centre and the museums.

I have a special affection for the Victorian Arts Centre. However, I must admit that my passion is not so much for the static arts as for the performing arts. The Victorian Arts Centre provides an excellent home for some static arts and, most importantly from my biased point of view, for the performing arts. It is my view that anything we can do to improve the Victorian Arts Centre, provide for its future security and strength, and give it a strong foundation for development is important and a worthy job of work for this Parliament to be engaged in.

I take this opportunity to congratulate the Minister for the Arts and her ministerial and departmental staff on bringing together an important and truly appropriate piece of omnibus legislation. Thank goodness the days when we had omnibus bills covering 7, 8 or 9 different portfolio areas and dozens of unrelated pieces of legislation are gone. The Victorian Arts Centre (Amendment) Bill appropriately deals with two areas with similar portfolio and cultural connections.

It is sensible that Parliament's time is not being wasted on dealing with two separate bills but is being used effectively through a cohesive approach to two pieces of legislation. This is a much more appropriate and endorsable use of omnibus legislation because it does not smack of the lazy practices of the previous government — and that might be being kind. It might

have been some of the sneaky legislative practices of the previous government which led it to combine all manner of strange and mysterious amendments in the one bill. Being an omnibus bill it does not appear to present a problem, and it did not present a problem to the Scrutiny of Acts and Regulations Committee that it is my privilege to chair. No adverse comments were made about the bill and its structure. It is important to acknowledge and endorse that.

**An Honourable Member** — It is a good committee.

**Ms GILLETT** — And a fine committee it is too! I am privileged to have some very fine colleagues on that committee.

The bill proposes some changes to the Victorian Arts Centre Act 1979. In essence, those changes are to provide an explicit statutory role for the trust in relation to its public art collection and its gallery-like functions. As I said, the Victorian Arts Centre combines both dimensions of the arts — static and performing. In the past the emphasis has been on the performing arts role and the fact that it is one of the homes of our performing arts. This bill acknowledges, protects and recognises the gallery-like functions that are also important to the Victorian Arts Centre.

Clarification of this part of the statutory role is important and necessary to obtain the endorsement of the Australian Taxation Office for the trust to participate in a cultural gifts program. This is an important foundation for the continued growth and enhancement of the collection that is held at the centre. This cultural gifts program provides donors of artworks and other items to museums, galleries and libraries with more generous tax deductibility rather than other less generous deduction schemes that would be available if we did not amend the bill. That is important because, while philanthropy is perhaps not as well developed in this country as it is in others, it is important that we do not simply accept that we are not naturally philanthropic and leave the situation at that. It is important for both federal and state governments to take action to make sure that we encourage philanthropy, even if we have to be very generous with federal funds in the first instance.

The cultural gifts program provides donors of artworks with generous tax deductibility. To enhance the cultural amenity of the Victorian Arts Centre, the trust has been collecting and exhibiting works for a long period of time — since the early 1970s. It is important that the legislation be amended to correctly indemnify and endorse this function. The Australian Tax Office has

been consulted about the proposed legislative amendments and has signalled that it will endorse the trust's participation in the cultural gifts program.

I recently attended a function on behalf of the Honourable Justin Madden, the Minister for Sport and Recreation in another place, at the Werribee Equestrian Centre.

**Mr Robinson** — An excellent centre!

**Ms GILLETT** — It is an excellent centre. The function was a national cutting competition. I had not been familiar with this sport until the organisers kindly sent me a video of the previous year's event. I was pleased to find out that it is an activity that involves horses that separate cattle from the herd in order to —

*Honourable members interjecting.*

**Ms GILLETT** — No, not a lot to do with the Victorian Arts Centre! The horses are perfectly balletic in their movements.

*Honourable members interjecting.*

**Ms GILLETT** — I am surrounded by heathens — even on my side of the house!

The horses were graceful. On this occasion it was my pleasure to meet with Mr and Mrs Baillieu Myer — Baillieu and Sarah Myer — who have been very involved in this sport for a long time. Sarah Myer has been a champion in her own right. We talked not only about the competition but also about the sitting of this house in Bendigo. Mr Myer asked me whether I had enjoyed the opening of the new section of the Bendigo Art Gallery. I remarked that it was truly a magnificent building and I was very keen to have something like it established for Werribee. Mrs Myer kindly remarked that the old woolshed at the Mansion at Werribee Park would provide the perfect venue for such a gallery and encouraged me to take the matter further.

So, when we talk about philanthropy and generous donations of artwork, it is important that we acknowledge the contributions that have been made by the Myer family. The fantastic gallery at Bendigo turns one green with envy. It is also very pleasant to be encouraged by Mr and Mrs Myer to pursue whatever options there may be to convert the old and large woolshed at the Mansion at Werribee Park into a regional gallery for the outer western suburbs of Melbourne. It is something that will probably take some time to bring about. After all, fine galleries take many years and much effort to establish, but I do not think that should stop enthusiastic and passionate

people who hopefully have connections with people with money to work towards the establishment of such cultural centres. The Mansion itself is host to the Helen Lempriere National Sculpture Award for the next couple of years, so there is already the beginnings — the buds — of what I hope will be a blossoming cultural and artistic precinct at the Mansion at Werribee Park.

**Mr Carli** interjected.

**Ms GILLETT** — Indeed! A renaissance in the west!

The amendments that have been made to the Museums Act 1983 remove the provision in section 21 of the Museums Act that requires the Museums Board of Victoria and Museums Victoria to obtain ministerial approval for engaging consultants and technical advisers. I am guided by my friend and colleague the honourable member for Geelong North, who also chairs the Public Accounts and Estimates Committee, who in his contribution indicated that this change brings the act into line with the types of arrangement that exist in other states and territories of the commonwealth.

We are not doing anything unusual. This is important legislation brought in by a fine minister who has a great and demonstrated care for the arts, both performing and static. The current requirement is impractical for the day-to-day operations of the museum board. If the minister were required to continue to approve the engaging of consultants and technical advisers, she would probably spend most of her precious time doing just that. The requirement also undercuts the normal approach that empowers and makes statutory bodies accountable for their actions.

The amendment before the house is designed to make the Museums Board of Victoria fully accountable for the engagement of consultants and technical advisers. As I said, the proposed change is consistent with the other powers and functions of the board provided in the principal act. It brings the legislation into line with all the other arts organisations and most other Victorian statutory authorities.

Under its governing legislation the Museums Board of Victoria remains subject to the direction and control of the minister, but in a more appropriate and professional way. Rather than being responsible for the day-to-day minutiae of running the museum, the minister has a guiding and visionary role, leaving the museum to make its own decisions, follow its own path and be accountable for its decisions.

Consultation has taken place with all the affected agencies, something this government does so well. We have also spoken to the opposition spokesperson for the arts, members of the National Party and the Honourable Susan Davies, none of whom has raised any objections to the bill.

This is an important piece of legislation. It is an absolute pleasure to support a legitimate omnibus bill that so beautifully brings together and deals with two important and related legislative changes in such an efficient and professional way.

I commend the minister for dealing with this matter so well, and I commend the bill to the house.

**Mr SEITZ (Keilor)** — I rise to make some observations on the bill. Clause 1 sets out its purposes, which are to amend:

... the Victorian Arts Centre Act 1979 to change the functions and powers of the Victorian Arts Centre Trust (“the trust”) to enable the trust to establish and manage a public collection of art.

As is so often said, art is something that is in the eye of the beholder and has different meanings for different people — as did the establishment of the Victorian Arts Centre in 1984. When it was established a lot of paintings and artwork were donated to the centre. This legislation extends the powers of the trustees to enable the acceptance of public donations in line with federal requirements so sponsors can write things off on their taxation books. That is important if we are to attract corporate sponsorship of the arts.

It is important to collect works of art from overseas and from budding local artists and have them properly housed. It is also important that the people making the donations, particularly of visual art, know that their works will be stored properly, displayed publicly around Victoria and not be locked away in some old, disused warehouse.

I have had an approach from an Italian artist who has had exhibitions in different parts of world. He has had one exhibition at the arts centre, and since then has been trying to make a donation of his work to the arts centre as a mark of his appreciation of being able to hold an exhibition here in Victoria. This bill further demonstrates that the arts centre is here to stay and is not just a temporary item on the wish lists of different governments. Once the arts centre is established properly and has its own act, the community will have a vested interest in promoting and continuing to acquire and maintain works of art.

Many honourable members will have been asked to collect memorabilia from their early school years for a school celebration, and in country towns and other places families will have donated black and white photos and examples of handcrafts that were made at a school 20, 30 or 50 years before. However, in many cases once the festivities at a school are over the photos, the memorabilia and the artwork are not returned to their custodians. That is particularly so with handcrafts, which were not treated as art but as exhibits. However, as the years go by these things become valued as artwork even though at the time they are not recognised as such. Too often an Australian artist has to be dead for 10 or 20 years before their paintings, sculptures or other artwork are recognised. There are a few exceptions to that rule, so I will not generalise all the way along. However, it is important that those works be placed in safe custody.

Many migrant communities have brought memorabilia with them. As they get older and pass on, their houses are sold and things are lost. Some people do not recognise the memorabilia they find as artwork — whether they are photographs, ceramic paintings or embroidery. The makers of that memorabilia had skills and arts that are forgotten today and in many cases lost to society. It is important that those things are part of the arts centre.

Clause 4 inserts a section 3B in the act to define the ‘public art collection’ as comprising all artworks, including paintings, works on paper, sculptures and textiles, of cultural, social or historical significance that are vested in, acquired by or otherwise bequeathed or given to the trust and accepted by the trust for the public art collection.

That is a very important part of the amendment before the house, because too often people do not realise or consider such things as art, and they are then lost or wasted. I would encourage the public and the arts centre itself to actively pursue and promote some of the valuable historic and cultural collections that are lying around in people’s homes or garden sheds and not being cared for so they do not become useless over time.

Before the abolition of our old municipalities and the ruthless destruction of the historic artefacts in our council chambers, there were old photos, for example, from the Anzac days of soldiers who came back from the war. There were many art collections — precious items of art and photography — not to mention the furniture, including the mayoral chairs, and various other symbols of office that were lying around. Where

is all that? They are not accounted for anywhere. Where did the mayoral chains and robes disappear to?

A lot of that work would now be seen as an example of the goldsmith's art, and all those pieces should be displayed in the Victorian Arts Centre for the benefit of the public both now and for generations to come, particularly as municipalities change over time. The younger generation would not know that there used to be a City of Keilor, a City of Sunshine, a City of Broadmeadows — none of those exist now.

Unfortunately my electorate does not have an arts centre where those displays can be shown and the various activities can take place, so I welcome the contribution from the honourable member for Werribee, who spoke about the Werribee mansion, because its location in the western region would serve us very well.

Research needs to be done to discover where all those items are stored. Are they in some leaky, rat-infested tin shed, are they lying around in a municipal office, have they been sold off or, as happened in Williamstown, have they finished up in the tip? In former days people had no appreciation or understanding that it was art they were dealing with, just as people today do not appreciate what other people in the future will consider to be art. When one looks at the antiquities that archaeologists are digging up today and at what universities are spending millions of dollars on and declaring to be works of art, one realises that in the future some of what is produced in this society today will be considered art, so even if a small percentage is preserved it will be worth while.

What will happen with us is that archaeologists will be digging in the rubbish tips around Melbourne to look for the artefacts that have been buried or thrown away because we did not have the education or understanding to know that we should keep some of those things as artefacts to show how we lived at this time.

That is particularly important when cultural items are considered. When my mother passed away I was not interested in any part of my family's inheritance except for the old artefacts she brought with her that belonged to my grandmother and grandfather — hand-embroidered tablecloths and linen sheets. Those things had value and meaning for me, but they also have meaning to other people who want to see how things were done 100 years ago and earlier. Some of those items have been carried from country to country. Even though they were war refugees, my mother and my family placed enough value on those things and had enough respect for them to bring them with them. They

did not consider only the immediate clothing and food they needed to take with them, which is important for refugees who are on the move and trying to save their lives, they also considered the items that had meaning because they were handed down by parents and grandparents.

For example, the tradition for weddings was that there had to be a white covering sheet that was hand-embroidered with symbolic decorations and placed over the shoulders of the horse taking the bride and groom to the wedding. The harnesses for the horses — working-day equipment — were decorated with special artwork. Many of those things have been lost, yet many migrants brought them with them, which is again a culturally important thing. Just as it was important for the post-war migrants to bring those items with them, it is important now for museums to display them both as pieces of history and as examples of the skills that were required to create them.

It is interesting to realise that 100 years ago considerable skill was required to take a black and white photograph. A technique had to be mastered, and if you have ever seen photographs that were taken in Australian country towns 100 years ago you will understand that they are pieces of art and will be able to appreciate the skill and knowledge it took to create those items.

I hope the Victorian Arts Centre Trust will consider that to be important and pursue those issues with the various community groups. Too often we forget that post-war migration started more than 50 years ago and that the items those people brought with them are starting to be recognised as works of art. People are passing away and those items will be lost. Oral history also has to be considered. As the history of language shows, our language changes all the time and terminologies are lost.

The second part of the legislation deals with administrative changes to the act governing the museums of Victoria. The museums board will not be required to obtain the minister's approval every time it seeks to engage a consultant or obtain technical advice. This is again an administrative step to streamline procedures and is in line with modern-day thinking about arm's length management and bodies being free to consult whom they need to consult without going to the minister for approval. At times boards need to act independently without having to refer back to the minister and lose opportunities or incur extra costs as a result. In modern-day society a board should be able to have confidence that its executive officers are able to carry out the directives and tasks they have been

assigned, and these amendments will enable that to happen and bring Victoria's museums into line with other museums in Australia.

I commend the bill to the house and reiterate that these matters are important. I encourage consideration of the matters I have raised today, particularly the collection of artefacts brought out to Australia by post-war migrants — artworks that may be lying around unnoticed and unwanted at the moment. Children need to be aware of their value, and they should understand that they should either keep them or deposit them with the Victorian Arts Centre, because that would definitely go a long way towards establishing a collection to show the history of the post-war settlement of Australia. I again commend the bill to the house.

**Mr NARDELLA** (Melton) — I support the Victorian Arts Centre (Amendment) Bill. It is a relatively small bill which deals with changes to the Victorian Arts Centre Act to enable the trust to establish and manage the public collection of art. It also removes the need for ministerial approval to engage consultants and technical advisers under the Museums Act 1983.

I want to talk about how the Museum of Victoria used to operate within the state and the access that it provided. The technical advisers under the previous government did not do their job, because the Kennett government established an elitist museum that does not allow access to many people within my community. I have been to the new museum, but the only time I went there was during the Federation celebrations.

**Mr Viney** interjected.

**Mr NARDELLA** — The opposition is a museum in this Parliament!

I went to the museum to see the collection that was there at that time and found it to be an elitist venue because visitors have to find \$15 per person just to enter the museum. When the museum was located at the corner of Swanston and Lonsdale streets you could walk in and see Phar Lap and any of its other exhibits and enjoy its atmosphere without it costing you any money. The access for young people and the learning opportunities it gave them were just fantastic.

My sister used to learn the piano at the Melba Conservatorium of Music in East Melbourne, and I used to bring her into the city. She would get the tram up to East Melbourne and I then had some time to spend in the city, and I remember spending some of that time at the museum because you could just walk in.

**Ms Barker** interjected.

**Mr NARDELLA** — I spent only some of my time there; the rest of the time I spent in Allans Music looking at the guitars and playing the air guitar — all six strings, too!

I remember spending that time at the museum and being amazed by the exhibits and all the things you could do there. The atmosphere was terrific, and it was an amazing experience for a young person who could just walk in. Now, unless you have a squillion dollars you cannot go there. It is very expensive for young people and for families to attend these venues.

I will give an example. My wife and I took our three grandkids out to the aquarium.

**An honourable member** interjected.

**Mr NARDELLA** — That's right, Grandpa Don and Grandma Lynn took out their grandkids, and just to go in it cost around \$55. We can afford it, obviously, but a lot of people could not afford that type of expenditure to take their kids to the museum to see the exhibitions.

**Mr Trezise** — You could have used your gold pass.

**Mr NARDELLA** — I might have been able to use my gold pass. Comrade, it is a bit late telling me that now!

It is an impossibility for the vast majority of people to take their kids to the museum, and that is a real shame. It is a shame that many of my constituents and many people out in the west and in country areas find it impossible to visit the museum because of the cost. The elitism established under the previous government does not compare favourably with the access to museums available in other states. In New South Wales you can just walk into the museum. The Melbourne Museum should be there for the people and not just for the elite, and I am concerned that people have that access.

The bill before the house deals with the requirement for ministerial approval for the engagement of consultants in this area, and that is why I make this important point. In a real sense the Victorian Arts Centre was an initiative of the progressive and far-sighted Hamer government — apart from the land deals, but we will not go into that at the moment — —

**Mr Helper** interjected.

**Mr NARDELLA** — We can do that some other time. The Hamer government had that vision for Victoria with the spire, the arts centre and the very fine collections it holds, and it allows school groups and

others to go through and see what we hold in trust for the people of Victoria. Hopefully this bill will allow some of the priceless works of art we have in those collections to come out to where the people are.

I see the honourable member for Ballarat West nodding her head. Those collections and works of art should be coming out into the regional areas to give the people of Ballarat and others in the country access to them, and my constituents out in the western suburbs should also be given access to them. In procuring artworks and making their deliberations the trustees should take into account the need to give the people of Ballarat, for example, the ability to see the artworks and study them without necessarily having to leave their region.

Art is really about how people develop, how they think and how they expand their knowledge of the world. A lot of art — especially a lot of the art that has been bequeathed to the arts centre — has history attached to it and has its own story. It is important to make sure that that art can be viewed and that that history can be understood, worked through and developed by people actually seeing it. People in the western suburbs should be given access to art and to the collection that is held at the Victorian Arts Centre. The arts out in the west — —

**Mr Doyle** interjected.

**Mr NARDELLA** — I have been there.

**Mr Doyle** — You haven't got any notes there; you are pretending.

**Mr NARDELLA** — I have got notes; I have copious notes!

Under the Whitlam government the arts were developed and real funding was provided to the arts at the federal level. Quite a number of developments out in the western suburbs at that time provided for access to the arts and encouraged the development of skills in the arts. When I was growing up that was a breath of fresh air. I remember that between 1972 and 1975, when I was growing up, the Sunshine community house was used as a base to foster arts and to develop the skills of people in the western suburbs and around Sunshine.

In Footscray the trade union movement had a focus on the community arts centre through great people like George Seelaf and others who had a vision of bringing arts to the people out in the community. Those developments were critical in the development of our culture and, as the honourable member for Keilor said, the recognition of our social history, because the arts

encompass our history. The arts encompass not only the way we look at each other and ourselves, but also the way we develop as a society and as a community.

That development during 1972 to 1975 allowed the blossoming of the arts in its various manifestations — film, visual arts, painting and music. During that time there was a great exposition, which enabled people — especially young people — to develop their skills in the arts area. Some of that continues today.

This vision for the arts certainly needs to be developed in the west — in the areas of Melton, Bacchus Marsh, Rockbank, Deer Park, Caroline Springs, Sydenham and Delahey, and out in some of my rural communities, like Toolern Vale, Diggers Rest, Exford, and so forth. There have been some developments with the Melton Arts Network, through Adam Boyle, who is an official with the Melton Shire Council. That is providing access through which people in my community can be involved. In my electorate office are a number of pieces of art from my local community. They are absolutely fantastic. The skills and the commitment — —

**Mr Helper** interjected.

**Mr NARDELLA** — Absolutely, and I am really pleased. During the Djerriwarrh festival in Melton there was a fair, where you just went around and looked at the art, the paintings, the sculptures and other works. It was absolutely amazing. I can play guitar, but I can't sing. I can do the bum dance, but I won't. I did it yesterday, but nobody watched!

It was just fantastic to see the development of those groups in the community in such a short period of time. Adam Boyle essentially set up the Melton Arts Network around 12 months before that. Hopefully in the future a number of those pieces will be at the Victorian Arts Centre, because they certainly deserve to go through that development and promotion. It is important to promote the poets and the audio artists — as mentioned by the honourable member for Keilor — and to expand the possibilities for my community to get involved.

On Monday I went to the gold walk in Diggers Rest. Apart from the Caroline Chisholm shelter and other exhibits, which were just fantastic, there was another aspect of the gold walk I will mention. A toilet block was painted white and had a mural painted on it.

**Mr Helper** — We were wondering where you were going there for a moment.

**Mr NARDELLA** — Thank you. The mural was done by one of the local young people. Young people

really need an outlet through which to express themselves. There is a bit of a story behind this. The toilet block was painted white, and the young person was out there painting this mural, which, from memory, read 'Gold Walk 2001'. The police came around and said, 'Hey, you are graffitiing the toilet wall', and handcuffed him. But he said, 'No, I have authority to do this'. So they phoned the secretary of the Diggers Rest Residents Association, Ms Judy Henderson, who said, 'Look, it is okay; he has been given the authority to do this'. It stands there as a testament to the skill of young people, in an artistic way. If their abilities can be channelled in a proper way it benefits the community.

I had a talk to this young person and he told me the story. I asked, 'What do you want to do?' and he said, 'I want to be a visual artist; I want to use computers and I want to use my free hand to develop my art'. That is the essence of what is encompassed within this bill, and it is also one of the things that I want to develop.

It is amazing how people can develop their skills as they get older, and people need the opportunity. My wife's mother, Thelma, started painting very late in life.

**An honourable member** interjected.

**Mr NARDELLA** — Thelma Arnold. She passed away a few years ago, but her paintings hold pride of place in our house. It is extremely important that people develop their skills. At Ocean Grove and Barwon Heads are the bollards — —

**Mr Trezise** interjected.

**Mr NARDELLA** — And in Geelong, that is right. The bollards allow those skills to be developed.

I wanted to briefly talk about dance, but I have to wind up, and I will. I support the bill and wish it a speedy passage.

**Mr DELAHUNTY** (Wimmera) — I am delighted to speak on the Victorian Arts Centre (Amendment) Bill. I see the responsible minister, the Minister for the Arts, is sitting at the table. I am sure she has been riveted by the contributions of many honourable members tonight.

The purpose of the bill is to amend the Victorian Arts Centre Act of 1979 to expand the functions and powers of the Victorian Arts Centre, and to acknowledge in the legislation the trust's responsibilities in establishing and managing a public art collection.

We are well aware of the interesting art available, the enormous cost of purchasing artworks, and therefore

the great responsibility of art centres right around Victoria in their role in their community in managing these very valuable assets.

Another purpose of the bill is its clarification of the trust's public art gallery functions, which will ensure the deductibility arrangements for gifts to the trust under the commonwealth's cultural gifts program, and hence encourage further donations of artworks to the trust. That is worth while and worth supporting, because there is no doubt that there are many benefactors around the state. I will highlight a couple in my area.

I refer to the Horsham art gallery. I know the minister has been there — —

**Mr Helper** interjected.

**Mr DELAHUNTY** — As the honourable member for Ripon said, it is a very fine gallery. The Minister for Agriculture has just left the table. Since he has been the minister he has used the arts centre facility to launch many books and activities.

The Mack Jost donations have really made the Horsham arts centre one that is admired right around country Victoria. I now have the minister's attention, because she has looked at some of Mack Jost's works. Mack was a great benefactor to the arts centre there, and I am sure the tax allowances will encourage other people like Mack to make donations to arts centres across Victoria. I thank the Jost family for their valuable contribution to the arts centre in Horsham.

We should realise that the old arts centre in Horsham started off in the former municipal offices. When the council moved into new offices, the community, under the leadership of former councillor Don Johns, went to the former Labor government and said, 'We need \$50 000', and was told, 'You raise \$50 000 and we will match it'. I think they raised it in a weekend. That was 10 to 15 years ago. As you can see, there is a lot of support for the arts in the Wimmera area, and it should be congratulated on its cultural diversity.

The bill also makes minor amendments to the Museums Act 1983 to make the new Museums Board of Victoria fully accountable for the engagement of technical advisers and consultants. Legislation that allows for that to happen is commonsense. The other members of the National Party and I have no reason not to support this bill. It is commonsense legislation which needs to be passed by this house. There is only one question we would ask: who will pay for and do the valuations on the artwork, because we must have some accountability in relation to that. My colleague the honourable

member for Rodney has already raised that in his contribution.

We are supporting this bill because, in the first instance, the amendments, which are minor, will provide some taxation benefits for donors to the Victorian Arts Centre Trust and hence should encourage more gifts to the state. We are also supporting it because, in the second instance, it removes the need for the minister to personally approve the appointment of all the technical advisers and consultants.

While I have the opportunity, and as we are talking about the arts, I express my disappointment that the government could not continue the funding for the education officer in the Wimmera, Mary French, who did an enormous amount of work with the Horsham Regional Art Gallery. She encouraged school students and the like to come to the centre and be more involved in the arts. It is disappointing that that program has not been able to continue. We have seen a drop in attendances, probably in relation to that, because Mary French did an enormous amount of work in encouraging students to come to the centre. A part of the gallery was used for students' artwork, and it encouraged them to get involved with the arts and broaden their cultural knowledge.

The minister's younger days and mine were very much involved in sport and education. In those days the arts were not high profile in the Wimmera, but we have seen a dramatic shift in the culture of country Victorians and in particular the people of the Wimmera, where the arts play a very important part. In looking at the performing arts, which I want to highlight this week, I point out that I am wearing the badge of the Awakenings Performing Arts Festival, which starts this Friday. It is a 10-day activity for people with disabilities. People are coming from interstate and overseas to be there, as the honourable member for Ripon is aware. He is well abreast of things in the Wimmera these days. He will be sneaking in there after the next redistribution, so he should be aware of them. It is a great part of the state and a very positive area, and I will make sure it stays in good hands if he is going to try to get hold of it.

As I said, the Awakenings Performing Arts Festival is on this weekend, and we wish them all the best. Also the Horsham arts council has a play on, its first night being this weekend. We are seeing an enormous shift in the culture and diversity of our people in western Victoria. There is some great talent there, whether it be in the performing arts or the visual arts.

I finish by saying that the arts centre in Horsham has been expanded and developed with money from the Community Support Fund and some very large donations by some families, but importantly the community of the Wimmera has raised a lot of money. I have to congratulate the committee, headed by ex-councillor Don Johns, which has done a lot of work in gathering support through donations and organising the voluntary labour that helps with the running of the arts centre. It costs money to keep these facilities open on weekends and the like. Congratulations to all those people at the Horsham Regional Art Gallery, and I wish this bill a speedy passage.

**Mr HELPER** (Ripon) — I will not take a great deal of time because I do not want the busy schedule of the house to be impeded by my contribution to this important bill. The Victorian Arts Centre (Amendment) Bill truly deserves the support of all honourable members. I am pleased to see that it has received support across the chamber — and indeed from the National Party as well. I welcome the opportunity to speak after my colleague the honourable member for Wimmera, who outlined some very important arts-related activities in his electorate. I am aware of some of those. They are fine activities and I can understand why he is so justifiably proud.

In the very brief time that I intend to take I want to highlight the activities of an art gallery in my electorate, the Ararat Art Gallery. I will quote a short introduction from its web page, which may give honourable members an understanding of what this fine gallery is about:

The strength of Ararat gallery's permanent collection is contemporary fibre and textile art, a focus that has been followed since 1974. Ararat gallery holds one of only two major contemporary fibre and textile collections in regional galleries across Australia. Significant acquisitions in recent years have encouraged the profile of textiles as a fine art form.

The Ararat Art Gallery certainly does proud justice to its fine collection. I note that the Minister for the Arts is keen to sum up the debate on this bill, so I commend the bill to the house and welcome the opportunity to support it.

**Ms DELAHUNTY** (Minister for the Arts) — May I begin my remarks by sending our best wishes to the honourable member for Mooroolbark. I was personally very distressed to hear of her illness. I know that honourable members on both sides of the house were as shocked as I was to hear that news. We sincerely wish her the very best and the speediest of recoveries and hope she will be back soon in the chamber and able to participate in a debate like this, which I am sure she

would have wanted to do knowing her considerable interest in the arts.

However, I have been heartened in listening to this lengthy and detailed debate on the Victorian Arts Centre (Amendment) Bill — heartened by the high level of interest displayed in the chamber over the last couple of hours by honourable members from both sides of the house and by the considerable knowledge of the arts — in particular, the visual arts.

I heard details of personal passions about the visual arts; I suppose some unrequited opportunities to express themselves is often the lament of many politicians. I can see from honourable members' contributions over the last couple of hours that quite clearly in their quieter moments politicians obviously take to the paints rather than the pot. On their retirement I am sure we will see many significant contributions to the visual arts in this state.

The amendments to the legislation comprise two parts. Firstly, we are amending the Victorian Arts Centre Act to expand the functions of the Victorian Arts Centre to include responsibility to establish and maintain a public art collection. That is, as various honourable members have said today, what the centre is doing at the moment. It has been the beneficiary of significant works of art which have been donated by individuals and organisations. Now that we have received from the Australian Taxation Office approval under the cultural arts donations policy this will encourage more philanthropic donations to the Victorian Arts Centre. The benefactors who evidently appreciate the important role that the centre plays in the cultural life of Victoria will be now suitably encouraged to make further donations.

The tax office's cultural gifts program provides significant tax benefits. It is being used across Australia to encourage the partnership which we must have between government, the private sector, individuals and the agencies themselves in providing the best cultural agencies that the community generally can afford. This will strengthen the acknowledged position of the Victorian Arts Centre as one of the most significant cultural icons in the state. I am not just talking about its landmark spire, I am also talking about the significant collection that honourable members have obviously seen and enjoyed and referred to today.

Secondly, the bill seeks to amend the Museums Act to bring the museum into line with other state arts agencies. Ideally this amendment should have been made in 1997 when the other provisions of the acts governing arts agencies were changed. I do not know

why this slipped under the gaze of the previous government, but I am pleased to see that there is bipartisan support for both amendments so that now the requirement for Museum Victoria to obtain ministerial approval for the engagement of consultants and technical advisers is brought into line with what applies to other arts agencies.

The speakers on this bill have been numerous and, as I said, committed. We have heard from the honourable members for South Barwon, Rodney, Footscray, Bennettswood, Essendon, Coburg, Benalla, Mitcham, Geelong North, Werribee, Keilor, Melton, Ripon and indeed the honourable member for Wimmera, who I thought showed an inspired understanding of the visual arts. It is not something that I recall in our childhood, but we all have different memories. It might be a nascent talent that I had not recognised. I thank the honourable member for Wimmera and all honourable members for their support of this bill. I wish it a speedy passage.

**Motion agreed to.**

**Read second time.**

*Remaining stages*

**Passed remaining stages.**

## **RETAIL TENANCIES REFORM (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 this bill is to amend the Retail Tenancies Reform Act 1998 to restore certainty in the provisions covering the operation of rent review clauses in retail leases.

In particular, the bill corrects an anomaly arising from a decision by the Victorian Civil and Administrative Tribunal (VCAT) in the case of *Khodr v. Foo Qan Eng Holdings Pty Ltd (No. 3)* (VCONVR 58/559), otherwise known as the Khodr ruling.

Section 12(2) of the act specifies the basis or formula on which a rent review under a retail lease can be made. Under section 12(2)(a), one possible basis or formula is a fixed percentage of the base rent. In the Khodr ruling, VCAT interpreted the term 'base rent' as a reference to the initial rent paid under the lease. As a result, the rent

review clause in question, which stipulated that rent increases would be in the order of 4 per cent per annum, was invalidated.

As fixed percentage rent adjustments are commonly used in Victorian retail leases, the Khodr ruling has created uncertainty for both landlords and tenants regarding the operation of rent review provisions.

Clause 4 of the bill amends section 12(2)(a) of the act to remove the words 'of the base rent'. This overcomes the effect of the Khodr ruling and allows, for example, a lease to provide for a fixed percentage increase throughout the term of a lease on the previous year's rent. A similar approach was taken under the Retail Tenancies Act 1986 (s.10(1)(a)) as amended by the Retail Tenancies (Rent Review) Act 1991; and by the Supreme Court (Appeal Division) in *Pasen v. Buy-Rite Discounts Pty Ltd* (1992) (VCONVR 54/431).

In developing the bill, the government consulted with the key parties, including the Law Institute of Victoria, the Property Council of Australia and the Australian Retailers Association of Victoria. After considering several options, the parties all agreed that this bill is the most effective solution.

Clause 5 provides that the bill will not affect proceedings determined or hearings concluded by VCAT before its passing or appeals from those matters. Furthermore, the transitional provisions ensure that rent review clauses in leases covered by the act that, for example, were expressed as a fixed percentage of a previous year's rent are validated.

In conclusion, the passing of this bill is necessary to ensure that certainty is restored to the rent review provisions of the Retail Tenancies Reform Act 1998. This is of benefit to both landlords and tenants.

I commend the bill to the house.

**Debate adjourned on motion of Mrs PEULICH (Bentleigh).**

**Debate adjourned until later this day.**

## TRUSTEE (AMENDMENT) BILL

### *Second reading*

**Debate resumed from 19 September; motion of Mr HAERMAYER (Minister for Police and Emergency Services).**

**Mrs PEULICH (Bentleigh)** — I thank the Acting Speaker for offering to allow me to sit through my

contribution to the debate on the Trustee (Amendment) Bill, given that I am not yet fully recovered from my recent knee surgery. However, given that this is a very short bill which definitely should have been a passenger in an omnibus bill, without there really being a lot of debate, as we saw yesterday, I think I will stand.

The opposition supports the ongoing review of the statute books and the repeal of redundant and obsolete provisions in legislation. I understand that the bill came about as a result of the ongoing processes of the review of legislation required by the national competition policy.

The purpose of the bill is to repeal the redundant parts 1C and 1D of the Trustee Act and consequential obsolete definitions. The reason that some parts of the current legislation became redundant was the reform of the act in 1995. The 1995 amendments to the Trustee Act, which actually expanded the capacity, ambit and number of areas of trustee investments, no longer prescribed authorised investments but gave a broad power to make an investment in accordance with a trust instrument — and always, of course, subject to the trustees overriding duties to invest prudentially.

**Mr Wynne** interjected.

**Mrs PEULICH** — The honourable member for Richmond is looking particularly perplexed. I am not sure if he has read the bill. The trustees are — —

**Mr Wynne** — I am familiar with what trustees are.

**Mrs PEULICH** — Terrific!

**Mr Wynne** interjected.

**Mrs PEULICH** — I am the lead speaker on legislation pertaining to small business. The legislation falls under the purview and responsibility of the Minister for Small Business, but I understand the shadow Attorney-General will be here to make a brief contribution, knowing his attitude to this type of legislation. As I said before, there is no better example of legislation that should have been bundled up into an omnibus bill.

Parts 1C and 1D of the Trustee Act identify two former categories of authorised investments for trustees which no longer apply. Given that the restrictions on investing in authorised investments no longer exist, the parts are redundant and are proposed to be repealed by the bill.

Specifically, parts 1C and 1D of the act deal with mortgage-backed securities and mortgage investment certificates respectively. These were the forms of

authorised investments available to trustees in connection with investments of trust funds under part 1 of the act. However, as I mentioned, following the reform of the act in 1995 this system of authorised investments was abolished in favour of a broader system which imposed general prudential obligations on the trustees.

Parts 1C and 1D of the act no longer serve any purpose, and the effect of this bill is that they will be repealed. They were part of the earlier scheme, which was replaced with the new part 1, which provides that trustees can invest funds in any form of investment subject to any restrictions in the trust instrument and the duty to invest prudently.

The bill also repeals six definitions in part 1A of the act that are redundant. The definitions of 'mortgage-backed security' and 'mortgage investment certificate' owe their redundancy directly to the repeal of parts 1C and 1D. The definitions of 'building society' and 'securities payable to bearer' are obsolete, again because that system of authorised investment no longer applies as a result of the reform of the act in 1995. The definitions of 'guaranteed certificate' and 'recognised institution' are linked to part 1B of the act, which was repealed by section 6 of the Stamps (Secondary Mortgage Market) Act 1988. However, at the time section 6 could not be proclaimed while recognised institutions remained entitled to certain stamp duty benefits. I understand from our briefing that as there are no more recognised institutions, the repeal of part 1B can finally progress. These last two definitions will be repealed to coincide with the proclamation of the repeal of part 1B of the act.

In summary, it is a sad reflection on the Bracks government that after three years in office the most common legislation — —

*Honourable members interjecting.*

**Mrs PEULICH** — Two years — it is a long time, especially for the small business sector. We all know what the Labor Party tries to do to the small business sector and what it thinks of it. On 7 August 2000 Kim Beazley said on 6PR Perth Radio:

We have never pretended to be a small business party.

There is no quote more apt. We know what Labor has done to small business with the escalating Workcover premiums that are forcing quite a few businesses in my electorate to the wall.

**Mr Wynne** interjected.

**Mrs PEULICH** — The honourable member for Richmond would know that lead speakers on both sides have greater latitude when responding to bills being debated, so it is completely within my rights to comment on the very sad fact that the most common form of legislation generated by the Minister for Small Business repeals redundant provisions. We have seen what Labor is trying to do to business with the industrial relations legislation, and the industrial relations powers bill has now been tucked away until after the federal election. It does not want to scare the horses. We know what it does, because we saw its small business policy in effect when Skilled Engineering and Johnson Tiles displeased the union sector and — —

**Mr Wynne** — On a point of order, Mr Acting Speaker, I ask you to draw the attention of the honourable member for Bentleigh to the fact that this bill does not pertain to small business or her broad-sweeping analysis of industrial relations matters. I seek your direction that she return to the bill being debated.

**The ACTING SPEAKER (Mr Phillips)** — Order! All honourable members should be aware that they must speak on the bill. A little bit of tolerance is given to lead speakers, as was correctly indicated, but comments must be relevant to the bill. The government must understand that whatever precedents the Chair sets in the first instance will also apply to government speakers who follow in the debate. At this point in time I simply remind all honourable members that they must speak on the bill and not stray too far.

**Mrs PEULICH** — I thank you, Mr Acting Speaker, for your tolerance of the fact that a greater degree of latitude is given to lead speakers when responding to legislation. I stress, yet again, the most important point — that is, it is a very sad reflection on the Bracks government's agenda for small business that two out of the three pieces of legislation that have been debated in this house have repealed redundant provisions of legislation. The government does not have an agenda other than serving the interests of its union mates and forcing increasing hardship on the small business sector. Honourable members have heard that Mr Beazley said, 'We have never pretended to be a small business party'. We know that, and the public knows it. We have seen what it tried to do and what it has done with escalating Workcover premiums, the proposed industrial relations legislation and the fact that it always places union mates ahead of the interests of small business.

I could go through the litany of federal Labor achievements in small business. The standing joke under federal Labor was, 'How do you start a small business under Labor?', to which the response was 'You buy a big one and you wait'. That was the fortune of small business and business generally under Labor. God help small business if we end up with wall-to-wall Labor!

This bill is very short. Reading between the lines of the bill and looking at the subtext, we see that the message is unmistakable: small business is at the bottom of the Bracks government's agenda — the absolute rock bottom. The government shows real hostility towards small business. We have seen the budget of the small business division of the Department of State and Regional Development cut by \$1.3 million, or 7 per cent in 2000–01; and we saw the scrapping of Small Business Week, which was successfully held in May each year under the previous coalition government.

We saw the Minister for Small Business in another place withdraw from the Australian Industrial Relations Commission evidence that highlighted how retailers could be hurt by the Shop, Distributive and Allied Employees Association's log of claims. Serving union interests has always been Labor's interest. The Liberal Party's interest is supporting small business and free enterprise.

The opposition parties support the ongoing repeal of redundant provisions of the legislation but we grieve for the small business sector and the absence of an agenda for this very important sector that employs more than 50 per cent of the labour in the state and probably across Australia. It is a sad fact that all we have seen are these piddly little bills that should have been passengers in an omnibus bill. We should be discussing legislation that is much more relevant and necessary to small business.

**Mr Holding** interjected.

**The ACTING SPEAKER (Mr Phillips)** — Order! I remind the honourable member for Springvale that interjections are disorderly, and if they are funny they put the Chair in a difficult position — he may have to laugh! I call the honourable member for Richmond.

**Mr Wynne** — No, up the back.

**The ACTING SPEAKER (Mr Phillips)** — Order! My apologies, the honourable member for Wimmera was on the side that I did not quite notice.

**Mr DELAHUNTY (Wimmera)** — I appreciate that you have seen the wisdom of your little mistake,

Mr Acting Speaker. I am sure the honourable member for Richmond will make a worthy contribution when he gets the opportunity. I must compliment my colleague the honourable member for Bentleigh. Under difficult circumstances with interjections and a bad knee she has come to the fore for the opposition. I am here to represent the views of the National Party.

**Mr Holding** interjected.

**Mr DELAHUNTY** — Not quite. I do not think the honourable member for Bentleigh would be too interested in covering 34 500 square kilometres with a dicky knee. I am pleased to rise on behalf of the National Party to speak on this bill. Members of the National Party discussed the bill in our party room, and like the honourable member for Bentleigh we cannot believe the government has not put a lot of the bills that have come forward this week into an omnibus bill and passed them that way. These are minor amendments. It seems that the government is looking for legislation to fill in the time. It is a pity we cannot get on to some of the more immediate issues we need to deal with in this Parliament.

The Honourable Ron Best in another place and I have done some work on this bill. We have consulted widely to see how people feel about it. As honourable members are well aware, the purpose of the bill is to repeal parts 1C and 1D of the Trustee Act 1958 and six definitions in part 1A of the act, all of which are now redundant. As I said, we have consulted widely, and we in the National Party will be supporting this bill in the house today.

**Mr Wynne** — Hear, hear!

**Mr DELAHUNTY** — I am pleased the honourable member for Richmond listened to that. Clause 2 provides that clauses 1 and 2 will come into operation on the day after the bill receives royal assent, and the remaining provisions will come into operation on proclamation but no later than 1 July 2002. Clause 3 repeals parts 1C and 1D of the principal act. Clause 4 repeals two definitions in section 3(1) which will be made redundant by the repeal of parts 1C and 1D. Honourable members can see that only minor amendments need to be enacted by the Parliament.

The honourable member for Bentleigh talked about the impact of the bill on small business. The Wimmera electorate covers 27 308 square kilometres, making it the biggest Legislative Assembly seat in this state. After the redistribution it will grow by 26 per cent and be called Lowan. It will then be 34 450 square kilometres, and there are a lot of small businesses in

that area. Those small businesses are battling under the oppression of the Labor government's imposts on them in Workcover charges, payroll tax and the limitations of the unfair dismissal laws. The National Party calls on the government to look at some positive discrimination to assist small businesses.

**Mr Robinson** — How's the toilet in Edenhope going?

**Mr DELAHUNTY** — The facilities in Edenhope are excellent. I am glad the honourable member for Mitcham has been to Edenhope, because I am sure many members of this chamber have not.

**Mr Robinson** — I have been there twice.

**Mr DELAHUNTY** — Twice? Did you go there on the way to Adelaide and the way back? The reality is that Edenhope is an excellent town that is floundering in some ways under the oppression of the Labor government and the costs of Workcover, payroll tax and stamp duty. We saw that highlighted in the chamber earlier this week.

The National Party is looking for the government to show some leadership and do something. An article in the *Weekly Times* last week gave the government an A for consultation. That reminds me of the Premier flying to Singapore to do more talking; I hope he takes a glass of water, because he is doing a lot of talking. The *Weekly Times* gave the government a D for achievement. Let us see the government put into action some of the things we are crying out for in country Victoria and reduce the pressure on small business.

I met with a lot of people here last night who employ an enormous number of people. They are very fearful of the legislation which will be coming before this house on industrial manslaughter. They said that if that legislation comes in they would like the Premier to be under the same rules that they will be under.

I will return to the bill before the Acting Speaker jumps out of his chair and makes me. I went to the library to do some homework on the basis of this bill. On 4 December 1953 Mr Holt, the Minister for Lands, read the second-reading speech on the Trustee Bill. He said that the Trustee Bill embodied the recommendations made by the Statute Law Revision Committee. I hope honourable members are listening. He said:

One does not expect all members of Parliament to familiarise themselves with the technicalities involved in such legislation, and provided that they are satisfied that the Statute Law Revision Committee has taken appropriate action to ensure that it has been fully informed and that its recommendations are, therefore, soundly based ... Generally,

the law relating to trustees in Victoria has been adopted from the English law.

I am a member of a parliamentary committee, and these are the Statute Law Revision Committee's proposals for the Trustee Bill and the minutes and evidence of its inquiry. I will not go through them, although I am sure it would be riveting stuff.

I am sure there are many lawyers in this place and when Mr Rylah, then the honourable member for Kew, contributed to the second-reading debate on the Trustees Bill on 9 December 1953 he said:

It is a practice of this Parliament in legal matters to follow where possible English law. However, in this case there are good reasons for departing from that well-established and sound practice in that estates dealt with in England are of a larger and more complicated nature than those administered in Australia.

I do not know where he got that idea from. I am sure there were many estates, particularly landed estates, in Australia which were much larger than those in England. Mr Rylah went on to talk about the review, and he said:

There was a galaxy of talent from the Law Institute of Victoria.

I could not believe it — a galaxy of talent in the Law Institute of Victoria!

**Mr Stensholt** — They called them the all-stars.

**Mr DELAHUNTY** — I thank the honourable member for Burwood for that. There are lawyers here, and I am not sure they would say they were a galaxy of talent. The talent from the law institute included Mr J. M. Rodd, the president of the institute; Mr R. J. McArthur — I am not sure if he is related to a member of this chamber; Mr R. N. Vroland; and Mr A. H. B. Haymanson.

*Honourable members interjecting.*

**Mr DELAHUNTY** — I do not think it is the same. Members have the name crossed with that of the Minister for Police and Emergency Services. As we can see there was a galaxy of talent from the Law Institute of Victoria. Mr Rylah went on to say:

Perhaps the most interesting feature of the legislation is the provision which includes in the list of authorised investments the power of the trustees to invest in houses suitable for the purposes of the beneficiaries ... He —

the trustee —

can invest funds in purchasing a house to enable the beneficiaries, who are entitled to the benefit of the trust, to live in that house.

I thought that was an excellent initiative. It is interesting that in 1953, when I was a very young nipper, members of this house passed the Trustees Act we are now getting rid of.

The National Party is not opposed to the bill. We support it because it tidies up a couple of oversights that were missed in the drafting of the 1995 amendments. It is common sense to do so. We believe that parts 1C and 1D of the Trustees Act 1958 are no longer necessary as they were part of an earlier scheme where trustees investing trust funds were restricted to authorised investments such as those represented in parts 1C and 1D of the act. Things have moved on since that time.

We also support the bill because we believe the scheme was replaced with a new part 1 that provides that trustees can list trust funds in any form of investment subject to any restrictions contained in the trust instrument of duty to invest prudently. We would all support that. Parts 1C and 1D no longer serve any purpose, therefore they are repealed.

In finishing, the National Party supports this bill because it helps to ensure that business in general and trustees in particular are clear about what their powers and obligations are when investing trust funds. We strongly support that.

**Mr WYNNE** (Richmond) — I thank the honourable member for his measured contribution, which was in contrast to the honourable member for Bentleigh's opening contribution as the shadow parliamentary secretary for small business and consumer affairs. She ranged far and wide and spent a paucity of time actually debating the bill. She concentrated the vast majority of her time on conspiracy theories concerning the Labor Party and its associations with the trade union movement. Anybody who knows the history of the Labor Party would know that it is very much associated with the trade union movement and proud of that association.

The Trustees (Amendment) Bill has arisen as a result of the examination of legislation from the national competition policy review. Although this bill was not found to be a matter that the national competition policy review had particular concerns about, a number of redundant provisions remain in the act that obviously ought to be removed.

The purpose of the Trustee Act 1958 is to clarify the rights, obligations and powers of trustees to manage

trust property for the benefit of others. An important function of a trustee is to invest the proceeds of the trust to maintain its value and to provide income for the support of the beneficiaries.

A couple of weeks ago — along with the honourable member for Kew — I had the pleasure to represent the Minister for Small Business, the Honourable Marsha Thomson in another place, at a national meeting of the Trustees Corporation of Australia and to address them at a dinner. It was a very good function because it gave me and the honourable member for Kew some insights into some of the real issues that trustees corporations confront and the important burden that is upon them. All of the major trust organisations were represented at the dinner and, frankly, we owe them a debt of gratitude because it was very clear from the presentation made by the president of the association just how importantly they regard their role as trustees of the public's money and that they do regard this duty very seriously. I think the honourable member for Kew would agree with me that the night was both informative and one during which we gained some insights into some of the issues that confront trustee corporations.

Historically the act provided that trustees invest funds in specified investments only and it listed a series of authorised investments. Obviously, at that stage it was a sensible thing to do so that it ensured that trustee companies did invest funds in a proper and secure way that would provide security for the funds invested and, obviously, a reasonable rate of return to the beneficiaries of those funds.

However, the Trustee and Trustee Companies (Amendment) Act 1995 abolished a system of authorised investments and substituted a general duty on trustees to invest prudently. It actually loosened some of those fairly tight and stringent guidelines that were in place. Nevertheless, the overriding burden — and appropriately so from the point of view of protection of the public and the trustee organisations themselves — was clearly a responsibility to be prudent in their investment strategies.

Parts 1C and 1D of the act now serve no purpose as the act no longer specifies mortgage-backed securities and mortgage investment certificates as authorised investments. Therefore the bill repeals parts 1C and 1D of the Trustee Act 1958. As a consequence of repealing parts 1C and 1D, four related definitions in part 1A refer specifically to mortgage-backed securities and mortgage certificates as well as building societies and securities payable to the bearer are no longer relevant and will also be repealed.

Part 1B of the act, which concerned recognised institutions was repealed by the Stamps (Secondary Mortgage Market) Act 1988 as part of the rationalisation of the secondary mortgage market. Section 6 of the act was not proclaimed at the time due to contained stamp duty benefits available to recognised institutions. Since certain stamp duties relied upon recognised institution status it was necessary to withhold the proclamation.

The last of these institutions — the National Mortgage Market Corporation Pty Ltd — ceased to have this status in August 1996, and this repeal can obviously now be proclaimed. There are no more recognised institutions, and stamp duty under the new Duties Act 2000 is determined by the nature of the investment vehicle rather than the status of the institution.

When the repeal of part 1B is proclaimed, two definitions — ‘guaranteed certificate’ and ‘recognised institution’ — in part 1A will become redundant, and this bill will repeal these definitions. The timing of the commencement of the bill will be aligned with the proclamation of section 6 of the Stamps (Secondary Mortgage Market) Act 1988, which repeals 1B of the act. At the time of these proclamations parts 1B, 1C and 1D will cease simultaneously. Repealing the two redundant parts of the act and the six unnecessary definitions will provide an indirect benefit to the business community generally. Consultation has occurred, which of course is the hallmark of this government. Most appropriately we have consulted with the Law Institute of Victoria and the Trustees Corporations Association of Australia, which both support the repeal of these provisions.

The repeals will assist the government in maintaining a statute book in which the obligations on and the options available to trustees when investing trust funds are clear and certain.

In supporting this bill — and I am delighted that there is bipartisan support for it — we should acknowledge the important work that trustee corporations do on behalf of the community. They invest prudently, as we know, and they are very much focused on the beneficiaries of trusts. In that respect, along with the honourable member for Kew, I was delighted to be at the annual conference of the trustees corporations association. These are useful repeals which will streamline the way trustees operate in the future, and I commend the bill to the house.

**Mr McINTOSH (Kew)** — Before I commence my contribution I will say that, like the honourable member for Richmond, I attended the annual dinner of the

Trustees Corporations Association of Australia, which was a very informative and interesting night. One of the most important things that came out of that night was the reference to the possibility of a uniform trustees act being promulgated by each state in order to adopt common provisions. This has its genesis in that which we are repealing at the moment.

Once upon a time parliaments all around Australia, although in different ways and using different provisions, felt that the easiest way of introducing some form of prudential control over the way a trustee manages the financial affairs of another person was to prescribe the type of investments which that trustee could make. They were usually investments that were considered gilt-edged securities, such as government bonds, securities, first mortgages and those sorts of things. It is those provisions that we are essentially repealing, although the repeal became necessary because of an amendment to this whole area back in 1995.

The uniform trustee code has been adopted as a cause celebre, if you like, by the Standing Committee of Attorneys-General (SCAG). Each state is working on those provisions as we speak, and one would hope that in the very near future we will be dealing with some form of uniform legislation that prescribes the type of activities of trustee corporations, which have hundreds of millions of dollars invested with them. They represent a fairly valid group of companies that act on behalf of those investing these funds for the benefit of a large number of people.

The Trustees Corporations Association of Australia represents a large number of corporations, from private trustee corporations right through to government trustee corporations. A total number of assets is not limited to individual counts of hundreds of millions of dollars, but you are talking about billions of dollars of other people’s money.

The essential criterion for such an act is that there are sufficient prudential controls, and a regulator would be organised to regulate each and every one of them to maintain those controls. Once upon a time those prudential controls were developed by way of authorised investments. I would certainly like a uniform piece of legislation to be brought into this house reasonably quickly. Ultimately I have no doubt that we will have to work towards some form of national code or national legislative scheme similar to the Corporations Law, based upon the notion of cooperative federalism. Probably the best outcome as a first step would be to have a uniform piece of legislation in each state Parliament. I commend the

honourable member's attendance at that conference, and I acknowledge the general acceptance that such a uniform code would have.

A number of concerns have been raised by the Trustees Corporations Association of Australia, including the requirement of imposing obligations on the directors of those corporations. There were also concerns about the structure of the prudential regulator, including how it would be maintained and who would be the paying the costs of that sort of regulation. Central regulation is also a matter of extreme concern for them. However, that is for a later debate. I certainly commend the work of the Trustees Corporations Association of Australia, the Standing Committee of Attorneys-General and all the others involved in the uniform legislation.

This legislation repeals redundant legislation. The other brief comment is that it is regrettable that this bill did not find its way into some form of omnibus bill, because it means we have to continue to debate these repeal provisions rather than dealing with substantive, uniform legislation.

**Mr STENSHOLT** (Burwood) — I rise to support the Trustee (Amendment) Bill, which amends the 1958 act that sought to define and clarify the rights, obligations and powers of trustees in managing trust property on behalf of others.

Trustees perform a very important task, particularly when it comes to supporting the vulnerable in our society. Indeed, this is very much what the Labor Party is about — supporting the vulnerable — because trust property comes in all shapes and forms, whether it be shares, physical property, companies, goods or patents, et cetera. Trustees are often appointed as part of the terms of a will or a settlement to manage the trust property on behalf of the beneficiaries, be that of a continuing nature or a temporary nature.

Historically the act provides that the trustees invest trust funds in specific investments only, which they call authorised investments. This was rendered somewhat redundant in 1995 when the Trustee and Trustee Companies (Amendment) Act abolished the system of authorised investments and substituted a general duty on trustees to invest prudently.

Obviously this government supports the idea of investing prudently, but I have some experience of the effect of this on my constituents, which I might spend a minute or two talking about. In one case the 1995 changes have had a serious impact on one of my constituents. Prior to 1995 she was the beneficiary of an estate which was meant to benefit her while she was

alive. The estate was invested in income-producing certificates such as bonds and debentures, which produced a regular income.

The trustees were a public trustee and a private one, to whom the estate was going to revert if my constituent passed away. Unfortunately with the passing of the 1995 act the authorised investments have been abolished and the trustees have changed the investment vehicle to growth stocks and investments. It had a significant impact on my constituent as a beneficiary insofar as a steady and predictable income — it was her only income — was changed to a more volatile and less predictable one and much of the value was directed towards growth, which did not produce much of an income for my constituent. While this may be regarded as prudent, it has certainly not been fair, because as I said this was her only income.

The duty of the trustee should be to protect the beneficiaries and look after them, and it is necessary for our government to continue to carefully regulate trustees and their work. I am happy to suggest that the Attorney-General keep the role of trustees under review, particularly any possible practices that might affect poorer people and the more disadvantaged.

As others have said, the bill abolishes terms that are very much out of date and are redundant — parts 1C and 1D — and it also ironically deals with a provision that was abolished some years ago, but the abolition has never been to the Governor. The bill will ensure all this happens together and that these provisions are made fully redundant and taken off the statute book. I commend the bill to the house.

**Mr HAERMAYER** (Minister for Police and Emergency Services) — In closing the debate I thank the honourable members for Bentleigh, Wimmera, Kew, Burwood and Richmond for their contributions. It is clearly a non-controversial, housekeeping bill, and I commend it to the house.

**Motion agreed to.**

**Read second time.**

*Remaining stages*

**Passed remaining stages.**

**Sitting suspended 6.27 p.m. to 8.03 p.m.**

**ROMAN CATHOLIC TRUSTS  
(AMENDMENT) BILL**

*Second reading*

**The ACTING SPEAKER (Ms Barker)** — Order! The Speaker has examined the Roman Catholic Trusts (Amendment) Bill and is of the opinion that it is a private bill.

**Mr HULLS (Attorney-General)** — I move:

That this bill be treated as a public bill and that fees be dispensed with.

**Motion agreed to.**

**Debate resumed from 19 September; motion of Mr HULLS (Attorney-General).**

**Dr DEAN (Berwick)** — I am sure that the Attorney-General's reward for that motion will be in heaven, but I would not want him to hurry towards that reward! I am pleased that he moved the motion he did. While I admit to being the son of a Presbyterian minister and very much a Protestant, I am in awe of the many charitable works the Catholic Church carries out. And not only that, but I would have to say that I am a bit of a fan of the present Pope.

**Mr Holding** — It is not mutual!

**Dr DEAN** — That's not what he tells me! Even as the son of not only a Presbyterian minister but a continuing Presbyterian, I have not quite worked out whether I am continuing Presbyterian, Uniting Church or what.

However, the Catholic Church deserves great respect for the work it has done through two world wars and other great crises. I note the measured words the Pope has been saying to the world during this present crisis. I agree with those words: he has important views on where the world is at this time. However unusual it may be for a Protestant to make those comments about the Roman Catholic Church, I am pleased that the Liberal Party is in a position to support this bill.

This is not the first bill that has been brought into this house on behalf of a religious order to ensure that in modern times the trusts that are in the hands of religious orders can be invested in a modern way. Given the charitable work the churches do throughout the world, whether it be the Uniting Church, the Roman Catholic Church or whatever, it is important that they have the maximum resources available to carry out those works. Those resources can only be at a maximum if the churches can invest their funds in a modern way in a

modern commercial market. They cannot do that if they have to invest every trust individually, because the costs would be enormous. If they cannot make bulk investments, if I can put it that way, the rewards that come to them in the form of income will be greatly lessened. None of us would want to see charitable bodies deprived of funds simply because they could not invest in a modern way.

The first thing this bill does is allow funds from various trusts to be amalgamated and invested in a modern context. It is important to note that under this legislation the income streams that come from those investments can and will be divided back into separate trusts so that the persons who gave the trusts — they are often deceased because the trusts are made by way of wills — can be assured that the income that —

**The ACTING SPEAKER (Ms Barker)** — Order! I ask members on the government benches to lower their voices.

**Mrs Peulich** — Yes, they should be a bit more respectful.

**Dr DEAN** — I treat this bill with respect because of the charitable works the church does, and I hope the house will treat it with equal respect.

As I was saying, the bill enables the church to make investments in a modern way to maximise its income. However, it is important to know that individual bequests receive their individual income streams from that investment.

The other important thing is that for a long time barristers in particular have made a lot of money —

**Mr Robinson** interjected.

**Dr DEAN** — And deservedly so. They have made a lot of money in what are called equity cases, the barristers who specialise in equity being called equity whisperers. That may not be a term of endearment, but it certainly describes the fact that they are what are called black-letter lawyers. When trusts, particularly charitable trusts, need to be altered because either the beneficiaries have vanished or the trusts are impossible to perform as a consequence of changes in modern times, a fleet of barristers is usually instructed to go to the Supreme Court under a cy-pres application to ask the court to exercise its specific jurisdiction and change the beneficial aspects of a will or trust.

They are very difficult applications which the Supreme Court takes very seriously. They often concern millions of dollars, so it is important that the Supreme Court gets

it right when making discretionary decisions concerning the intentions of people who are deceased. They look at a trust, work out what the deceased's original intentions were and then ask themselves the question, 'If this person were still alive and realised that the object of their trust no longer exists, what would they do with it?'

The courts hate making those sorts of decisions, because they are discretionary rather than made according to the rule of law. The provisions in this bill that will enable the church to propose variations to a trust without having to go through a cy-pres application are welcome, because they provide for a modern approach to a difficult problem which will save literally millions of dollars in legal costs.

Obviously the first question people might ask is, 'If you allow the church to simply decide what it should spend the charitable trust on without regard to the original intentions of the testator, isn't that opening up a discretion that should not be allowed?'. The answer is that the bill ensures that notice has to be given to those people who are and will be concerned by a decision of the church. As a consequence of that notice being given, those people can then of their own accord take out a cy-pres application contesting the variation that is recommended by the church should the church get it wrong or should those people affected believe it has got it wrong. That is an adequate and appropriate balance.

The church will be allowed to make variations in situations where either the beneficiaries have disappeared or changing circumstances have meant the trust can no longer be implemented. It will make the variation according to its own terms and probably according to the terms it would have asked the Supreme Court to agree to, because in a cy-pres application you do not just go up to the Supreme Court and say, 'This trust can no longer be performed. Can you tell us what we should spend it on?'. You must set out what you think the trust moneys should now go towards, and you put that to the Supreme Court and ask if it agrees. Effectively the church will be making the variations according to what it would have been putting to the Supreme Court anyway, and the bill opens the door for those affected to take action if they believe the church has got it wrong.

No-one could argue that any legislation that enables a charitable trust to earn more income and therefore help more people — particularly those trusts that are controlled by such organisations as the Catholic Church and other churches, whose very tenets are directed towards the benefit of the underprivileged and those in need — is not good legislation. I can understand why

the Roman Catholic Church wants these changes to be made. The Church of England has already made changes of a similar nature, and we spoke in this house about that bill some six months ago. I would have thought other charitable organisations in the same position may also be asking the Parliament to do that.

It was important that the public bill motion be moved to ensure that any costs associated with such legislation do not have to be borne by the Roman Catholic Church. It could be argued that over the hundreds of years it has been in existence the Roman Catholic Church has built up great wealth.

**An honourable member** interjected.

**Dr DEAN** — I do not know how many thousands of years — I am not sure about 2000 years, but it is more than 1000 years. People could say, 'This is just a blip on the horizon; why shouldn't it pay?'. But the motion is not about money, it is about saying to the church and to the charitable trusts that we as a Parliament would like to do this without charge because we know that as a result they will be helping people in need and undertaking all sorts of work that will be to the benefit of all of us.

We as a Parliament are here to benefit our constituents. Here is an opportunity to further that benefit through the Roman Catholic Church. The Liberal Party supports the bill. We hope the Roman Catholic Church is able to make use of its provisions to minimise its costs and maximise its income on charitable trusts. We wish it well. We also take the opportunity to note what extraordinarily good works the Roman Catholic Church has already done in its long history — and we hope that continues.

**Mr RYAN** (Leader of the National Party) — It is my pleasure to join the debate on this important legislation. At the outset I should say that I wish to dispel the rumour travelling in the halls of this place that anybody who does not vote for this bill will lose the benefit of a plenary indulgence.

**Mr Wynne** — What is the Latin translation?

**Mr RYAN** — I will leave the Latin translation of that term to the next speaker.

This is important legislation because it is legislation of the times. The act which it seeks to amend is from 1907. It is of the last century, and it established a structure which was appropriate at the time. But time has passed, and so it is that amendments are needed to what was thought almost 100 years ago to be appropriate for the purposes then to be accommodated.

The National Party supports this legislation because it is sensible. It accommodates the needs of the Catholic Church in terms of important investment issues. Apart from anything else, it is before the house because of a request which has been made of the Parliament by the Catholic Church to ensure that the amendments are effected. The investments contemplated by the trusts take an enormous number of forms. There is a plethora of them, and in this day and age they come in different guises.

I will depart from the essential nature of what is immediately under discussion to refer to a form of the trust which has been recently established in the Diocese of Sale, of which I am a part. It has been established by Bishop Coffey, the Bishop of Sale, and it is called the Bishop's Family Foundation. It exemplifies, if you like, the new age of community investment being made by and on behalf of the Catholic Church to accommodate people who are in need.

This superb initiative, which was instigated by His Lordship about three or four years ago, has as its essential foundation the need to establish a corpus — which in this instance is intended to be \$3 million — and to devote the interest derived from the investment of that corpus to worthy needs, which are set out in the documentation by which the foundation was established. Essentially those purposes are of a charitable nature. Although I was initially involved in the establishment of the entity in the sense of my views having been sought and my having given some general advice about its structure, its purposes and the like, since those early days it has been formalised and is now in the process of gathering the money which will establish the corpus and which will ultimately provide the means whereby annually money will be allocated to families in need.

It is an example of currency relating to the shift in the way these various forms of charitable entities have been established over the course of the last 100-odd years. But for all that, many of them are still in place, some of them going back even beyond the 1907 period, and many even to this day are established on historical bases — for example, there is a will which carries within it a provision whereby certain benefits are made available through the operation of that will for the benefit of the church. So it is that that more historical form of benefit is more likely to be the subject of the legislation now before the house.

The reality is that in this day and age changes are needed. Those changes will, in essence, take two forms, having regard to the content of this legislation. The first of them will be a pooling system, whereby the moneys

held in trust will be able to be gathered together and centralised. The benefits that are to be derived through consequently being able to invest the larger mass of money will be available, in the sense that whatever might be the outcome — presumably favourable — those benefits will be passed back to those individual entities which constitute the smaller body of trusts that, in turn, make up the main.

However, if losses are sustained, those losses will be recorded in those individual enterprises as well, as the case may be. But certainly, as a matter of principle, there is the far greater prospect that a benefit will be derived through the investment of these trusts, on the presumption that the provisions of this legislation are given effect, and that a larger sum of money will be amassed and therefore used in a way that is not available to the smaller individual enterprises. So there is an obvious benefit there. But that does not happen under the terms of the legislation. If it is that there is an express provision to the contrary within the terms of whatever might have been the trust, and should it be that the benefactor within that trust has specifically said that that course of action is precluded, then it cannot happen. In the absence of any such provision, the pooling of the investments can occur, and I believe that is a very wise course.

The second principle underpinning this legislation relates to the variation of trusts. I have heard the discussion of the provisions by the honourable member for Berwick who, in his usual form, has analysed the thing very completely. I suppose the essential feature of this is that courts historically are most reluctant to interfere with a testator's wishes; they do so only very reluctantly. Various forms of statute and decisions of the courts often reflect the fact that judges do not want and do not like to interfere with the terms of a testator's intent. So it is that the bill contains provisions which are intended to provide a mechanism whereby that can be undertaken. By the same token, many checks and balances are set out in the legislation which will, I am sure, give great comfort to the courts in the sense of their application of these provisions.

But from a practical point of view there are certain instances where variations are required — for example, if under the terms of a will a benefactor has made provision for the investment of a sum of money for the purpose of a particular parish, when the reality is that that parish has, for one reason or another, ceased to exist, there needs to be a means whereby the benefactor's original or fundamental intent to provide a benefit to the church can be given effect. At present we simply do not have the means whereby the trustees of the Roman Catholic Trusts Corporation are able to do

this without a lot of the mechanical aspects to which the honourable member for Berwick has referred having to be undertaken. The application of this legislation will provide a flexibility to the trustees which they do not otherwise enjoy, and it will enable variations to be undertaken in a manner more appropriate to today's needs.

It might be, as the legislation says, that the property which has been vested in or held by the corporate body represented by the trust is of no community benefit or has become impossible to carry on any longer for any one of a vast array of reasons, and in those circumstances variations of that form of investment can be undertaken by the trustees. At all points there has to be the ongoing and underlying necessity that any such alterations include an investment for the charitable purposes of the Church.

Also importantly we have to remember that if any individual or entity realistically associated with the original intention of the benefactor has a problem about the variation intended to be undertaken they can always resort to the court. There is always the capacity to go to the court and make application to seek appropriate relief to preclude any variation on the theme to which the trustees might otherwise intend to give effect. I think that is important in the sense of people having confidence that the underlying nature of such a variation is that it benefits the charitable purposes in particular through the operation of the trust. As I said, if people have misgivings, they have a right of application to the court.

The National Party, having carefully considered the bill, is supportive of it. That carries through to the point where we accept that cy-pres applications, as the honourable member for Berwick has said, are difficult to undertake. They can be costly, involving the expenditure of money which would be better used for the purposes of those charitable intentions. Apart from anything else, there is a ready and easily accessed means whereby the general effect of the testator can be heeded and the practical application of what was originally intended can be given effect. When you stand back and look at the fundamental intention behind this legislation, you realise that the primary principle to which we need to pay particular heed is that nothing is done and no-one is empowered to undertake a course of action that runs contrary to the intentions of the original testator.

It is so important that those wishes, in whatever form they might have been, are able to be honoured and observed through the work undertaken by the Roman Catholic Trusts Corporation. The great thing about this

legislation is that it essentially recognises that to be the case, and it will ensure that there is no interference in those proper purposes. There are many forms of these trusts at the present time, and I have given the example of the Bishop's Family Foundation in Gippsland. The bishop, Bishop Coffey, has an absolute commitment to the work of this foundation. He has been a tireless worker in establishing this enterprise. He has spoken in many forums, and I have often heard him talk of the need for an entity such as this to provide the benefits for which it is intended.

He is not only supported by the priests and nuns in the diocese, apart from them many people in the general community are very strongly supportive of the intentions behind the operation of the foundation. The reality is that in this day and age there is a need for these forms of enterprise to be present to give support to members of the community who are not as fortunate as others. In some areas of the Gippsland region, just as happens in other parts of country Victoria, there are aspects of the community which are in particular need of the work of this foundation and other enterprises like it.

For example, when we were looking at the purposes behind establishing the foundation we made certain that the trustees who were to be responsible for its operation had the flexibility to dedicate the work produced by the foundation in a wide-ranging way. That might extend to direct grants for educational needs, because the children of some of the parents within the region unfortunately do not have the benefit that many others have in the sense of the financial resources their families enjoy.

There are elements of the community where homelessness, for example, is a problem. There are many other respects in which, from time to time, the benefits to be derived from the foundation will be pertinent to Gippsland families. But I use the Bishop's Family Foundation to exemplify what is a much broader culture of assistance to families in need across the state. The body which since 1907 has been substantially responsible for so much of this wonderful work is the Roman Catholic Trusts Corporation. It has a properly earned and very proud reputation for excellence. I believe that through this legislation work will be able to be done in a manner that will achieve better outcomes for the beneficiaries of the work of the corporation. It is on that basis that, on behalf of the National Party, I wish this legislation a speedy passage.

**Debate adjourned on motion of Mr WYNNE (Richmond).**

**Debate adjourned until later this day.**

**Mr Perton** — Madam Acting Speaker, I direct your attention to the state of the house.

**Quorum formed.**

## RETAIL TENANCIES REFORM (AMENDMENT) BILL

*Second reading*

**Debate resumed from earlier this day; motion of Mr HAERMAYER (Minister for Police and Emergency Services).**

**Mrs PEULICH** (Bentleigh) — I am grateful to the honourable member for Doncaster for calling a quorum, because the opposition believes the Retail Tenancies Reform (Amendment) Bill is an important piece of legislation. This is basically the legislation that the Honourable Carlo Furletti, the shadow minister for small business and consumer affairs in another place, introduced several days ago, although it has now been rebadged and introduced into the house under the ownership of the Bracks Labor government.

The sequence of events that has unfolded proves four things. First, that the cattle prod applied to the Bracks government in the upper house is working. The role of the upper house is evident, and its value in providing an opportunity to air concerns that affect a significant number of people in Victoria, both tenants and landlords, would not have been possible if it did not exist.

Second, it proves the worth of the steps taken by the Honourable Carlo Furletti to force a reluctant and unsympathetic government that had shown a total lack of concern for the small business sector to take the necessary action. The necessary action was caused by an unexpected Victorian Civil and Administrative Tribunal decision that was made by the vice-president of VCAT back in January. That has certainly thrown rental reviews into quite a bit of turmoil and caused a lot of hardship to those who have been affected.

The third thing it proves is that the Bracks government continues to suffer from paralysis by analysis, because the reaction of the Minister for Small Business in another place was to say, 'We'll take care of this, but we'll have a review'. Up until this stage the discussion paper, which was intended for broad community consultation, has not been released. Obviously that review would have been much too late. Thanks to the actions of the Honourable Carlo Furletti and the opposition in the upper house, as well as the existence

of the upper house itself, this action has been forced on the Bracks Labor government.

Of course it proves yet again, as I have contended in my speeches on most of the legislation initiated by the Minister for Small Business that has been before this house, that although we have seen the removal of redundant provisions in legislation, nothing really concrete has been done to assist small business. Yet again it proves that small business interests are the very last item on the Bracks Labor government's agenda. Clearly there was a need for urgent and swift action. That would not have occurred if the Honourable Carlo Furletti, the shadow minister for small business and consumer affairs in another place, had not shamed the minister into taking action.

As I mentioned, the VCAT decision threw a spanner in the works by redefining the concept of a base rent in rental reviews to mean the initial rent paid in the first year of the lease that had been entered into. The common understanding of the term 'base rent' in the industry among tenants as well as landlords was that it was a core rent — a starting rent — to which other outgoings may be added. That applied particularly to businesses that existed in shopping centres. There were often market promotional costs that were added to rental and various ways of calculating it.

Section 12 of the Retail Tenancies Reform Act 1998, which had been fairly comprehensively reviewed by the former government under the then Minister for Small Business, the Honourable Louise Asher, addressed a number of concerns at the time, including the removal of ratchet clauses which caused rentals to continue to rise in a market environment where there may have been a decline in market values and therefore in rentals that landlords could expect in return.

Section 12(1) of the Retail Tenancies Reform Act 1998, which makes provision for rent review, states quite clearly:

- (1) If under a retail premises lease the rent payable under the lease or a renewal of the lease is to be reviewed during the term of the lease or under an option to renew the lease, the lease must state the time when the reviews are to take place and the basis or formula on which the reviews are to be made.

Section 12(2) outlines the basis or formula that may be adopted for a rent review. It states:

- (2) The basis or formula on which a rent review referred to in sub-section (1) is to be made must be one only of the following —
  - (a) a fixed percentage of the base rent;

- (b) an independently published index of prices, costs or wages;
- (c) a fixed actual amount;
- (d) the current market rent of the retail premises;
- (e) another basis or formula prescribed by the regulations.

So to clarify the intention of the legislation of the then Parliament — and we all understood what ‘base rent’ meant in that debate — this bill has come before the house.

Section 12(6) of that act outlines the default clause. It states:

- (6) If a provision in a retail premises lease about rent is made void by the section and the lease makes no other provisions for determining the rent, the rent is to be as agreed in writing between the landlord and the tenant or if the landlord and the tenant are unable to agree within 30 days of a notice —

and it goes on to talk about the use of valuers —

specifying an amount of rent being served on the tenant by the landlord, then the amount of the rent is to be determined by a valuer nominated by the Institute of Valuers and Land Economists.

The Davey determination redefined the concept of base rent. The default clause that would have impacted on those leases would have meant going out and hiring a valuer and going on from there. Obviously there are enormous costs associated with that, costs that would be shared but would nevertheless cause an enormous amount of heartache.

As I said before, this occurred in January and the Honourable Carlo Furletti has been persistent in pursuing these matters. On 18 September he asked a question without notice of the Minister for Small Business. He asked her to immediately resolve the rent review provisions of thousands of retail tenancy leases by asking the government to immediately move to restore certainty to those provisions of retail tenancy agreements. He asked her whether she was going to do that or whether she would continue to procrastinate.

The response from the Minister for Small Business was quite extraordinary: rather than being sympathetic to all those who had been affected, she chose to attack the Honourable Carlo Furletti personally by ticking him off about his tone and about his question. How dare he ask a question that potentially affects thousands of leases? And how dare he do it at a time of urgency?

May I say that since recently assuming his new position the honourable member has hit a home run. The

minister then went on to talk about how she was planning to release an options paper on retail tenancies and how tenants were very fortunate that there were going to be a number of submissions. The paper would outline options available to the government, which would be looking at recommendations. Then some time during this Parliament — that is, the 54th Parliament which could continue to sit until 2003 — the government would introduce some legislation. That is typical of the pace of the Bracks government. It is a snail’s pace. Usually it is either shamed into taking action or prodded by the media or by a vigilant opposition.

On 19 September, not content with the minister’s dismissive response, the Honourable Carlo Furletti asked a question without notice in the other place. He asked the minister whether she had any appreciation of the number of businesses that would be affected as a result of the VCAT decision. The minister continued to dismiss that and blamed as usual, using the mantra of the Bracks government, the former government and whatever else. She was basically saying that this was not going to happen unless it happened her way — the slow way. On 26 September the opposition, through the Honourable Carlo Furletti, the shadow minister for small business and consumer affairs, introduced the Retail Tenancies Reform (Rent Review) Bill. Basically it responded to an urgent need, and it achieved the same outcome. What do we have now?

**Dr Dean** interjected.

**Mrs PEULICH** — The same as the Dupas bill, as the shadow Attorney-General said. As I said, these people cannot come up with their own ideas; they are just very happy to plagiarise and take ownership of other people’s ideas for which they initially failed to appreciate the need. They have not even briefed all opposition members, because we only found out on Monday that the bill was going to be introduced. We are delighted to support it. We see the need for it, and we believe it is urgent. So we were very happy to oblige having leave granted to debate it immediately, and I understand the National Party did the same.

The cattle prod only began to work in the upper house when it was accentuated by an article written by Karina Barrymore, which appeared in the *Australian Financial Review* of 8 October, entitled ‘Australia: property — rent doubts unite industry’. That very good article sums up perfectly the issues and castigates the minister for her lack of action. I will quote briefly from this excellent article:

Victorian landlords and tenants appear to be unanimous in their battle to fix the state’s retail tenancy laws as thousands

of rent reviews remain in doubt after a surprise legal decision. For the past nine months, neither landlords nor tenants have known if their existing leases have any legal standing. In many cases, their fixed percentage increases will be thrown out the window and both parties will be at the mercy of market-based reviews.

The mass confusion has resulted in criticism of the Bracks Labor government's failure to quickly resolve the nine-month stand-off, or to introduce new laws to clarify the situation.

Of course, it has now been 10 months. It goes on:

Despite lobbying from the country's biggest groups, including the Property Council of Australia and Shopping Centre Council, the problem has continued since January.

The delay has prompted private law firms to warn of serious financial consequences because of that uncertainty.

A spokesman for the Victorian Minister for Small Business, Ms Marsha Thomson, confirmed yesterday the government had still not decided on a course of action.

That was on 8 October, which was not that many days ago.

**Mr Baillieu interjected.**

**Mrs PEULICH — The government had still not decided on a course of action!**

**Mr Baillieu interjected.**

**Mrs PEULICH — Undecided, indecisive, not on top of it perhaps, or any other description that you may care to use.**

**Mr Baillieu interjected.**

**Mrs PEULICH — It did not care. Private enterprise, investment and small business are not high on the agenda. The article continues:**

The spokesman said the government was considering proposing an amendment to the legislation before the end of November but could not guarantee if it would go ahead.

The lack of action has forced the Victorian opposition to introduce its own retail tenancies reform bill forcing the Bracks government to debate the issue in Parliament in a bid to shore up crumbling confidence within the industry.

As I said before, I commend the upper house on providing the opportunity for that to occur. The article goes on to say that the turmoil was caused by the case which:

... went to the Victorian Civil and Administrative Tribunal, where the judge —

or the vice-president —

decided, in a totally unforeseen outcome, that set percentage rate increase were against the law, the Retail Tenancies Reform Act 1998, which is under review.

The decision meant that base rent was the rent payable in the first year and that a percentage increase could only ever be applied to the first year's rent as opposed to a percentage on the previous year's rent, which an investor would expect.

**An honourable member interjected.**

**Mrs PEULICH — Yes, it is commonsense. It is certainly something the industry understands. The article also states:**

The decision interpreted the property term 'base rent' to mean the original rent, or starting rent, set when the lease was first taken.

... This is to differentiate it from other rent amounts often written into leases, such as a percentage of turnover or proportion of outgoings which are paid in addition to the annual base rent.

This is interesting. The article states:

Minter Ellison property lawyer Mr Max Cameron offered the following example yesterday of a \$10 000 a year base rate agreed at the start of the lease with a fixed 4 per cent increase each year. This would mean that the second year's rent was \$10 400, the third year \$10 816 and so on adding an extra 4 per cent each year.

Under the VCAT decision the 4 per cent increase could only apply to the initial \$10 000 ...

That would mean that the landlord could only ever expect \$10 400 in rental. The article states:

Since January, any lease with a fixed percentage increase to its base rate can be challenged as potentially illegal, forcing both parties to resort to the automatic default clause of a market-based rent review.

As I said, solving the problem was urgent. When the decision was handed down the minister did not appreciate the impact it would have on all concerned, and the government has only been shamed by the opposition into addressing the problem. The bill proposes to amend the Retail Tenancies Reform Act by clarifying what constitutes rent for the purpose of calculating and determining rent reviews under section 12 of the act. It is referred to as section 12(2)(a) when it should be section 12(2)A, so a house amendment will be needed to correct that. The proposed amendment will do exactly what the bill the Honourable Carlo Furletti introduced into the upper house —

**Mr Jasper — The honourable member in another place.**

**Mrs PEULICH** — It is not against the standing orders of this house to refer to a member in another place by name; it is only against standing orders to refer to members of this place by name.

*Honourable members interjecting.*

**Mrs PEULICH** — Well, I did respond to an interjection which was probably disorderly.

The proposed amendment achieves exactly the same thing that the bill introduced into the upper house, which the Bracks government voted against, intended to do — that is, resolve the uncertainty surrounding the validity of rent review provisions in retail tenancy leases.

As I said before, the cause was the decision of the Victorian Civil and Administrative Tribunal in the case of *Khodr v. Foo Qan Eng Holdings Pty Ltd* on 25 January. The term ‘base rent’ was generally understood in the industry as the core rental that was paid under a lease. It had its genesis in shopping centre leases which invariably included payments in addition to the rental component such as turnover rent, percentage rent and a proportion of outgoings paying for, for example, market promotions and the like, above the base amount. The interpretation of the case has produced an absurd outcome. I would not like to reflect on a member of the judiciary but the case has serious implications for thousands of retail leaseholds in Victoria and it is necessary for this Parliament to resolve that uncertainty. In part it will do so by removing the reference to ‘base rent’ in the principal act. The effect of the decision is to invalidate a rent review provision in a retail premises lease if that provision is expressed as a percentage of the previous year’s rent.

The purpose of the bill is to remove the uncertainty surrounding the validity of the rent review provisions in those leases. The Liberal Party consulted with the affected parties, their representatives and other experts in the field of retail tenancies. That included the Law Institute of Victoria and its subcommittee on leases, the Property Council of Australia and a number of other retail tenancy law experts.

The uncertainty caused by the decision would have been exacerbated by the default provisions of section 12(6) of the principal act which provide that in the event of the rent review provision in a retail tenancy lease being deemed void, the appropriate substitute rental is to be determined by a valuer. The cost of having to go through that all the time would be quite prohibitive.

It is heartening to learn that something the opposition has done has been accepted and adopted. Hopefully the government will not be so shameless as to claim credit for it. I could refer to dozens of examples, but the Liberal Party has pressed for this. It is happy to support the bill; it is happy to see the uncertainty resolved. The Liberal Party knows that the bill has retrospective provisions which ordinarily it would be very reserved about and not happy to support, but in this instance they are quite clearly needed.

In conclusion, if it were not for the opposition and the shadow minister for small business and consumer affairs in another place, small business and landlords would have been waiting for eternity for this matter to be resolved. I am delighted that this bill is before the house, that the Liberal Party is supporting it and that we can resolve these matters which have affected so many people. With those few words, I am very happy to support the bill on behalf of the Liberal Party.

**Mr JASPER** (Murray Valley) — Retail and residential tenancy legislation has been brought before the Parliament regularly in the years I have represented Murray Valley in this place. Governments of all political persuasions have sought to balance the rights of owners of properties and tenants and to look at the equities of these issues. Legislation governing both retail and residential tenancies has often been hotly debated in this Parliament. Depending on the strength of the representations and I guess the particular side of politics they have been on, honourable members have represented different areas of interest in residential and retail tenancies.

Retail tenancy has been a major issue in recent years between lessors and lessees, particularly as it relates to large retail complexes. The rights of these parties have been examined in trying to get a balance and protect lessees from the strength which lessors can bring to bear, again particularly in the large complexes.

In recent years governments have sought to protect lessees and small business operators. From my point of view I have great sympathy for small business owners. I grew up in small business and I think I have a fairly strong understanding of the particular problems facing business and the operators of small businesses. Those of us who have been around for many years understand that small business is the lifeblood of the Victorian and Australian economies. However, small business in Australia today is under great pressure. I guess it has always been under pressure but when we look at the governments in Australia today and their political leanings we can see that they are placing small business under even more pressure because often there are

people in governments who lack understanding of the difficulties and problems facing small business.

More recently we have seen great problems being faced by small businesses with huge increases in Workcover premiums and problems with dismissal legislation. The federal government has sought to move in this area but has not been able to proceed with legislation because of opposition from the variety of parties in the Senate.

Government charges are always an issue of concern. While I recognise that there are some problems for small business in implementing the GST, I believe a lot of work has been done at a federal level to ease that pressure and explain to business and industry how they should operate in the new circumstances in Australia. When we look at the operation of the GST we can see that changes brought to bear because of the pressures in the Senate have allowed the state governments to continue imposing a number of government charges on business. There has been no real indication of when the pressures being brought to bear on business through charges imposed by state governments will be eased. On many occasions I have seen the Treasurer standing up in this house indicating how the government is so supportive of business and industry and particularly small business, but government charges continue to be imposed without any indication of when there might be some relief from them.

That has made it more difficult for small business because not only do businesses need to be competitive with their pricing structures but they need to be profitable. I think profit is often a dirty word to people in government at present and particularly those in the Labor Party; they do not like to think business is profitable. I remind the government that unless business is profitable it will not continue operating and employing people in Victoria. I have said on many occasions that there is no way the government can employ everyone in Victoria. There is a great need to support small business and all business and industry across Victoria so it can be profitable and work effectively.

I have watched the new Minister for Small Business with a great deal of interest, a new member in the Parliament becoming the Minister for Small Business immediately. I have formed the view that she lacks understanding of small business and the problems and difficulties facing those of us who are involved in it.

I would say it is a fast learning curve for the Minister for Small Business. I have some sympathy for that, but I do not have sympathy for the fact that the minister comes into this place with, in my view, no true

understanding of the difficulties and problems that face small business and gives no recognition of the great importance of small business to the Victorian economy.

I recall that I also made that point when the Honourable Tom Roper was in Parliament during the 1980s. He spoke on a particular bill, and I said that while I had great respect for him and his intelligence and his being able to analyse and speak on various issues, I certainly would not like to go into business with him because he would have driven me broke straightaway. I would not like to go into business with the Minister for Small Business in another place and invest my money because we would probably find that we would both be out of business.

I believe there does need to be an understanding between people who are in business to enable them to operate in what has become a hugely competitive situation, partly because of the actions of governments and partly because of the condition of the Australian economy. I am not opposed to competition; it is the lifeblood of business because it keeps it active and efficient and delivering services, but businesses need to be profitable, and they need a government that understands how they operate to ensure they can be profitable.

As I said earlier in my contribution, retail and residential tenancy legislation has been debated in this Parliament over many years. Different points of view have been put before the Parliament and often the views that are put represent the strength of the side that is putting them — whether it supports lessors or lessees — but we have been able to get equity and balance in this legislation and have been able to ensure that appropriate legislation is brought before Parliament.

It is also interesting to have a look at the background of the legislation. I read the debate that occurred yesterday in another place. I agree with the honourable member for Bentleigh, who said that in the normal course of events and following the normal procedure legislation is brought before the Parliament and is then held over for a minimum of two weeks to enable all parties to get departmental briefings and consult with all interested parties to get their views on how they see the legislation affecting them and whether there is a need for the legislation or whether it needs to be amended.

This legislation has been brought into the Parliament with haste, and it is disappointing that we have not been able to have a briefing from officers of Small Business Victoria to assist us in gaining a true understanding of the bill. However, it has been a steep learning curve.

We have been able to review the debate that took place in another place, and at least some time today we should get a chance to review the second-reading speech and be able to have a look at the legislation and review it against the principal act.

When reading the second-reading notes I recalled the comments made by the Honourable Carlo Furletti in another place. He said that the government could not get the minister's second-reading speech right, and I note that the error has not been corrected in the second-reading notes that have been distributed in the Legislative Assembly. When the notes refer to section 12(2)(A), with a large 'A', it should be section 12(2)(a), with a small 'a'. That may be a small issue, but if that error were made in the bill — and the Clerks know this — amending legislation would be necessary to correct it. However, I note that the bill before the house has a small 'a', so I accept that the legislation is correct but the second-reading speech is wrong.

As I said, I listened to the contribution of the honourable member for Bentleigh, and I understand the actions that have been taken by the Liberal Party following the Victorian Civil and Administrative Tribunal decision on 25 January in which 'base rent' was taken to mean the base rent when a particular property was originally leased and did not take into account the fact that there may have been regular annual increases. VCAT took 'base rent' to mean the base rate when the property was initially leased.

It is interesting that the work on this legislation has been done by the Liberal Party. I pay tribute to the Honourable Carlo Furletti in another place for the work he has done in investigating this issue and producing a private member's bill to bring before Parliament. It is interesting to note that the government — and I have seen this ever since the change of government — gives very little credit for anything. I am of the view that if the government does something right it should be given credit. And if somebody else brings a view before the Parliament, credit should be given too.

In my electorate of Murray Valley I have always taken the view that, once elected, I represent all the people in the electorate of whatever political persuasion, and I seek to represent those people to the best of my ability. Over the years I have sought to achieve results, and I think we have been able to achieve positive results in Murray Valley.

However, I have also sought to make sure that credit is given where it is due and criticism accepted when it is deserved. I have tried to be balanced in all the years that

I have been in Parliament, giving credit when that is justified, whatever the political persuasion of the government, and criticising the government if it is just to do so. I am disappointed that this government has not given any credit to the fact that the opposition brought forward a model piece of legislation. Once that legislation was brought before the Parliament the government said, 'No, we'll bring in our own bill', and it is rushing that legislation through. It is disappointing that we have that situation.

I guess some people would say that the minister's point of view is arrogant. I wrote down a couple of her words because I felt she should have perhaps shown some humility and acknowledged that the legislation should have been brought before the Parliament earlier. The minister said that in developing the bill the government consulted with key parties, including the Law Institute of Victoria, the Property Council of Australia and the Australian Retailers Association in Victoria. Yet apparently this legislation has been produced only over the past few days.

Again I believe the government should say, 'We acknowledge that we need this legislation and that it needs to be put through fairly quickly because of an adverse decision made on 25 January'. I indicate again that this is worthwhile legislation. I believe the government should give the Liberal opposition in another place credit for the actions it has taken. Indeed, the legislation could have been accepted in that place and then brought through to be debated in this house.

However, the National Party supports the passage of this legislation despite receiving no briefing from the government. We believe the issues relating to base rent need to be rectified, and removing from the act the words 'of the base rent' corrects the situation. I note also that in some leases there has been an automatic 4 per cent increase over a number of years. If we do not have this legislation we could see further decisions by the court system indicating that the base rent should be interpreted as the rent when the lease was originally negotiated.

I also note in the latter part of the minister's second-reading notes that there is no retrospectivity in the legislation. When I was a member of the regulation review committee I always opposed regulations which provided for retrospectivity. I believe retrospectivity cannot be supported. However, I wonder what effect this legislation might have on leases that have been looked at between 25 January and the date when this legislation comes into effect.

Certainty will now be restored as far as rentals charged by lessors are concerned. I trust that the legislation will provide certainty into the future. The National Party supports the legislation.

**Mr ROBINSON** (Mitcham) — Before commencing my contribution to the debate, in deference to standing order 2, I declare that I am a holder of Australian Mutual Provident Society shares. AMP is a retail centre manager of some note, and this legislation may have some bearing on its activities. I am happy to put that on the record.

**An Honourable Member** — What are they worth now?

**Mr ROBINSON** — They are not worth as much now as they were, but our fingers are crossed.

There are few areas of commercial activity in the state which over the past 15 years — —

**Mrs Fyffe** — On a point of order, Mr Acting Speaker, I draw your attention to the state of the house.

**Quorum formed.**

**Mr ROBINSON** — As I was saying before I was most unfortunately interrupted, there are few areas of commercial activity in the state of the Victoria which over the past 15 years have drawn as much attention as retail tenancies. This would be the third or fourth occasion since the late 1980s on which legislation has been debated which affects the administration of retail tenancies in the state.

However, this debate is a little different from those which have preceded it. Typically legislation that has been passed in recent years has dealt with the rights of tenants. Anyone who has the faintest familiarity with the debates which have transpired will be aware of stories of the great hardships that have on occasion been experienced by retail tenants.

I am familiar with a number of those. There would barely be a major shopping centre around the city of Melbourne which over that period has not witnessed severe hardship stories. Typically the core of those difficulties has been the huge inequality in bargaining positions between retail tenancy managers and the tenants.

Looking back through case notes and clippings it is not uncommon to come across cases in which people who had wanted to be in retailing all their lives and who had invested their life savings and mortgaged their houses to do so were in virtual no-win situations in their

attempts to establish a level playing field as part of their lease agreements with some of the largest retailing companies and corporations in Australia. If you were to draw up a scale showing the relative bargaining powers in terms of capitalisation, it would not be difficult to come to the conclusion that the lessors in those cases were 10 000 or 20 000 times more commercially powerful than the tenants who found themselves in trouble.

The difference between this bill and the legislation that has gone before it is that this has been triggered by a curious decision by the Victorian Civil and Administrative Tribunal (VCAT). Earlier speakers have alluded to that decision, which was made earlier this year. It is a curious decision that has thrown some doubt over lease negotiations and the capacity to review rentals, but we have had to live with it.

Rental reviews as an element of retail lease agreements have been central to the disputes which have emerged. In those disputes it has not been uncommon to see landlords impose very substantial and indeed onerous rent increases; and from time to time before the current legislative scheme emerged the capacity of tenants to deal with that was almost non-existent.

The VCAT decision in January this year was curious, because it interpreted one of the formulas in the principal act which facilitates rent reviews to mean that the base rent was the rent which was payable in the very first year of the leasehold. Given that some leasehold agreements go back many, many years — and in that case we could look at Chadstone, which was the first large shopping centre established around metropolitan Melbourne in the late 1950s — you can understand that the confusion which could emerge from such a situation would be profound.

The effect of the VCAT ruling was not noted publicly early on. Instead it was something that came to the fore through the various processes within the retail tenancy environment. Bit by bit concerns have emerged that the ruling provides for too much confusion, and a legislative amendment is the preferred way of dealing with that.

Comments were made earlier that the opposition's private member's bill was in fact the better way to proceed. I contest that opinion. While the shadow minister for small business and consumer affairs in the other place, Mr Furletti, is a man of some ability, it is stretching credibility a little too far to suggest that his bill was a perfect vehicle for correcting this anomaly.

Mr Furletti is many things. He is a very good former member of the Law Reform Committee, on which I served with him for a year during the committee's inquiry into self-induced intoxication — a very decent and genuine attempt to review O'Connor's case. If as a member of that committee you were stuck in Cairns en route to Darwin to further your inquiries into self-induced intoxication and had to take refuge in the Hilton Hotel and watch tropical cyclone Roma devastate the city, you would find he is not a bad person to have on your side!

Having said that, when it comes to bocce Mr Furletti is a bit of a flop, because I understand he has twice led the Liberal opposition to profound defeats at the hands of the victorious Labor government team. It would be timely of me to once again commend the members of the government who participated in that celebrated event. We owe a debt of gratitude to the honourable member for Essendon, who I think captained the team; the honourable member for Tullamarine, who has been a leading contributor; and the honourable members for Coburg, Ivanhoe and Sunshine. Theirs was a wonderful effort, and it is through their endeavours that the Victorian Labor government now stands as undisputed world champions when it comes to parliamentary bocce tournaments. We invite Mr Furletti to reform the opposition's ragtag team and try to knock us off, because we are going to defend that title at all costs.

As a bocce player I suppose he makes a pretty good deputy opposition leader in the upper house. But his bill had some deficiencies, whereas the current bill is better drafted, has broader support and will deal more comprehensively with the anomalies created as a consequence of the VCAT ruling.

The amendment is relatively simple in that it seeks to amend section 12(2) of the principal act, the Retail Tenancies Act, to permit the previous year's rental in any retail tenancy to be used as the base figure for the purpose of calculating the revised rental. It is a very commonsense approach to the need for a relatively simple amendment. Along with other amendments it also provides that ongoing deliberations in VCAT and other forums will not be affected. It is a sensible reform, and the Minister for Small Business in another place is to be commended for the comprehensive manner in which she has dealt with it, as opposed to the ragtag efforts of the failed bocce captain from the other side, Mr Furletti in another place.

I cannot let this debate pass without responding to one of the claims made by the honourable member for Murray Valley, who alluded again to Workcover's alleged crippling impact on small business. It is all well

and good for those on the other side to maintain that they are opposed to the government's Workcover reforms, but they ought to be truthful enough to come out and say that not only do they oppose what the government has done but that they stand for the abolition of common-law rights. They ought to stand up and tell people in my electorate and in electorates right across Victoria that they have not learnt anything since that famous Mitcham by-election in 1997 and that, two years into opposition, they want to abolish that hard-won and restored right. If that is what they stand for, we in the electorate of Mitcham are more than happy to go to the next election on the issue of whether people want to go back to a failed and discredited system where common-law rights for injured workers were abolished.

I notice that the former Minister for Small Business, the honourable member for Brighton, is in the chamber, and I hope she will make a contribution. It is a matter of record that the principal act was passed under her stewardship, which we acknowledge. However, we also acknowledge the role played by Steve Price of 3AW in dragging the minister, kicking and screaming, to the table to get that legislation up. Again we would be remiss if we did not pay tribute to Mr Price. He engenders many responses from people in this place, but it is a matter of record that he was terrier-like in his pursuit of the former minister, the honourable member for Brighton, and the former government in ensuring that the complaints and the injustices suffered by tenants in unfair retail tenancy situations were addressed.

There was a time when the former government was reluctant to admit that tenants were suffering to the extent that they were, and I repeat that it was through the efforts of Mr Price and people like Lisa Michael from the United Retailers Association that the issue was addressed in the way it was.

We have also heard the comment that the government's reform agenda is not going far enough. I am confident that the detailed work that is going into retail tenancies in fulfilment of a prime commitment that this government took with it to the last election will result in overhauled retail tenancies legislation next year that will provide for the best retail tenancies legislation the country has ever seen. I very much look forward to that.

I congratulate the Minister for Small Business on her continuing endeavours. It is fair to say that in less than two years the government has done more than the former government did in seven. It was also interesting that despite all the honourable member for Bentleigh had to say about what the conservatives did for small

business, she did not once mention the war. I do not think I heard the GST mentioned once, and that is interesting. The federal government is magically trying to go right through an election campaign without mentioning the GST, and obviously that is infectious. The honourable member for Bentleigh could have told small business what it already knows, that the Howard government's GST has been a burden which many of them cannot bear and which has forced many of them out of business.

Taking into consideration all the things people in small business have to cop — and all the things that retail tenants in small business have to cop — the GST has been the last straw for many of them.

This is very good legislation.

**Mrs Peulich** interjected.

**Mr ROBINSON** — I am happy to talk to the honourable member for Bentleigh about a margin. Unlike some of her former colleagues, I still have a seat that I am very happy with. The people in Mitcham are wonderful. They stand up for retail tenants and they stand up for workers and their common-law rights, and I am sure they will do so in the future. This is great legislation, and I commend it to the house.

**Mr BAILLIEU** (Hawthorn) — In the realm of the extraordinary agenda the government has delivered to the Parliament this week, this bill stands out as a beacon. The compelling part of this bill is to remove four words from a piece of legislation and to provide a retrospective provision. We are removing four words from the Retail Tenancies Reform Act as a consequence of a relatively arbitrary decision of the Victorian Civil and Administrative Tribunal (VCAT) some months ago which effectively caused tenants and landlords to start beating their heads against the wall. The effect of this legislation is to stop people beating their heads against the wall, and that is about as far as the government's agenda goes.

I do not intend to delay the house long on this bill, but I note that as a result of my professional career in both the real estate industry and the architectural industry before I entered this place, however humble that experience may have been, I am not unfamiliar with retail leases. In the world of retail leases we are basically talking about small businesses. The big players — those with leases for over 1000 square metres to whom the Retail Tenancies Reform Act does not apply — are effectively larger businesses and are very capable of looking after their own interests. But in the world of small business there are many causes of

heartache, and invariably rent reviews are a major cause of both heartache and anxiety.

**Ms Asher** — And headaches!

**Mr BAILLIEU** — And a cause of headaches. Over the years many changes have been made to the provisions of the Retail Tenancies Act, and as previous speakers have mentioned, this Parliament has on many occasions in the past 10 or 15 years debated legislation to do with retail tenancies. Those changes to the provisions to which small businesses have had to pay attention have themselves caused anxiety.

Regrettably not all retail leases are written in the same way. Retail leases are in many cases different and they have long been the source of frustration. In the worst cases retail leases have over many years been the source of some abuse on the part of both landlords and tenants. Fortunately standard leases have been introduced in recent years, and legislative provisions have assisted and improved the position of tenants in particular and also that of landlords.

In all that change the industry has grown up with the standards and the legislative provisions and has become used to the provisions as they have been assessed. There has been a reasonable measure of understanding in the retail industry about the application of the Retail Tenancies Reform Act in particular. Anything that occurs that disturbs that understanding is likely to generate enormous angst, and the reality is that the VCAT decision earlier this year did just that.

The VCAT hearing in the Khodr case was held in November and December of last year. Judge Davey brought down the decision and, subject to representations, then gave further reasons for his decision. Those supplementary reasons have led to the provisions in this bill and were the cause of the headaches in the first place. Effectively that decision of Judge Davey turned the understanding and the interpretation of 'base rent' in section 12(2)(a) of the Retail Tenancies Reform Act on its head. By so doing, it effectively turned the rent reviews that had occurred in that period on their heads and caused great anxiety in the industry. As we have already heard, thousands of leases were turned over in that period and tenants and landlords have been confused and put to considerable expense as a consequence. A reversion to the standards in the Retail Tenancies Reform Act has had to occur, and as a result market value has been necessary as an interpretation. Businesses have had to get valuers in to determine market value rent and suffer the costs associated with that.

Some may wish to criticise the VCAT decision, but I am sure it was made in good faith, and ample reasons were given for it in the judgment. It is an interesting read, if not a complicated one. However, the reality is that small business, and in particular retail small business, has enough on its hands already and certainty is what it needs. This bill at least delivers that certainty to small business retailers.

The reality is that this bill is here not because of any action of the government; quite to the contrary, it is here because the Honourable Carlo Furletti, a member for Templestowe Province in another place, has moved heaven and earth to get some outcomes. The Minister for Small Business has done precious little since this problem was drawn to her attention. It was drawn to her attention by the Property Council of Australia, by the Law Institute of Victoria, by retailers and by small business organisations, and nothing ensued. Carlo Furletti, as shadow minister for small business and consumer affairs for the Liberal Party, has done everything he can possibly do. He raised the matter personally with the minister, he raised it with the minister during question time in the upper house and got nowhere, and he ended up introducing a private member's bill into the other place just recently.

In that process he has finally caused the minister to buck, to move and to get on with it. The intransigence of the minister has been highlighted by her own actions in this matter. Even on Monday, as we heard earlier, the minister was undecided about what she would do. In just the last two days the government has brought a bill to the upper house. Once again the opposition, through the Honourable Carlo Furletti, has done the right thing in the upper house by ensuring that the bill was debated and then passed to the Assembly as soon as possible in order to give relief to the tenants and landlords who have been subjected to the turmoil into which the VCAT decision threw them earlier this year.

It is a tribute to the Honourable Carlo Furletti that this has occurred, and it is a tribute to the effectiveness of the upper house. It is a reminder that the government Independents, who were just this morning berating the upper house yet again, have got it wrong. The upper house has again delivered through the opposition and achieved a change that will bring real benefit to people who have been needlessly suffering and who, as I said before, have been caused to beat their heads against the wall.

The last line of the second-reading speech simply says, 'This is of benefit to both landlords and tenants', and that is probably the only reasonable thing that has been said by the minister in this case. The opposition was

right in having raised this issue and the minister has now acknowledged that the opposition was right. The opposition moved to make changes and the minister has now acknowledged that the opposition was right to do so. It can at least be said that the Parliament has quickly and effectively made the change that was urged upon the government and which the government resisted for so long.

The bill is a small achievement in a week where the government has been filibustering at every opportunity, and it will go down as probably the only highlight. In so saying, I commend the bill to the house.

**Mr STENSHOLT** (Burwood) — I am delighted to speak on the Retail Tenancies Reform (Amendment) Bill, which aims to restore certainty in provisions covering the operation of rent review clauses in retail leases. As other honourable members have said, this bill is very important for small business. Who looks after small business around here? It is the Labor Party that looks after small business, not the honourable member for Hawthorn. As the honourable member for Mitcham said, the Labor Party has done more in two years than was done by the former government in the past seven years.

In my electorate we look after small business; there is no doubt about it. Whether it be the small business people in Surrey Hills, in Ashwood, in Burwood, in Ashburton or in Maling Road in Canterbury, we look after them and they know they are looked after.

**Mr Robinson** interjected.

**Mr STENSHOLT** — The local member is the honourable member for Burwood, obviously. At the weekend I noticed an article on Ashburton in the *Sunday Age*. Let me tell you, the war was mentioned there by the traders, who were all interviewed. What was the key issue for the traders in Ashburton who have retail tenancies? It was the GST. Included in the traders group is a former vice-president of the Liberal Party in Glen Iris, who was quoted earlier in the paper as saying that the GST was forcing him out of business.

Because I have been to many of the traders' meetings and have helped them out in the shopping strip, I heard second-hand that Peter Costello, who happens to be the local federal member, was — —

**Mrs Peulich** — On a point of order, Mr Acting Speaker, I would like to draw your attention to the state of the house.

**The ACTING SPEAKER (Mr Nardella)** — Order! On the point of order, I will use my discretion

on the ringing of the bells in regard to a quorum. According to the ruling made by Chairman Coyle, which is referred to at page 131 of *Rulings from the Chair*, I shall not ring the bells. The honourable member for Burwood, continuing.

**Mr STENSHOLT** — As I was saying, I heard second-hand that Peter Costello, the federal member for Higgins, had actually approached the Ashburton traders and said, ‘I would like to come along and talk to you, thank you very much’. What did the Ashburton traders, who were featured with their retail problems in last Sunday’s *Sunday Age*, say to Peter Costello? They said, ‘When you are out and about and come and talk to us about your problems as much as Bob Stensholt, the honourable member for Burwood, does, then we will have you come along and talk to us’. That is because they are very concerned with small business. Who has been looking after small business?

**An honourable member** interjected.

**Mr STENSHOLT** — That was at Maling Road in Canterbury. I share Canterbury with the honourable member for Hawthorn, who was talking about small business.

Recently there was a problem at Maling Road. There are obviously continuing problems with retail tenancies there, because the rents are very high. It is a very successful trading strip, but the local bank was closing down. Who was there with the petition 2 hours after the word went out from the Commonwealth Bank? It was not the honourable member for Hawthorn. Who attended the small business traders’ meetings — there were two of them, including the annual general meeting of Maling Road traders? It was not the honourable member for Hawthorn. Who attended the second meeting of the traders in that three-week period? It was not the honourable member for Hawthorn. Who is looking after small businesses and their retail tenancies concerns in that area? It is not the honourable member for Hawthorn.

As the honourable member for Hawthorn has praised the so-called good work of the upper house so much this week, perhaps he wishes to move to the upper house. I read that there will be two vacancies in East Yarra Province. We know that the Honourable Mark Birrell has decided to leave the Parliament at the next election, but I am told that crikey.com has fingered the Honourable David Davis as moving out as well.

**Ms Asher** interjected.

**Mr STENSHOLT** — He will not be coming to Burwood. He was the campaign manager for the failed

Liberal campaign for Burwood. He was the campaign manager for Lana McLean, and let me tell you — —

**Mrs Peulich** — On a point of order, Mr Acting Speaker, I would like to remind the house of the narrow parameters of the bill. The current contribution of the honourable member for Burwood far exceeds any imaginable relevance to the parameters of the bill. I ask you to draw him back to the bill.

**The ACTING SPEAKER (Mr Nardella)** — Order! I do ask the honourable member for Burwood to understand the bill before the house and to debate the bill within those parameters.

**Mr STENSHOLT** — Thank you, Honourable Acting Speaker. I was obviously talking about the role of members and small business, on which the honourable member for Bentleigh has expatiated quite considerably this afternoon and this evening. I thank you for the indulgence which you have also allowed other members.

In terms of small business, which we are looking after, the Retail Tenancies Reform (Amendment) Bill seeks to fix up anomalies arising from a decision by the Victorian Civil and Administrative Tribunal (VCAT) in the case of *Khodr v. Foo Qan Eng Holdings Pty Ltd (No. 3)* heard earlier this year. I should note that it fixes up a problem the previous government created — and I see that the former Minister for Small Business is in the house. Its style was to rush through legislation — I guess the former minister was forced into it by Steve Price, having been pounded and hounded on 3AW for a long time — without much consultation at all and let the community bear the brunt of its mistakes. Now here we are having to fix up the improperly worded legislation of the past. Obviously the court was able to find this one out.

They are still rushing in. Not only are they no good at bocce; they are good at botching it up! The Honourable Carlo Furletti rushed in. This is the new leadership team in the upper house. The honourable member for Hawthorn had better get up there real quick, because the new leadership team is clearly having a bit of a struggle coping with its first little effort. The team members have failed their first test. Like a bull at a gate they went, trying to put this in without much consultation at all.

There was some discussion about this by the Law Institute of Victoria in looking at what this little botched attempt was. The legal experts from the law institute were Michael Redfern, who I think is a former president of the law institute, Dr Clyde Croft and Derry

Davine. They looked at and commented on what Carlo Furletti had put up. They said:

The amendments proposed by Mr Furletti —

I would have called him the Honourable Carlo Furletti —

of the Retail Tenancies Reform Act are similar to those we propose in that they retain the words ‘a fixed percentage’ but there the similarity ends. In our view the added wording in his proposed amendments does not assist the matter any further.

That was the attempt made by the new leadership team in the upper house, which the honourable member for Hawthorn is probably desperate to join. The legal experts went on further to say in relation to the proposal that it:

... is a complete departure from the approach adopted in subsection (10)(1) of the 1986 act which means that its effect must ... be much more unpredictable —

and here we are looking for certainty for people in small business; it is very important for them —

than would be the case if this addition were not made.

That is the effort of the Honourable Carlo Furletti in the upper house. No wonder the consultation had to be undertaken, and was done most properly by the government and by the Minister for Small Business with organisations such as the Law Institute of Victoria, which I have already mentioned, the Property Council of Australia and the Australian Retailers Association of Victoria.

Of course, they looked at a range of options. That is what you do when you consult; you actually talk to people and look at a range of options. For example, I notice that on the review of the total Retail Tenancies Act, which is going on now, there will be two rounds of consultations. This is not a matter of inaction; this is a matter of trying to do things properly. You talk to people, you do not rush in; and having consulted you act with probity and with proper accountability. This is exactly what the Labor government is doing.

**Mr Loney** interjected.

**Mr STENSHOLT** — Accountability; I am sure that Hansard will get it very correct. As I mentioned, consultations were had with the law institute and with other parties. Having had the discussions all parties agreed that this is the bill, as provided today — which of course all parties now agree with. I commend the Honourable Carlo Furletti for having the good judgment to withdraw his bill, even though it was inadequate.

**An honourable member** interjected.

**Mr STENSHOLT** — This has obviously overtaken it. This bill is the most effective solution, and it is going ahead. Everyone is now happy with this conclusion, this proposed legislation. What does it say? It basically provides the surety that is needed here. The judge found that the term ‘base rent’ was insufficient because it could be interpreted not just as last year’s rent — and then a percentage increase would apply to it — but as the first year’s base rent, which would be unfair to the property owners because it could have been the rent established three or four years earlier, depending how long the lease had been running. The bill provides certainty and corrects that situation. Yes, that does require only four words, but those four small words are quite meaningful both for property owners and for retail tenants.

The bill also provides for transition arrangements, which is most proper in case there are any cases pending. My understanding is that there are none at the moment that are on the lists or approaching the lists in any way, in which case we would hope that the transition provisions would not need to be used. I have covered the bill and the positive impact it will have on small business in general and the small businesses I have mentioned in particular, such as those in Ashburton and Maling Road.

The bill is welcomed by my constituents in the small business sector because certainty is very important to them. They are being battered by the goods and services tax, the GST of the goldilocks Treasurer we have at the federal level, and they are being battered by the business activity statement — battered from one end of the room to the other by all these changes, which have been manifestly unfair on them. The bill provides certainty in retail tenancies, which both the small business sector and members of the government welcome, and I am pleased to see it is also welcomed on both sides of the house. I commend the bill to the house.

**Ms BURKE** (Pahran) — I am also pleased to add to this debate. The purpose of the bill is to amend the Retail Tenancies Reform Act 1998 with respect to the basis and formula on which a rent review may be made during the term of a retail premises lease. I have repeated that because basically it is what this bill is about. I formally congratulate the Honourable Carlo Furletti, the Deputy Leader of the Opposition in the upper house, on taking the action he took.

One of the most important parts of being in government is to actually govern, and a time when tenancies and

businesses are really struggling — and we only have to look at our shopping centres to see the incredible increases in rents — is the time when a government has to be flexible and understanding and take action when anomalies exist.

I am well aware of the review. This anomaly actually precedes the review of the Retail Tenancies Reform Act 1998, which was meant to be out in July — and we are still waiting to see it. I am sure the minister will be working vigorously on that because at this time it is well and truly needed. Just looking at the shopping strip in Chapel Street in my electorate, rents can be as high as \$200 000 a year, and you have to sell a hell of a lot of clothes to come up with rent of \$200 000. There seems to be a tendency towards getting only the major retailers in those shopping strips, taking away the individuality and the interest created by the new and innovative retailers that can give a bit of an Australian blend.

We tend to be getting the shops that we get in every other strip everywhere else around the world, so there needs to be a lot of work on and understanding of tenancy mixes, not only in shopping centres, which seem to have been studied for quite some time, but also in shopping strips. The Streets Ahead committee in Chapel Street has been concerned about this for quite some time. The Honourable Bruce Atkinson in another place is particularly good on this issue and understands the problems that are being created.

While this is a small amendment, it will make a big difference to those retailers struggling to make money, particularly at this time when 160 conferences in the city of Melbourne have been cancelled and about 90 bookings a day in major hotels are being cancelled. That reflects on retail businesses in all parts of Melbourne, including restaurants and taxis — everything.

The government has brought in a lot of minor bills this week, but it is necessary that it have more of an understanding of what is needed at this time. The real strength of the government will be seen in the next 18 months as it deals with retail, tourist, business and all sorts of issues. I wish it well. Those issues will be a test for governments throughout Australia. They will certainly reveal the spine and capacity of this government to its constituents.

**An honourable member** interjected.

**Ms BURKE** — You can sit here and laugh about how you are better than other honourable members, but

in the next 18 months we will see how much better you are than those on this side of the house.

I congratulate all those involved. I am glad the government appreciated the wisdom of the Honourable Carlo Furletti in taking action on this. I wish those retailers well, and I wish the bill a speedy passage.

**Ms BEATTIE** (Tullamarine) — As honourable members have said, the Retail Tenancies Reform (Amendment) Bill is a result of a Victorian Civil and Administrative Tribunal (VCAT) ruling that has created a lot of doubt. Opposition members have talked about how important this bill is to small business — and they are the experts on small business, as is the federal Liberal Party! Look what the federal government did to Ansett: it took a big business and made it into a small business. They are indeed experts on small business!

This VCAT ruling held that the base rent in question could be interpreted to be the rent which was struck at the commencement of a lease. We all know that retail tenancies are important, especially given the great downturn we have seen in the retail industry recently. We have seen rent and other factors affect all types of industries. I refer again to what Bill Marchetti said on 3AW the other day, that the prime cause of his businesses — the Latin Restaurant and the Tuscan Grill — going broke was the GST. And who is responsible for the GST?

*Honourable members interjecting.*

**Ms BEATTIE** — It certainly is Howard and Costello. As I am reminded, they said they would never ever introduce a GST!

Labor governments have led the way in looking after tenants in both retail and residential tenancies. We only have to look at the way the private member's bill was introduced by the Honourable Carlo Furletti in the other place. In an effort to establish a name for himself — although I might say he has failed dismally — he has become infamous for introducing a piece of legislation which fell at the first hurdle, which is pertinent with the racing season coming on. Our Minister for Small Business had to get in there and clean it up so that it could be presented in a proper manner.

Labor will continue to work for small business. As the honourable member for Burwood said, we are the champions of small business. You only have to look at some of the thriving shopping centres that are around — and I draw the attention of the house to Chadstone and High Point — to see that they are doing well, even though they are suffering from the effects of globalisation. We have seen Daimaru go under, but that

was a decision made external to our shores and with no care for what is happening in Australia. The Coles Myer redundancies have impacted badly —

**Debate interrupted pursuant to sessional orders.**

## ADJOURNMENT

**The ACTING SPEAKER (Mr Kilgour)** — Order! The time has come under sessional orders for me to interrupt the business of the house. The honourable member for Tullamarine will have the call when the matter is next before the Chair. The question is that the house do now adjourn.

### Fruit bats: control

**Mr PERTON (Doncaster)** — I ask the Minister for Environment and Conservation to set up an independent committee to determine how to resolve the problem of the grey-headed flying fox colony in the Royal Botanic Gardens.

Today eastern suburbs Liberal members of Parliament received a letter from the government which encouraged them to tell fruit growers and vigneron to contact the Department of Natural Resources and Environment to obtain a licence to kill flying foxes. In other words, the government wants the fruit growers of the Yarra Valley to become bat executioners.

This insane decision to place a cage of 200 flying foxes in Ivanhoe is designed, firstly, to sacrifice the Government Whip and, secondly, to push the problem right into the heart of the eastern suburbs. The colony will be 30 metres from the electorate of the honourable member for Bulleen. The skies of the eastern suburbs will be thick with flying foxes flying into the Yarra Valley —

**Mr Hulls** interjected.

**Mr PERTON** — The flying foxes will eat the fruits grown by people from Donvale to Silvan and attack the local grape industry — and I would have thought the Attorney-General would have had some feeling for that proposition.

One of the problems with this decision is that it is not objective. Four of the five members of the steering committee were public servants directly accountable to the minister. Secondly, the minister's documents indicate that the criteria were weighted based on a largely subjective assessment of their importance. Strangely enough, the western suburbs were eliminated from the consideration.

Only one conclusion can be drawn from that: it was an absolute nimby decision by the Premier, a nimby decision by the Minister for Planning and a nimby decision by the honourable member for Bundoora — who strangely enough is the Minister for Environment and Conservation! This is a disgrace and should be resubmitted to an independent process that will treat all the people of Melbourne fairly in solving this difficult problem.

### Porepunkah: sewerage scheme

**Ms ALLEN (Benalla)** — I ask the Minister for Environment and Conservation to take action to ensure that the community's preferred option for the management and upgrade of the Porepunkah treatment plant is implemented. Well before I was elected as the member for Benalla the former member, who was minister with responsibility for this area, ignored the concerns of the Porepunkah community. That was simply the way of the last government.

Under the Bracks government I have been part of an ongoing discussion with the community. A mediator was appointed to help rebuild trust between the community and government agencies that had broken down so badly under the previous government. The Bracks government got to the bottom of the condition — pardon the pun! — of the Porepunkah ponds and the impact on the environment. Over the past two years a lot of misinformation and untruths have been bandied around by some members of the community with the support of the honourable member for Monbulk and an opposition member for Central Highlands Province in another place, the Honourable Graeme Stoney. That has caused an extreme amount of angst, uncertainty and division in the community.

I remind the house that when opposition members were in power they would not go near this issue because they considered it too hard. Misinformation and untruths have, as I said, caused angst, uncertainty and division in the community to the point where most members of the Porepunkah community are absolutely sick of it. But of course the opposition is never interested in solving an issue, just in blatant political point scoring.

After the positive, constructive and friendly discussions with the Porepunkah reference group I believe there are solutions and a way forward for the continued prosperity of the area. Now is the time to see a long-term solution put into action.

## Livestock: thefts

**Mr DELAHUNTY** (Wimmera) — I raise for the attention of the Minister for Police and Emergency Services a serious claim of stock thefts in western Victoria, as highlighted on the front page of today's *Wimmera Mail Times* headed 'Stock theft "inaction"' — that is again inaction by the government. The article states:

A Telangatuk woolgrower believes authorities continue to disregard the significance of stock theft.

Fine and superfine wool producer Tom Silcock is calling for a concerted effort to catch thieves who annually wipe off tens of thousands of dollars of income from the southern Wimmera and wipe out generations of irreplaceable genetics.

...

Mr Silcock estimates that last year stock theft lowered his income by \$30 000 to \$35 000 and the region's by at least \$100 000.

...

He is angry and frustrated that such an important issue is receiving ad hoc attention and that a year has passed since the Victorian Farmers Federation meeting in Balmoral urged statewide action.

...

If someone stole \$35 000 from the corner store over a year, something would be done about it.

Mr Silcock believes that regional people are prepared to deal with the problem but that it must be coordinated as thieves move around the state and, indeed, around Australia. Police personnel and resources are needed to support these actions. He believes people are taking young stock for breeding purposes and is prepared to put up \$6000 as a reward.

I have obtained some details of stock theft figures from the parliamentary library. An article in the *Age* in June this year reported that 6 out of 10 farmers have reported heavy losses of sheep and cattle. The report showed that organised gangs of sheep and cattle thieves are roaming around the state costing Victorian farmers millions of dollars a year. In fact, it reports that prosecutions for stock thefts in Victoria are almost unheard of.

Other articles contain further details, but I will highlight one detail in particular reported in the *Weekly Times* of 30 August last year:

Stock thefts seem to rate lower than stolen bicycles ... when it comes to police statistics.

...

When asked for statewide figures, the *Weekly Times* was told this was not possible because stock were put in an 'other'

section and the data would take hours to find, collate and process.

I know there are farmers working with the authorities, including the police, and I ask that the minister give a high priority to this problem. I know there is a state thefts working group and I believe it will present a report with recommendations to the minister later this month. I call on the minister to take action and address these stock theft problems and start training police officers to put into action the recommendations that will be given to him and not take 12 months, as his New South Wales counterparts did, to implement the recommendations of their report.

## Police: Preston station

**Mr LEIGHTON** (Preston) — I raise with the Minister for Police and Emergency Services the construction of the new Preston police station and, in particular, the issue of parking. I request through the minister that his department have discussions with the City of Darebin, our local council, about options for parking as part of the overall project.

The background to it is that during the 1999 state election campaign the Labor Party gave a commitment that an incoming Labor government would construct a new Preston police station to replace the existing antiquated police station. Following the election and last year's budget, approval was given and planning has been under way ever since.

Many of us have been concerned to ensure that the police station stays within the local business district centre. It is important to the local retail area, and it is close to the courthouse — which, thanks to the Attorney-General, is also staying in Preston and has not been closed. A site has been identified in Kelvin Grove opposite the courthouse and the RSL building, whose car park is currently owned by the local council. It is proposed that that car park become the site for the new police station.

**The ACTING SPEAKER (Mr Kilgour)** — Order! The honourable member for Richmond will take his seat.

**Mr LEIGHTON** — Understandable concerns have been raised by the local community that the loss of that car park will put pressure on car parking in streets such as Roseberry Avenue. There are also concerns about loss of car parking by RSL members and local traders. I ask the minister to request that his department work through possible car parking options with the City of Darebin.

One of the obvious options is to use the existing police station site. When that is vacated by the police the council could take it over and, subject to there being no heritage considerations, clear the site and replace the building with a car park. That is a fairly straightforward solution.

A medium-term solution for the council is the construction of a multideck car park, possibly on the council yards. That would be important to the overall economic health of the business district centre.

Another option that has been recently identified by some local residents is the construction of a police station on a parcel of land around the corner in Gower Street instead of using the car park for the police station.

I am not asking the minister to agree to any particular solution tonight, but I ask that he have his department work through these issues with the local council.

### **Planning: Burwood open space**

**Mr WILSON** (Bennettswood) — I ask the Minister for Environment and Conservation to exercise her ministerial powers to protect the integrity of Gardiners Creek in the suburbs of Box Hill South and Burwood in my electorate.

Honourable members may be aware that Deakin University has plans for the massive development of its Burwood campus. That development will impinge upon the open space surrounding Gardiners Creek, which will very much affect local residents' access to and enjoyment of the creek.

On 25 July I wrote to two ministers, the Minister for Post Compulsory Education, Training and Employment and the Minister for Planning. To date I have not even had the courtesy of a response. Does that surprise me? No.

In addition to the impact the development of Deakin University will have on local residents' enjoyment of Gardiners Creek, two more developments are taking place in the area. There is a residential development planned for the St Leo's College site in Box Hill South, and there are serious issues concerning the development of an aged care facility in Bedford Street, Box Hill.

All this is leading to a devaluation of Gardiners Creek, one of the few open spaces in the middle eastern suburbs of Melbourne. This government, particularly the Minister for Planning, the Minister for Post Compulsory Education, Training and Employment and the Minister for Environment and Conservation, are

doing nothing to assist my constituents. I call on the minister to do something about it and to exercise her ministerial powers now.

### **Rural and regional Victoria: adult and community education**

**Mr HARDMAN** (Seymour) — I ask the Minister for Post Compulsory Education, Training and Employment to take action to provide the adult and community education (ACE) sector in the Seymour electorate specifically and country Victoria in general with access to information and communications technology (ICT). The ACE providers deliver much-needed ICT training to rural communities in the Seymour electorate and around the rest of Victoria, and they need assistance to continue delivering that high-quality further education.

In the Seymour electorate adult and community education providers respond to local needs. For example, the Seymour Neighbourhood House offers a range of courses, including general adult literacy, French and journalism. It also offers courses in Auslan sign language and first aid. It is hard spending time reading the newspaper let alone studying with kids, so it also provides child care services so that people with children can do these courses, which is wonderful.

Since literacy is often a family problem, a homework program is also provided for children. Honourable members who represent less well-off socioeconomic areas would realise the benefits of that. Centres in Seymour, Broadford, Kilmore, Kinglake, Healesville, Avenel, Toolangi, Whittlesea, Heathcote, Pyalong, Yea, Wallan and 450 similar centres across Victoria are taking an holistic approach in recognising and overcoming the barriers to people participating in the information technology age.

In the Goulburn–Ovens–Murray region local community education providers offer a vast range of agricultural and horticultural programs. For example, some neighbourhood houses provide courses to enable people to gain certificates in fork-lift driving. ICT skills are becoming increasingly significant in those courses, and obviously developing those skills in regional Victoria is very important.

ACE providers need resources to be able to provide these courses. I would like to see as many resources as possible being put into the adult and community education sector.

One positive program operating in my electorate is the fantastic Skillsnet program, which was implemented by

the Bracks government. The Kinglake Neighbourhood House is a perfect example of an adult and community education provider. Many honourable members may know of that neighbourhood house. Under the auspices of Anne Leadbetter and Gail Atkins it does a wonderful job in meeting the needs of the whole community.

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

### **Warrnambool: emergency helicopter**

**Dr NAPHTHINE** (Leader of the Opposition) — I seek action by the Premier to fund a multipurpose emergency helicopter in south-western Victoria, based at Warrnambool. Recently I attended a demonstration on the foreshore at Portland of two helicopters that could potentially be used for emergencies, and I was impressed. The mayors from south-western Victoria and the honourable members for Warrnambool and Polwarth have also seen these demonstrations, which show clearly how a multipurpose emergency helicopter could be a benefit to the people of south-western Victoria.

It could be of assistance to air ambulance services and to search and rescue services along our very important coastline or in the bushland of the Grampians, in the Lower Glenelg National Park and in the Otways. It could also be used in cliff-top rescues along the south-west coast, in fire bombing to control bushfires, to assist police in searching for drugs, and in normal police activities. A helicopter would also have been very handy in dealing with the recent escapees from the Geelong Prison.

Two recent incidents particularly highlight the need for a rescue helicopter. The first was reported in the Warrnambool *Standard* of 3 October. The newspaper reported that a police helicopter from Bendigo took 1 hour and 45 minutes to reach an injured man on a Polish bulk carrier 17 nautical miles off Portland. The 57-year-old man was severely injured in an accident at sea and needed to be rescued by helicopter. That helicopter had to come from Bendigo, causing long delays which could have been fatal in other circumstances. A helicopter based in Warrnambool could have responded much more quickly.

The other incident concerned a boy from Portland who was forced to endure a 4-hour ambulance trip to Melbourne for emergency brain surgery because the medical helicopter was not available. The deputy director of medical services at Warrnambool hospital said the child needed to be transferred as rapidly as possible by whatever means possible. The boy

underwent emergency brain surgery when he got to Melbourne. An emergency helicopter would have resolved that situation.

I call on the Premier and this government to immediately fund an emergency helicopter to be based in Warrnambool for the people of south-west Victoria.

### **Peninsula Child Advocacy Group**

**Mr VINEY** (Frankston East) — I raise a matter for the Minister for Community Services. I ask the minister what action she will take through her department to address the issues relating to child and family services on the Mornington Peninsula and in particular to provide support for an advocacy group called the Peninsula Child Advocacy Group, which deals with the emotional abuse and neglect of children.

In March this year I had the pleasure of participating in a forum conducted on the peninsula by a range of agencies involved in treating emotional abuse and neglect of children. I worked with some 130 people involved in providing these vital services to Frankston and the peninsula. The Peninsula Child Advocacy Group emerged out of this forum, which was attended by people involved in community care. It was funded by the community care division of the Department of Human Services and Peninsula Health. Delegates included representatives from groups such as child protection, the department of education, paediatricians, the South East Centre Against Sexual Assault, the child and adolescent mental health service, Peninsula Health, family support agencies across Frankston and the peninsula, specialist children's agencies and the community health centres. The Peninsula Child Advocacy Group has been meeting on a bimonthly basis in a smaller forum to consider particular issues.

**The ACTING SPEAKER (Mr Kilgour)** — Order! The honourable member for Frankston East should note that he has simply asked the Minister for Community Services a question. It is required that he ask the minister for action.

**Mr VINEY** — At the beginning of my address I was careful to ask what action the minister would take.

**The ACTING SPEAKER (Mr Kilgour)** — Order! The honourable member quite clearly asked the minister what she would do about it. He must ask the minister for some action.

**Mr VINEY** — The action the minister is taking in relation to her involvement — —

**The ACTING SPEAKER (Mr Kilgour)** — Order!

The honourable member asked what action the minister is taking, and he must ask for action.

**Mr VINEY** — The action the minister is taking. I am seeking action — —

*Honourable members interjecting.*

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

### **International Game Technology**

**Mr BAILLIEU** (Hawthorn) — I raise a matter for the Minister for Gaming and ask him to release a range of documents. I refer the minister to the investigation of International Game Technology undertaken by the gambling regulator. IGT is a leading provider of poker machines that supplies machines to the Australian market through an associate. It undertakes the role of a listed supplier. The investigation was undertaken by the Office of Gambling Regulation, which is a unit of the minister's department. This investigation into the activities of IGT in 1992 and 1993 was undertaken under the Gaming Machine Control Act.

The outcome of the investigation has simply been that a report was recently lodged on the web site of the regulator bearing no date, no title and no attribution. That report says that no further action is required. The extraordinary thing is that the report also notes that IGT agreed to pay US\$200 000 as a result of the investigation, but it was not a fine, a fee or a licence. Even the regulator has acknowledged that this payment could be seen as a bribe. Serious questions arise as a consequence.

The legality of the payment is a real issue. The regulator has admitted that it had no legal power under the Gaming Machine Control Act to accept such a payment. The regulator has admitted that the payment was unprecedented and that the specific provisions for cost recovery in the Gaming Machine Control Act do not apply in this case. The payment was accepted based on so-called legal advice. If the Minister for Gaming knew about this investigation and payment, he has serious questions to answer. If he did not know, he has clearly lost control of his portfolio and his department. The minister's response has been to simply order the Ombudsman to investigate.

I call on the Minister for Gaming to release full details of the regulator's report and the legal advice upon which the regulator relied. I further call on the minister to release his correspondence with the Ombudsman in relation to this matter.

### **Parks: rangers**

**Ms LINDELL** (Carrum) — I wish to raise an issue with the Minister for Environment and Conservation. I seek action from the minister to ensure that Victoria's national parks, state parks, regional parks, and coastal parks and reserves are not neglected during the forthcoming summer period.

Like many Victorians and, I am sure, many honourable members here tonight, I have a great love for our magnificent national and state parks. They attract thousands of visitors over the summer and make an important contribution to regional and rural economies. Areas such as the Grampians, Wilsons Promontory, the Twelve Apostles and the Alpine National Park are icons in Australia and around the world. Honourable members on this side of the house certainly know of the joy that a number of us have at Lake Catani in the Mount Buffalo National Park every Easter. We also make annual sojourns down to Wilsons Promontory. I assure the house that these are great national parks and all honourable members should take the opportunity to enjoy them.

However, summer means higher visitation rates, and that places significant pressure on the staff of our parks and reserves. The high visitation rates can undermine the ability of Parks Victoria staff to deliver its environmental management programs and critical firefighting commitments.

*Honourable members interjecting.*

**The ACTING SPEAKER (Mr Kilgour)** — Order!  
The level of conversation is far too high.

**Ms LINDELL** — As I said initially, I would like the Minister for Environment and Conservation to take action to ensure that our national parks are protected. I would like her to outline — —

**The ACTING SPEAKER (Mr Kilgour)** — Order!  
The honourable member has 1 minute.

**Ms LINDELL** — Thank you, Mr Acting Speaker. I will not tell the house about Wilsons Promontory.

**Mr Richardson** interjected.

**Ms LINDELL** — Go and have another drink!

### **Rosebud Hospital**

**Mr DIXON** (Dromana) — I would like to raise a matter for the Minister for Health. It concerns the cancellation of operating lists at Rosebud Hospital. I

ask the minister to reassure locals that this will not happen again and that the backlog on these operating lists will be dealt with.

This issue has been raised with me by a number of constituents. The hospital yesterday confirmed that the operating lists have been cancelled. Surgeons have been recently informed by the health care network that all endoscopy lists must be cancelled to make beds available for overflows from Frankston Hospital — patients who are not from the southern Mornington Peninsula. This applies to all patients except priority 1 patients, who go to Frankston anyway. The gynaecology lists have been cancelled three weeks in a row, not only after patients have been admitted to hospital but after they have been prepped for their operations. That has been happened three weeks in a row, which is absolutely appalling.

The endoscopy lists from one week were actually cancelled, yet no patients were transferred from Frankston so the beds all remained unused for the whole week. This is dreadfully bad management and wastes a valuable resource. Although it is not critical for priority 2 and priority 3 endoscopy patients, many of them are in great pain and it causes them a lot of distress when they have to wait or have their operations cancelled. Many of my constituents are elderly and it is causing them great distress. It is not fair that my constituents are being denied their health rights and are being treated as second-class citizens because there are not enough beds in Frankston.

My constituents are being denied their rights because of this mismanagement and lack of beds in Frankston. Rosebud Hospital is a great hospital and it serves the people of the southern Mornington Peninsula very well. Unfortunately, it cannot now deliver that service to my constituents because of the lack of beds in Frankston. My constituents do not deserve this treatment. Rosebud Hospital was extended and renovated by the previous government. It is normally full and is very busy. The staff there are distressed that they have to turn away local patients because of the shocking treatment and the waiting lists in Frankston.

This issue is summed up by one of my constituents who wrote:

It seems that the health system is being administered in a most ad hoc manner without proper consideration of how best to handle the situation of lack of beds in a long-term view. I would be grateful for any efforts you might be able to make — —

**The ACTING SPEAKER (Mr Kilgour)** — Order! The honourable member's time has expired. The honourable member for Narracan has 50 seconds.

### **Leader of the Opposition: support**

**Mr MAXFIELD** (Narracan) — I raise a matter for the attention of the Minister for Transport and Leader of the House. It has become clear that there are some problems in the opposition. Earlier today when the Leader of the Opposition spoke only two members of his party were in the house. Clearly he has no support and is unable to muster members of his party to come into this house to support him. Clearly they need assistance — perhaps from their whip or from their manager of opposition business — to get people to come into the house to back up the — —

**Mr Leigh** — On a point of order, Mr Acting Speaker, my understanding of the adjournment debate is that it is an opportunity for honourable members to seek action from ministers.

**The ACTING SPEAKER (Mr Kilgour)** — Order! I do not uphold the point of order. The honourable member for Narracan must ask for action.

**Mr MAXFIELD** — We need action to see how the Liberal Party can get members in the house to back up the Leader of the Opposition — —

**The ACTING SPEAKER (Mr Kilgour)** — Order! The honourable member's time has expired. The time for raising matters on the adjournment debate has also expired.

**Mr Haermeyer** — On a point of order, Mr Acting Speaker, the honourable member for Mordialloc makes a habit of attempting to interrupt honourable members in the very short and precious 3 minutes they have to raise matters of concern to their particular electorates. He is a recidivist offender in attempting to do that. I ask you to caution him, because he does this repeatedly. This time gives honourable members the opportunity to raise matters of concern to their electorates. I know he has no concern for his own electorate, but when honourable members have concerns about their electorates they should be able to do so. The adjournment debate ought to be treated with some respect.

**The ACTING SPEAKER (Mr Kilgour)** — Order! I do not uphold the point of order, but I ask the Minister for Police and Emergency Services to answer the queries raised by the honourable members for Wimmera and Preston.

## Responses

**Mr HAERMEYER** (Minister for Police and Emergency Services) — I can say that neither of those places could be found by the Leader of the Opposition without a street directory.

**Mr Leigh** interjected.

**Mr HAERMEYER** — It will be a long time before you get one.

**The ACTING SPEAKER (Mr Kilgour)** — Order! The minister should ignore interjections across the table.

**Mr Perton** interjected.

**The ACTING SPEAKER (Mr Kilgour)** — Order! The honourable member for Doncaster!

**Mr Richardson** interjected.

**Mr HAERMEYER** — Goodness gracious! They should not serve alcohol so readily to some people.

The honourable member for Wimmera has raised the issue of stock theft in the Western District. This matter was drawn to my attention earlier in the year by the Victorian Farmers Federation. It certainly is a serious problem in terms of the value of the stock that appears to have been stolen. Part of the problem is that at the moment nobody can put an accurate figure on the amount of stock that is stolen or when it is stolen. There are a whole lot of issues involved that do not just go to the issue of policing.

Certainly I note that under the previous government the Victoria Police livestock squad was abandoned and nothing was put in its place to deal with the issue. However, it is not just a policing issue; it also involves some actions that farmers may be able to take themselves, firstly, to readily identify livestock theft issues, and secondly, to report them more promptly.

These issues are the subject of the investigations that are being undertaken by the livestock theft task force, which was appointed jointly by the Minister for Agriculture and me. It involves primary producers in the area, the Victoria Police, the Victorian Farmers Federation, the Department of Justice and the agriculture division of the Department of Natural Resources and Environment. I anticipate releasing the details of that report shortly. We acknowledge that there is a serious problem. How it will be solved is not as simple as policing; it requires a more complex solution. I expect that task force will deliver a series of

measures that will assist us in reducing the incidence of livestock theft.

The honourable member for Preston has asked for action concerning a 24-hour police station in Preston. I can commend him for his ongoing and assiduous endeavours on behalf of his constituents for a new 24-hour police station in Preston. The Preston police station has been neglected for far too long. It is one of the oldest police stations in the state and, I would say, arguably the one in the worst condition.

I advise the honourable member for Preston that the issues revolving around the site of the proposed new \$7 million police station which this government is building and which was overlooked by the previous government have been resolved. The new police station is to be constructed on the north-east corner of the intersection of Kelvin Grove and Roseberry Avenue in Preston. I believe that will certainly address the needs of the Preston area. It is a major police station in the area.

The new facility will see the staff of the uniform branch of the Preston police station increase from the current number of 58 to a proposed staffing level of 96. The staff of the local criminal investigation branch will also increase from 21 to 22, and the total increase in the number of people working out of the Preston police station will go from 82 to 125.

It is anticipated that the tender works for this police station will take place in November of this year. Construction is expected to commence in January next year with a completion date of March 2003. Now that those issues are resolved I also expect that the car parking issues that were raised by the honourable member for Preston will be resolved by the local council.

I commend the honourable member for Preston on his ongoing vigilance and strong advocacy on behalf of the police and the Preston community, which long wanted this police station to be updated while the previous government was building police stations in areas where it could not even provide police.

**Mr PANDAZOPOULOS** (Minister for Gaming) — The honourable member for Hawthorn in his consistently lazy way has to seek information posted on government web pages. This government's attitude is very different from that of the previous government, which posted nothing on web pages. Of course opposition members try to make it look as if there is a big story and a secret agenda when they

present it to the media, but the fact is that things are posted on web pages.

A few weeks ago the honourable member for Bulleen was criticising the Office of Multicultural Affairs for a consultancy which it was doing and which is still going on. He said it was a waste of money because he saw it on the web page. He did not tell people about it, but unfortunately the consultancy was signed off by the previous government and happened to be still continuing. That is just typical of the laziness of the opposition in doing research.

In relation to the matter the honourable member raised about International Game Technology, I advise the house it was posted on the web site. Of course he does not know how the public sector and the regulator work — he says the Office of Gaming Regulation is not the regulator. For the information of the house, the Victorian Casino and Gaming Authority is the board and the Office of Gaming Regulation services the board. It is the work force that services that agency. Its key task is in relation to the probity and integrity of the industry and it did the right thing by posting the information on the web site.

The honourable member has seen it. I encourage him to continue reading the web pages. However, when the allegations were made I was obviously interested in the integrity of the regulator. We cannot go on having continual irresponsible comments by the opposition without an independent process. The opposition does not want a fair, independent process. The regulator is independent.

I asked the independent Ombudsman to investigate and report on the matter. The result will be made public at the right time. What the honourable member wants to do is to pre-empt the situation. The information which the honourable member has given and which has been reported in the media is wrong. There are only three other options in relation to the information that is given.

One option is that he does not understand the portfolio and makes it up as he goes along, which would be a pretty dumb thing to do, wouldn't it? The second option is that he wanted to deliberately mislead the public in commenting to the media. That is one possible consideration, and would be an even dumber thing to do, wouldn't it? The third option is doing both — making it up as you go and misleading the public at the same time.

Here we have the dumb and dumber member of the opposition front bench making it up as he goes along. He does not take into account the independent process.

He was on the radio the other day criticising the independence of the Ombudsman and saying that the terms of reference of the Ombudsman were narrow. The Ombudsman decides whether he will investigate a matter and what the parameters of that investigation will be. There is no issuing of terms of reference by me. Learn your job if you are going to be a good shadow minister!

**The ACTING SPEAKER (Mr Kilgour)** — Order! The Minister for Gaming should speak through the Chair.

**Mr PANDAZOPOULOS** — Thank you, Acting Speaker. Nonetheless the Ombudsman is the right person to consider these matters. It is very important that none of us pre-empt the outcomes. That document will be made available and we will act on any recommendations if so required. The Ombudsman will have access to all documents. It is not my job — —

**An honourable member** interjected.

**Mr PANDAZOPOULOS** — No, it is not my job to tell the independent regulator to release documents as part of an independent — —

**An honourable member** interjected.

**Mr PANDAZOPOULOS** — I sought the legal advice.

*Honourable members interjecting.*

**Mr PANDAZOPOULOS** — Absolutely! There is nothing hidden about that. I sought legal advice to have an understanding of the basis of the decision, and it was referred to the Ombudsman. When allegations are made we do not sit on them because we think the integrity of the regulator is paramount. The Ombudsman considers irresponsible or responsible allegations in the end to clear up the matter. That is the process to deal with it and it will be made available in the public arena.

**Ms CAMPBELL** (Minister for Community Services) — The honourable member for Frankston East has been an active participant in the Peninsula Child Advocacy Group. That group met on 30 March and set up a number of smaller working groups. The honourable member for Frankston East has been very clear in advocating strongly for the importance of this group and to have funding for it at that forum on 30 October. I am happy to be able to inform the honourable member that the department has committed \$1000 towards the cost of the forum.

**Mr Doyle** interjected.

**The ACTING SPEAKER (Mr Kilgour)** — Order! The honourable member for Malvern should not interject.

**Ms CAMPBELL** — I look forward to hearing the results of the Peninsula Child Advocacy Group's consultations and deliberations on 30 October. This is yet another example of our government working in partnership with an important group down on the Mornington Peninsula. I pay tribute to the child protection team, to the department of education, to paediatricians, to the South East Centre Against Sexual Assault, to child and adolescent mental health, to the Peninsula hospital, to the family support services, specialist children's agencies and community health centres for their great work.

**Ms GARBUTT** (Minister for Environment and Conservation) — The honourable member for Benalla raised with me the issue of sewerage facilities at Porepunkah. This was a mess left by the previous government — a community absolutely divided and unable to find a way forward. Unlike the previous government, which simply ignored the community, turned its back on them — the previous member for Benalla did absolutely nothing about this issue — we established a mediation process to ensure that the entire community was listened to and had a chance to have its say. That process also discovered a history of incomplete monitoring, of absolute neglect by the previous government.

I am pleased to say that with the considerable efforts of the current member for Benalla, who has listened to the entire community, I am able to announce tonight the implementation of the community preferred outcomes and, in fact, what the mediator recommended.

First, pond no. 1 will be relined by the middle of next year or earlier, if possible. Monitoring and assessment required to ensure that that relining delivers the environmental outcomes that we require will be completed by December of next year. At the same time, a community ground water committee will be established to ensure that the community is informed of developments at the site over the coming year. So action is taking place.

North East Water has committed to a fully transparent decision-making process. It will be working very closely with the Environment Protection Authority to ensure that we get the environmental standards that the community expects from this facility.

The honourable member for Bennettswood raised with me the protection of Gardiners Creek and commented

that there were three developments, although he was a bit vague about some of those. Certainly I am familiar with the one from Deakin University. We recognise that Gardiners Creek is a sensitive area and in need of protection. Deakin University and the Department of Natural Resources and Environment are having discussions and working with the local council to facilitate that. As I said, the honourable member was a bit vague about the other developments. They sound like planning issues to me, but I will check with him and get back to him.

**An honourable member** interjected.

**Ms GARBUTT** — Planning issues? Okay. Well, that is for the Minister for Planning, isn't it?

Then we have the amazing contribution by the honourable member for Doncaster, who has made some outrageous claims and some nonsensical claims as well. He has at last learnt — it took him a while — that Ivanhoe is a Labor seat. He accused us of bias in this. In his press release on Friday he talked about Ivanhoe as a Liberal seat. He has now worked out that it is a Labor seat, state and federal, so that is his first lesson — a little late, but it is his first lesson. The honourable member is also lost: Ivanhoe is north, not east.

The honourable member for Doncaster also talked about the task force that made the recommendation. Let me tell you that every eminent bat expert in Victoria was on the task force. It is about their expertise. Is the honourable member for Doncaster questioning the expertise of the task force? Is he really questioning the expertise of people like Richard Barley from the Royal Botanic Gardens; Andrew Bearlin from the Arthur Rylah Institute for Environmental Research; Tim Clancy, director of biodiversity research from the Arthur Rylah institute; Dr Mark McDonnell, director of the Australian Research Centre for Urban Ecology; and Dr John Nelson from Monash University?

**Mr Perton** interjected.

**Ms GARBUTT** — It is not about who they work for; it is their expertise. Are you really questioning the expertise? So here we have perhaps 10 or a dozen members of the task force. They investigated a thousand sites across Melbourne.

**Mr Perton** interjected.

**Ms GARBUTT** — Let me tell you what the best one was, the one that I have accepted. We actually investigated the suggestion of the honourable member for Doncaster that we put the bats on industrial estates in Port Melbourne and Williamstown. Unfortunately

there are not many trees on industrial estates in Port Melbourne and Williamstown, and I have to say that the task force did not list those two sites as a high priority. So the member has absolutely no credibility on this issue. His credibility on this issue is absolutely zero!

**Mr Perton** interjected.

**The ACTING SPEAKER (Mr Kilgour)** — Order! The honourable member for Doncaster has asked his question and is now receiving his response. He should listen to the information being provided by the minister.

**Ms GARBUTT** — The honourable member for Doncaster is opposing relocation. A few months ago he was sending out emails opposing culling. What is your solution? You do not have one?

**The ACTING SPEAKER (Mr Kilgour)** — Order! The minister should speak through the Chair.

**Ms GARBUTT** — Certainly. Clearly the honourable member for Doncaster does not know what he is talking about. We have a lazy member who does not do his research. The outer Yarra Valley fruit growers have the bats now, and that is what they are complaining about. The bats range from 20 to 40 kilometres over Melbourne from the Royal Botanic Gardens, so anyone with fruit trees has them now. The orchardists in the Yarra Valley will have no more problems in the future than they have now. It will simply not make a shred of difference. The honourable member for Doncaster is absolutely ignorant.

The honourable member for Carrum raised with me the issue of Parks Victoria and the need for summer rangers to cope with the summer period which, of course, is an extraordinarily popular time, with visitation rates increasing about 40 per cent compared with the rest of the year. At that time of the year, Parks Victoria also manages our fire problems and the boost in summer visitors. It is important that Parks Victoria is able to boost its management at this time. I am pleased to advise that this year Parks Victoria will put on an extra 48 summer rangers to ensure it can deliver its environmental programs as well as meeting its crucial firefighting commitments. That will be a real boost to employment throughout rural and regional Victoria, and the park rangers will be employed across the range of national and state parks in Victoria from November to April.

**Ms KOSKY** (Minister for Post Compulsory Education, Training and Employment) — The honourable member for Seymour raised a matter in relation to the adult and community education sector

and the much-needed training and further education required by the sector, given that it services all of the communities across Victoria, particularly the adult community.

The honourable member has rightly noted the fantastic job that the sector does in relation to adult education but also increasingly in relation to young people who have left school and are feeling disenchanting with education. The house will be aware that the Bracks government has already committed an additional \$20 million in new initiatives since coming to office. That is a \$20 million commitment over and above the commitments made by the previous government.

Today I am pleased to announce details of a further \$2.43 million package for the adult and community education sector. The package includes — —

**Mr Leigh** interjected.

**Ms KOSKY** — The honourable member for Mordialloc says it is a front page, and laughs. The adult and community education sector is absolutely critical for adults in our community who have missed out on traditional education in its formal settings in their earlier lives. It is important not just to enhance the lives of adults but also to ensure we have a skilled and educated adult community.

The additional \$2.43 million will include \$425 000 to increase the number of hours delivered in the adult and community education sector throughout the state. It will mean an extra 89 000 student contact hours in the sector in 2002. A further \$546 000 is allocated to increase the average student contact hour rate, a rate that was pushed down by the previous government, but now we are increasing it, which will pay for the student contact hour rate in the adult and community education sector.

**An honourable member** interjected.

**Ms KOSKY** — It is new money. The government is also providing \$1.459 million for nine innovative mobile computer learning libraries across Victoria. Each learning library will consist of 46 integrated and networked computer notebooks, software, wireless transmitters and cameras. One mobile computer learning library will be located in each of the nine adult, community and further education regions. There will be a total of 414 notebooks throughout Victoria.

This is a fantastic result for the adult and community education sector. It is a recognition by the Bracks government of the amount of work and effort that is taking place in the ACE sector. The government has

increased funding to that sector, but it has increased funding in recognition of the fantastic work it does right across Victoria in making sure that adults get that second chance at learning in adult and community education centres. Also, as I said, increasing numbers of young people who have missed out on proper schooling get picked up in the adult and community education sector.

The Leader of the Opposition raised a matter for the attention of the Premier in relation to the funding of a multipurpose emergency helicopter based in Warrnambool. I understand nothing has happened in relation to that in the past seven years. I will draw that to the attention of the Premier and I am sure he will respond to it.

The honourable member for Dromana raised a matter for the attention of the Minister for Health in relation to operating lists at Rosebud Hospital. I will draw that to the attention of the Minister for Health.

The honourable member for Narracan raised a matter for the attention of the Minister for Transport and Leader of the House about support for the Leader of the Opposition, and I will draw that to his attention.

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

**House adjourned 10.57 p.m.**

