

**PARLIAMENT OF VICTORIA**

**PARLIAMENTARY DEBATES  
(HANSARD)**

**LEGISLATIVE COUNCIL**

**FIFTY-FOURTH PARLIAMENT**

**FIRST SESSION**

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**Thursday, 13 June 2002**

The **PRESIDENT (Hon. B. A. Chamberlain)** took the chair at 10.03 a.m. and read the prayer.

**QUESTIONS WITHOUT NOTICE**

**Commonwealth Games: MCG redevelopment**

**Hon. I. J. COVER** (Geelong) — My question without notice is to the Minister for Commonwealth Games. Is it a fact that as a result of the government's rejigging of the Melbourne Cricket Ground funding agreement there will now be about 1000 fewer public seats in the MCG than would have been available if the federal funding had not been rejected?

**Hon. J. M. MADDEN** (Minister for Commonwealth Games) — I welcome the honourable member's question. We have talked about this on a number of occasions. The Melbourne Cricket Ground (MCG) redevelopment will go ahead regardless of the federal government's attempts to scuttle the project. This is a project that we all know has to be delivered on time and on budget. It will be delivered on time and on budget.

We have been able to ensure that there will be additional public seating as an outcome of the redevelopment of the MCG. I reinforce: no corporate seating; no naming rights! At the end of the day this government's decision to contribute \$77 million has ensured that there will be additional public seating, no corporate seating and no naming rights sold.

I reinforce that if the federal Minister for Employment and Workplace Relations had had his way not only would the project have been scuttled, it would not have been delivered at all. Not only that, at every opportunity the federal government would have applied naming rights to the project and it would have put pressure on the MCG to incorporate additional corporate seating. It has been a strong policy commitment of this government to not have corporate seating at the MCG and to retain it as the people's ground.

*Supplementary question*

**Hon. I. J. COVER** (Geelong) — I was not aware that I had raised the issue of corporate seating or naming rights. I thought we were talking about public seating in the Melbourne Cricket Ground. As I tried to work out the minister's response, which is not always easy to do, I arrived at the position where I could ask a supplementary question: has the Minister for

Commonwealth Games not just admitted that there will be 1000 fewer public seats at the MCG?

**Hon. J. M. MADDEN** (Minister for Commonwealth Games) — Sometimes I do not think the honourable member has ears. Are they painted on? What I have said is that there will be an additional 900 places for the general public in the Melbourne Cricket Ground redevelopment. I repeat: an additional 900 places in the MCG as part of this redevelopment!

**Rugby World Cup**

**Hon. G. D. ROMANES** (Melbourne) — Will the Minister for Sport and Recreation advise the house as to what steps the Bracks government has taken to yet again reinforce to the world that Victoria is the major events capital?

**Hon. J. M. MADDEN** (Minister for Sport and Recreation) — No doubt opposition members would appreciate the level of investment that we as a government make to sport in this state. One of those areas in which we have made significant investment is major events.

Through the state's investment and continued support of major events, next year the Rugby World Cup will take place in Australia, and seven matches will be held in Melbourne. This will include five pool matches and two quarter finals featuring the superpowers of international Rugby, including the Wallabies, the All Blacks, England and Wales.

We have seen other major rugby events in this state and the ability of those events to attract thousands of visitors from interstate and overseas. We expect this to be the case even more so, especially attracting visitors from New Zealand and other countries, which will generate significant economic impact in this state.

The events calendar of October and November, as honourable members would appreciate, features the Spring Racing Carnival. We believe that this can be complemented to create a festival atmosphere in Melbourne, having visitors here not only for the carnival but also for World Cup Rugby events. There is tremendous opportunity for cross-promotion, particularly in terms of the tourism market.

Games will also be held in other cities around Australia — that is, Sydney, Brisbane, Perth, Townsville, Canberra, Gosford, Launceston and Wollongong. Sydney will host the key finals.

Support for the event has been provided through the major events funding cap. I also compliment those

involved from the Victorian Rugby Union, in particular Ron Steiner, the chief executive officer, who often complements these international events with corporate hospitality provided by the Victorian Rugby Union through the Weary Dunlop Club. The outstanding work of Victorian Rugby Union, through Ron Steiner, attracts significant corporate support and business people at the events in order to grow rugby union in this state.

**ALP: Dunkley federal candidate**

**Hon. B. C. BOARDMAN** (Chelsea) — On 31 October last year the Minister for Sport and Recreation admitted to using his taxpayer-funded ministerial office to endorse then ALP Dunkley candidate, Mark Conroy, on a CD-ROM by stating, ‘You need people like Mark Conroy representing you in Canberra’. Considering that the government is considering a brief of evidence for serious breaches of the Local Government Act against Mr Conroy, does the minister still assert that Parliament needs people like Mark Conroy?

**Hon. J. M. MADDEN** (Minister for Sport and Recreation) — This is a very old story from the opposition. It is grubby politics, and that is what opposition members in this place enjoy — grubby politics. At the end of the day we know that their grubby politics represent how divided they are, how they stand for nothing — and we all know they do not care.

*Supplementary question*

**Hon. B. C. BOARDMAN** (Chelsea) — I have a supplementary question. The minister is obviously extraordinarily embarrassed by his endorsement of disgraced candidate Mark Conroy. In hindsight it probably would have been better to direct that question to the Honourable Bob Smith; we probably would have got a more direct answer! Nonetheless, will we see this minister endorsing any other disgraced failed ALP candidates?

**Hon. J. M. MADDEN** (Minister for Sport and Recreation) — Doesn’t it just show where the priorities of the opposition are? Today when we leave this place that will be reflected by what will take place in Victoria. While we are out there in the community launching, being involved and growing the whole of the state, governing for all Victorians, what will members of the opposition be doing? They will be sitting in their electorate offices trying to work out who will lead their party to the next election. Other than that, what else will

they be doing? They will be doing what they normally do — they will be licking stamps, and that’s about all!

**E3 computer game expo**

**Hon. JENNY MIKAKOS** (Jika Jika) — Will the Minister for Information and Communication Technology provide the house with an update of the recent 2002 E3 computer game expo in Los Angeles that was attended by Victorian companies?

**Hon. M. R. THOMSON** (Minister for Information and Communication Technology) — I thank the honourable member for her question. As I have informed the house before, E3 is the world’s largest trade show exclusively dedicated to showcasing interactive entertainment and related products. It is acknowledged as the must-attend event for professionals working in every part of the computer game industry.

This year 20 Victorian companies went to E3 in Los Angeles, and the Bracks government supported 16 of those companies in their attendance. In the previous two years around \$10 million in export sales has been achieved as a direct result of attendance at E3. It is a very important event for our computer game industry. This year was no exception: 12 of the 16 companies that attended the conference have reported back initial projected sales of around \$2.5 million, and that is only in the early stages, so this figure is likely to increase.

But the benefits of attending E3 are not just measured in immediate sales. Because E3 is the world’s largest games trade show, it is attended by a large number of leading game developers including Sony, Apple Computer, Nintendo, Microsoft, THQ, Universal, Acclaim and Electronic Arts. Because the show is available only to those in the industry and is not open to the public, it gave our Victorian companies access to the leading games publishers, producers, special and digital effects engineers and software developers.

Prior to the expo representatives of 5 of the 16 Victorian companies also made a two-day trade visit to Montreal, which is the location of Canada’s animation software development hub, and that was also a very successful event for those companies who attended. They had an opportunity to meet with business development executives from the Canadian computer games sector, and in fact one Victorian company has agreed to provide 3D modelling and animation to Canadian companies.

The Montreal chapter of the Canadian game developers association hosted an event for the representatives of the Victorian companies in Montreal, and so successful

was that event that the Canadians are considering attending Melbourne later this year for the games development conference to be held here. A good exchange of ideas is occurring.

The Bracks government is committed to supporting the computer game industry as part of its strategy to assist the information and communication technology sector and to further its opportunities to ensure that Victoria is the place to be for information and communications technology and the place to be for the computer game industry.

**Commonwealth Games: MCG redevelopment**

**Hon. R. A. BEST** (North Western) — Can the Minister for Commonwealth Games explain to the house why he is so upset about the inspection powers which the federal government wants as a condition of the \$90 million funding for the Melbourne Cricket Ground redevelopment when he is proposing granting exactly the same powers to new inspectors he is sending into Australian Football League clubs to catch ticket scalpers?

**Hon. J. M. MADDEN** (Minister for Commonwealth Games) — The government does not have any problem with the implementation of federal workplace law in relation to the Melbourne Cricket Ground redevelopment, and it has made that clear from the very start. But I inform this house that the builders themselves have said that conditions imposed by the federal Minister for Employment and Workplace Relations would make the project unbuildable.

**An Honourable Member** — Who said that?

**Hon. J. M. MADDEN** — The builders themselves have said that. That has meant that the federal government will not be contributing \$90 million to the Commonwealth Games. The key to this project, as I have said before, is that it must be built on time for the Commonwealth Games. The federal workplace relations minister is an old pugilist and he wants a blue, but at the end of the day the MCG is not the place to have that blue. This is the people's ground, but he wants to make it an industrial battleground.

I will demonstrate how ham-fisted, how tight and how mean and tricky the federal government is. I will give the house some statistics. The federal government contributed \$150 million to the Sydney Olympic Games for construction of Olympic facilities — \$150 million! — and a further \$25 million was paid to assist the relocation of the Sydney showgrounds to Homebush. I understand that at no stage in that funding

were any industrial conditions placed on those capital grants provided by the commonwealth government.

It is interesting, because a commonwealth government report on the Sydney Olympic Games identifies that the commonwealth government's contribution was in the order of \$1.141 billion. The federal government was prepared to make that contribution to the Olympic Games, yet this mean and tricky Howard government, which is obviously antisport and anti-Victoria, has announced the federal workplace relations minister as the heir apparent so he can take up his place as the future Prime Minister. We know what sort of future Prime Minister Tony Abbott is going to make! He is going to reinforce the wedge politics that the Howard government is known for and symbolised by — the divisiveness that is antisport, anti-Victorian and anti-Commonwealth Games.

*Supplementary question*

**Hon. R. A. BEST** (North Western) — I found that answer absolutely amazing, so I ask as a supplementary question: if the minister is not prepared to accept and acknowledge the double standards that he has just elucidated to this Parliament, does he really want Victorian taxpayers to conclude that his stance on scalping is worth \$90 million?

*Honourable members interjecting.*

**Hon. R. A. BEST** — The question is quite simple. The fact is that this minister is hypocritical. He is prepared to question the federal government's law of the land on inspection powers while at the same time introduce legislation into this Parliament that has inspection power provisions that are exactly the same, but in this case it is going to cost the taxpayer \$60 million. Is the minister prepared to withdraw the inspection powers within the bill before Parliament?

**Hon. J. M. MADDEN** (Minister for Commonwealth Games) — I thank the honourable member for finally placing a question mark into that statement. The honourable member has obviously not read the bill. I appreciate his concerns, but I would suggest that he read the details of the bill, particularly the issue of the code of conduct. That point in the bill reflects what is already in the fair trading legislation. This is about a code of conduct which is about making the industry accountable for its performance. At the end of the day this government is supporting sport, it is making sport transparent and it is growing the whole of the state.

**Hon. R. A. Best** interjected.

**Hon. J. M. MADDEN** — Mr Best, you can interrupt all you like, but I recommend that you listen if you want to hear the answer.

### Coast Radio Melbourne

**Hon. KAYE DARVENIZA** (Melbourne West) — I ask the Minister for Ports to advise the house of the action the Bracks government is taking to ensure that Victoria's boating community is provided with a safe communications service?

**Hon. C. C. BROAD** (Minister for Ports) — I thank the honourable member for her question, and for her concern about safe communications services for Victoria's boating community.

The Bracks government is committed to constantly improving marine safety for Victoria's boating community. It is a sad fact that this commitment does not appear to be shared by the federal government. Regrettably I have to inform the house that from 1 July — in just two and a half weeks time — the commonwealth will no longer be funding the staffed listening watch provided through Melbourne radio and similar installations right around Australia. The effect of the axing of this service and this funding is that the Howard government has walked away from any responsibility for distress monitoring of small vessels. Through a survey of Victoria's offshore boating community the Bracks government has not surprisingly identified a continuing need for this listening watch and has responded by establishing Coast Radio Melbourne.

The distress monitoring to be provided by Coast Radio Melbourne will be funded through the boating safety fund, and this forms part of the Bracks government strategy for increasing and strengthening marine safety in this state. Coast Radio Melbourne will operate in association with similar facilities in other states to deliver an equivalent level of distress monitoring on high-frequency radio through a nationally integrated approach.

I am pleased to inform the house that the service will be delivered through new infrastructure being established on the Bellarine Peninsula for long-range high-frequency radio communications and new receivers on Arthur's Seat for monitoring distress calls on VHF radio in and around Western Port and Port Phillip Bay. Coast Radio Melbourne will be monitored by existing Victorian Channels Authority staff at Point Lonsdale lighthouse. These staff are currently being provided with additional training to ensure that they have the skills and are up to date with current services in order to provide this service.

The Bracks government aims to ensure that boaters are well aware of the changes caused by the federal Howard Liberal government funding cuts. Stickers advising the correct frequency for distress communication and weather monitoring, together with information including the answers to questions that boaters might ask, have been sent with letters of advice to commercial vessel operators and representatives of recreational boating organisations to ensure that they are well prepared for these changes.

The communications plan also includes a free call 1800 number to provide information about the changes. This information also appears on the Marine Safety Victoria web site. So the Bracks government is delivering on increased safety for all Victorians on our waterways and will continue to take the necessary action to achieve this even if the Howard government will not.

### E-commerce Advantage policy

**Hon. W. I. SMITH** (Silvan) — My question is to the Minister for Small Business, who in April last year launched a \$10 million scheme to get more Victorian small businesses using e-commerce. I ask the minister how she is measuring the success of the uptake of the government's information and communications technology program with small to medium-size enterprises?

**Hon. M. R. THOMSON** (Minister for Small Business) — The honourable member is referring to the E-commerce Advantage program and its component parts, which we talked about recently in this house.

One element of the package relates to the e-commerce exhibition project, which gives grants to businesses to utilise e-commerce in a way that can then be shown to other businesses as an example of how to use it to their advantage. Fifty e-commerce advocates are available to explain to small businesses, without using the technical jargon that people naturally associate with e-commerce, how to use e-commerce and lessen the cost of utilising it, making it viable for business people to use in their daily business lives. There is also a web site which lists information technology professionals who can assist those who need it. Procurement online seminars are available through the Department of Treasury and Finance to provide access to those who may wish to seek contracts online with the government. This is a project that will continue, with more to come. It will encourage small businesses to become e-commerce prepared and to do business online.

*Supplementary question*

**Hon. W. I. SMITH** (Silvan) — The Victorian Employers Chamber of Commerce and Industry surveyed their small business members to establish how many are taking up this every specific Victorian government information and communications technology facilitation program. It found the level of small to medium-size enterprises (SMEs) awareness of the minister's E-commerce Advantage was that 87 per cent had never heard of it. Eighty-seven per cent were not even using it! If the program is so successful why have 87 per cent of SMEs under the Victorian Employers Chamber of Commerce and Industry never heard of the program?

**Hon. M. R. THOMSON** (Minister for Small Business) — Again, we had this recently with the question on the building industry and whether it was making use of E-commerce Advantage programs. The honourable member got it wrong then, and she has got it wrong again now. This is not about whether people recognise E-commerce Advantage; it is about whether or not they have access to the information available on becoming e-commerce ready. The E-commerce Advantage program will provide information to small businesses that they otherwise would not have access to or be able to afford. It is a program that will benefit small businesses — and the honourable member has got it wrong again.

**Sport: government initiatives**

**Hon. D. G. HADDEN** (Ballarat) — I ask the Minister for Sport and Recreation: what are the major issues currently impacting on the cost of accessing sport in this state?

**Hon. J. M. MADDEN** (Minister for Sport and Recreation) — I welcome the honourable member's question. One of this government's major commitments on coming into office was to investigate the cost of participating in sport. A task force chaired by Vicsport, the peak body representing sport in the community, was established to identify key areas that were hindering participation in sport and to formulate recommendations to overcome many of those issues.

The task force held 16 workshops and forums across the state and targeted issues specifically related to the cost of delivering sport. This broad input from sport and recreation clubs clearly identified issues that are now creating great pressure on their viability. The task force identified five key areas: insurance, water costs, pricing policies, club administration and compliance and legal issues. The government has moved and ensured that

various departments are already acting in concert to address these issues, and I will outline some examples

Department of Natural Resources and Environment officers are developing and implementing strategies to promote the better use and conservation of water by community sporting organisations, the cost of water having been identified as an issue. Discussions have also commenced between Vicsport and the office of court services within the Department of Justice to identify a dispute resolution model for sport.

A sports administration hub is being piloted in the Barwon region, with the Office of Rural Communities represented on the steering committee. This will assist clubs in complying with their statutory requirements. Discussions have been held with the Department of Infrastructure to develop a framework to assist local councils to develop consistent pricing policies.

Sport and Recreation Victoria has continued to work with the relevant federal and state government offices to address insurance issues through the standing committee on recreation and sport insurance working party. In addition, Sport and Recreation Victoria has funded Vicsport to undertake an audit of insurance coverage of sporting organisations. The audit found that sporting organisations had a poor knowledge and understanding of insurance costs. This is not new. This is work being done by this government; it was never considered nor done by the previous government. I am also pleased to announce an allocation of \$40 000 to Vicsport to undertake an information and education program to assist sports administrators meet their insurance cost obligations. The government has discovered that there is a poor level of knowledge and understanding of insurance issues in sporting organisations and this program will ensure that clubs know what those issues are and how to address them.

I thank the members of the task force for their efforts in delivering and developing this report, and for honourable members who may be interested the *Cost of Delivering Sport* report can be accessed on the web site [www.sport.vic.gov.au](http://www.sport.vic.gov.au).

This is in stark contrast to the opposition when it was in government and shows that this government is strengthening communities, governing for all Victoria and growing the whole of the state. We know they stand for nothing, they are divided, they just do not care. I will reinforce that. They do — —

**Honourable Members** — Not care!

**The PRESIDENT** — Order! I suggest the minister not proceed along that track in future.

**Schools: PRMS process**

**Hon. BILL FORWOOD** (Templestowe) — My question is for the Minister for Education Services. Will the minister outline to the house the process which is used in deciding to approve or not approve master planning for school facility upgrades, and in particular how and by whom priorities for master planning are decided?

**Hon. M. M. GOULD** (Minister for Education Services) — As I have indicated to the house previously, my ministerial colleague in another place, the Minister for Education and Training, is responsible for schools planning. I am happy to pass that request on to her.

*Supplementary question*

**Hon. BILL FORWOOD** (Templestowe) — I am pleased the minister again has indicated to the house how impotent she is in relation to school issues. Does she believe it is inappropriate that it takes up to 20 months to decide whether the maintenance programs of schools, over which she has some control, will proceed?

**Hon. M. M. GOULD** (Minister for Education Services) — As I indicated, the master plans are the responsibility of the Minister for Education and Training in the other place. The facilities upgrades are done through the physical resources information management system (PRMS) process, which honourable members would be aware has been in place for a number of years. There is a grading on that, and that process is followed and prioritises schools in need on a scale from zero to five, and those priorities are taken into account.

**Notebooks for teachers and principals program**

**Hon. E. C. CARBINES** (Geelong) — My question is for the Minister for Education Services. Given the Bracks government's commitment to providing the best information technology in Victorian schools, can the minister please advise whether the notebooks for teachers and principals program has been successful?

**Hon. M. M. GOULD** (Minister for Education Services) — The Bracks government has invested heavily in information technology in our schools. Importantly we have focused on providing access to information technology for our teachers through the provision of notebook computers. The rollout of this program was completed two years ahead of schedule with over 33 000 notebook computers allocated by March 2001.

The magnitude of this program presented the Department of Education and Training with a significant challenge. Despite this, the department achieved the objective of supplying all eligible teachers with notebook computers. I welcome the report of the Auditor-General on the compliance with conditions under the notebooks for teachers and principals program that states it had been managed effectively. The report also cites an evaluation from Deakin University which found that teachers and principals have enthusiastically endorsed the program and that they are acquiring skills to use the new learning technologies.

In October 1999 only 37 per cent of teachers had notebook computers; now 83 per cent have them. Victoria is leading the way. Western Australia has followed Victoria's lead in implementing a similar program, and other states have been in contact to find out how Victorians have been successful in this program.

The Bracks government is delivering for our school communities. We are delivering on time into our schools important tools for learning so that the maximum benefit is achieved.

The improvements made by this government in information technology in Victorian schools ensure that our teachers and students have access to the best information as we deliver new resources ahead of schedule. The opposition may want to move ahead of their schedule for September in changing their leadership. I look forward to the result of that when we return at the next sitting!

**MOTIONS TO TAKE NOTE OF ANSWERS****ALP: Dunkley federal candidate**

**Hon. B. C. BOARDMAN** (Chelsea) — I move:

That the Council take note of the answer given by the Minister for Sport and Recreation to a question without notice asked by the Hon. B. C. Boardman relating to the ALP Dunkley federal candidate.

I have looked at the time. Predictably it is nearly 10.45 a.m.; that must mean it is morning tea time for the Minister for Sport and Recreation, who is the only minister in Victoria's history who works to set award rates, conditions and hours.

On 31 August when I asked the question about what the minister thought he was doing using his ministerial credentials to endorse a Labor candidate, he said that as

he was a Labor candidate he was happy to endorse him and he went on to say:

‘During my lunchtime break I was happy to make sure that I took the time to endorse the candidate’.

You have got to be kidding! A minister of the Crown having a lunchtime break? I thought when you took the oath of office to be a minister of the Crown your sole and main priority was to ensure that you represented the people of Victoria without fear or favour and you dedicated your total time — —

**An honourable member** interjected.

**Hon. B. C. BOARDMAN** — Don’t you go away, Mr Smith, you may want to contribute to this debate. I take up the interjection of the honourable member. I think Mr Smith is going to see the honourable member for Frankston East and tell him to look out — he is coming next!

Nonetheless, this minister decided that taking time out from his ministerial duties was far more important than representing the needs of Victoria.

**Hon. M. M. Gould** — Are we allowed to take dinner?

**Hon. B. C. BOARDMAN** — Through his slackness and lack of dedication to his task he has been exposed yet again because for the past week the opposition has been quite vigilant in asking this minister questions on particular issues relating to the arrangement that the state government could have entered into with the federal government on funding for the proposed upgrade of the MCG. The minister has been contradictory, confused and hypocritical on a number of occasions but most importantly today when he quite clearly did not understand the premise of the subject that this important matter is based upon.

All that should be left aside but it is another issue the opposition will continue to pursue in the interests of providing this state and its people with open and accountable government, which is quite clearly not coming from the government itself.

I am concerned that when the CD-ROM appeared, just prior to the federal election, the minister asserted, in addition to stating that you need people like Mark Conroy representing you in Canberra, ‘I know Mark very well’. That is a concerning comment, considering that a brief of evidence has been prepared at the request of the Minister for Local Government to the Victorian Government Solicitor’s Office concerning quite serious breaches of the Local Government Act.

What makes that comment even more perplexing is the comment that Mark Conroy made on the CD-ROM. He said, ‘I have never been interested in the trappings of office’.

That might be the case; but I wonder whether Mark Conroy has ever been interested in obeying the law, because not only did he breach the confidence of the people of Frankston who elected him to his municipal duties and the trust of the council that he was supposed to represent, he broke a fundamental rule based on the tenet of responsibility, accountability and integrity in being an elected municipal representative by breaching the one act designed to protect the interests of the public and the council and to ensure that the people get the fair and responsible representation they deserve.

That evidence has been made quite clear through the report of the inspectors of municipal administration, Mr Chris Wren and Mr Kelvin Goodall, into the investigation of the Frankston City Council concerning the distribution of confidential information. Mr Wren said in the response in paragraph 174 of the report:

I therefore consider Cr Conroy has released confidential details provided to him during the course of the working party’s briefing to Matt Viney and Rogan Ward in breach of section 77(2) of the Local Government Act 1989.

That provision deals with very serious offences. It contains a penalty of imprisonment if the breach is sufficiently serious to justify it, and that should never be understated. What has happened in this chamber today is that the Minister for Sport and Recreation, a minister of the Crown, has failed to dissociate himself from and disendorse someone who has committed a serious enough offence to potentially put him in jail.

One thing this minister will be remembered as is the minister who botched up the MCG redevelopment, but another thing he will be remembered as is the minister who endorsed Mark Conroy.

**Hon. T. C. THEOPHANOUS** (Jika Jika) — Mr President — —

**Hon. B. C. Boardman** — You’re not going to defend him, are you?

**Hon. T. C. THEOPHANOUS** — No. I want to make some points about this. First of all, in relation to all of the comments that have been made by the honourable member in relation to Mark Conroy, if there is one thing I have learnt over the last little while it is that it is appropriate to allow legal processes to take their course. In this case, if there is anything untoward in relation to the events that have been identified in that

report I am sure the legal processes will deal with them in an appropriate way.

**Hon. N. B. Lucas** — You're distancing yourself from him.

**Hon. T. C. THEOPHANOUS** — As to the political point-scoring which has just been attempted by the honourable member in relation to the minister, he knows as well as anyone that once a person is selected as a candidate for a particular party, whether it is the Liberal Party or the Labor Party, then that person receives a whole range of endorsements from other members of their own party. It is part of the democratic process of contesting seats.

**Hon. Bill Forwood** — Are you suggesting he didn't mean what he said?

**Hon. T. C. THEOPHANOUS** — I am saying that he was doing what we all do in relation to all of our candidates, which is what Mr Forwood does. I am sure that in endorsing candidates we do so on the basis of the party we represent. That is what occurs on an ongoing basis. There is no great secret to it.

**Hon. R. M. Hallam** — Did you endorse him?

**Hon. T. C. THEOPHANOUS** — Well, I was not asked. But the point is that he was a Labor candidate. I endorse all Labor candidates, as I am sure Mr Hallam would endorse all National Party candidates. You endorse the candidates because they have been selected by the party at that time and in those circumstances.

**Hon. Bill Forwood** — Even if they're crooks?

**Hon. T. C. THEOPHANOUS** — I do not know how many crooks there are in politics, I can tell you that much, and I do not know, nor can I be expected to know, about the personalities of every single person that tries to get into politics. That is a nonsense.

What is true is that I know about my party and I support the principles and the values of my party. So does the minister. We support those principles and in this case this minister supports the principles of his party because it delivers in terms of the ordinary people of Victoria; and not just in sport, because the Minister for Sport and Recreation is a man of great integrity, a person who believes in the reason for being in this place and in the things he is doing. He is trying to bring sport to ordinary Victorians and to include their participation in our sporting environment and events in this state.

But that is not the only thing he is interested in. He is interested in a lot more than that, and it has to do with

ordinary Victorians. So he supports the Labor Party and its principles just as I do, and that is why we endorse Labor Party candidates — and that is why the Liberal Party endorses its candidates because it thinks its candidates might be doing the right thing and might have the right set of principles. I might not agree with those principles — I strongly disagree with them — but nevertheless we on this side of the house have a certain set of principles in relation to the Labor Party and we will continue to defend those principles.

In relation to the Melbourne Cricket Ground, the minister has been dealing with what is a difficult issue in trying to expand the number of seats that he has available to the public and to modernise the facility for the purposes of the Commonwealth Games. It is a shame that there are no honourable members on the other side of the house who are prepared to get behind Victoria in putting some pressure on the federal Minister for Employment and Workplace Relations, Tony Abbott, and the federal government to do the right thing and deliver the \$90 million to Victoria and to the people of Victoria.

**Hon. BILL FORWOOD** (Templestowe) — I was not planning to contribute but following Mr Theophanous's contribution it is appropriate to make a few comments on his response to my colleague Mr Boardman.

In his contribution Mr Theophanous said the Minister for Commonwealth Games is a man of integrity. Through the Chair, I put it to him that the reason the Labor Party decided to use the minister to endorse its candidate for Dunkley, Mark Conroy, was for that very reason: that the minister was regarded widely as a credible man of integrity and was therefore an appropriate person to endorse the Labor Party candidate.

**Hon. T. C. Theophanous** — Among many!

**Hon. BILL FORWOOD** — As far as I am aware the CD-ROM has the minister in his ministerial office endorsing Mr Conroy and the reason is that he is regarded, as Mr Theophanous rightly described him, as a man of integrity.

In circumstances such as that, when subsequently one discovers that perhaps there has been a falling short of the standards which might otherwise have been expected in these cases, the minister who had been used in such a way might care then to say, 'In these circumstances I was asked by my party to endorse this person, and I did so willingly at the time. But I now acknowledge that the government's own inspector has

come back and suggested that there have been substantial breaches of section 77 of the Local Government Act. In those circumstances I regret that I was used in this way'. The fundamental point that Mr Theophanous was making was the use of a minister who is highly regarded.

The Liberal Party remembers that it was late in the election process that Mr Madden was drafted into this position in place of — if my memory serves rightly — the Honourable Tayfun Eren, again because of his standing in the community. People who are used in this way because of their standing in the community have a duty and a responsibility to that community and to this Parliament to ensure that they act appropriately and wisely. If, as sometimes happens, they unfortunately discover that they have endorsed or provided references for people who fall short of the standard that is expected, they should then at least make some attempt to come in to the Parliament and clear the record.

**Motion agreed to.**

### **Commonwealth Games: MCG redevelopment**

**Hon. R. A. BEST** (North Western) — I move:

That the Council take note of the answer given by the Minister for Commonwealth Games to a question without notice asked by the Hon. R. A. Best relating to the Melbourne Cricket Ground redevelopment.

The question I asked this morning was very specific in that it questioned the minister as to why he was prepared to reject the \$90 million funding that the federal government was prepared to provide for the Melbourne Cricket Ground redevelopment, given he and his government are concerned about the inspection powers that are a condition of that \$90 million. I asked about part 6 of the Sports Event Ticketing (Fair Access) Bill that he has before this Parliament in another place, which provides inspection powers for inspectors to go into the books or administration of Australian Football League clubs or any other organisation to check whether there have been any breaches relating to ticket sales such as scalping. Those inspectors have the opportunity of gaining search warrants and having complete and utter access.

I find it absolutely hypocritical and a dose of double standards that the minister said the government did not have any difficulty with the inspection provisions, but it wanted to buy industrial peace because the builder was concerned that it may not be able to deliver the project on time.

This government is prepared to reject \$90 million of federal government funding that has been budgeted for

and allocated within the federal budget because it needs and wants industrial peace. But that is only one part of the equation. The other part is that the state government is prepared to spend \$77 million of Victorian taxpayers' money to buy that industrial peace. Why is the state government wanting to do the bidding on behalf of the union? It is quite simple. Those who follow the industrial relations in this state and in this country would be aware, as the minister himself said, of the significant number of projects that occurred in the lead-up to the last Olympic Games. The Construction, Forestry, Mining and Energy Union in Victoria has been scathing in its attack on the New South Wales CFMEU because it did not extract a high enough price for those projects. It has said on the record that it is prepared to extract the price from this government for the construction of facilities and infrastructure for the Commonwealth Games. We are seeing a blatant case of this government spending taxpayers' money to buy industrial peace and pay off its union mates.

**Hon. I. J. Cover** — It's a down payment.

**Hon. R. A. BEST** — That is an excellent point and the honourable member is absolutely right. It is like the compensation that was paid to the train operators in the privatised system. They got \$95 million because they said it was a bit hard. This is only a down payment and this is only the first step. As the project gets closer and closer to completion, we are going to see the stakes rise more and more.

**Hon. I. J. Cover** — The meter will be running for three years!

**Hon. R. A. BEST** — The meter is on and ticking, Mr Cover.

The price that will be paid is an open cheque to the union movement to get industrial peace and harmony to save face. It is about getting the facility at the MCG redeveloped and upgraded, but who knows what the actual end cost will be. One only has to look at the Federation Square project and the blow-out that has occurred to see that it is a debacle. Don't try to blame the previous government!

**Hon. C. C. Broad** interjected.

**Hon. R. A. BEST** — You have been in charge and your government cannot manage a project — you couldn't run a chook raffle in a pub on a Friday night.

The government is exposed as being totally captive of the union movement and hypocritical because it is prepared to spend Victorian taxpayers' money to buy industrial peace while at the same time it rejects

\$90 million of federal government funding because it applies double standards on how it will allow inspection powers to be used when its legislation on ticket scalpers provides exactly the same inspection powers.

**The PRESIDENT** — Time!

**Hon. I. J. COVER** (Geelong) — I rise to join in the debate on this take-note motion. I commence by saying that I agree with everything Mr Best said, and that I shall add a few comments. It is interesting that following the previous take-note motion, which revolved around the same minister and the endorsement he gave to the failed ALP candidate in the federal seat of Dunkley, Mr Forwood in his contribution said the minister is a man of integrity and credibility. It seems as we come to the end of this sitting there is some feeling of sympathy towards the minister for some of the situations he finds himself in, many of which are not of his making.

It was obvious that he has been used in relation to the previous take-note motion. In this situation he has been used again. The Premier wanted to go overseas, and before going he wanted to make an announcement about the MCG redevelopment so that the government could indicate it had some involvement in some major project, given the total lack everywhere else in Victoria.

As we discussed this over the past couple of weeks — the questions have been thick and fast to the minister, but the answers have been very thin on the ground by contrast — I raised the point about the funding contribution from the state government being hastily cobbled together in the space of less than a week. My understanding is that the contribution of the state government at one stage was to be for the full amount of \$90 million, then it was to be \$45 million, and it ended up being \$77 million. The Premier was able to make his announcement, take off overseas and leave the Minister for Commonwealth Games in this place to answer questions, to try to explain how this would work and to give some insight into the industrial relations aspects of it, such as site agreements and the like involving the unions, which are clearly in control not only of this project but everything else in Victoria.

The minister has had difficulty explaining the funding process and the industrial relations environment that surrounds it, and so it goes on. One has to have some degree of sympathy for a minister who is left to carry the bag while the Premier goes overseas, particularly given what the minister pointed out in response to a question from the Honourable Roger Hallam, who asked about the funding arrangements. At page 4 of

yesterday's *Daily Hansard* the minister is reported as saying:

Mr Hallam would appreciate that these decisions are made at the highest levels of government.

It begs the question: why didn't the minister qualify — —

**Hon. R. M. Hallam** — Particularly this minister!

**Hon. I. J. COVER** — Particularly this minister, Mr Hallam. He would need to qualify it on more than one ground when talking about the highest levels of government. Not only does the minister stand very tall, but I would have thought that the Commonwealth Games might have given him some level of importance within the cabinet structure. He is the Minister for Commonwealth Games, a title created during the major reshuffling of the Bracks cabinet earlier this year, and you would think that was an indication of the importance being placed on the games.

I also mention that the minister had difficulty on the two latest issues to arise: one is about the public seating at the MCG and the fact that it will be reduced by 1000 seats to accommodate the latest funding arrangements, and the other is that we discovered today that the minister had no ability to answer Mr Best's question about the fact that it is clearly obvious, and has been since the flawed legislation was introduced in the other place on sports ticketing, that the minister wants to introduce powers for himself but does not want the Office of the Employment Advocate to have powers at the MCG site. If ever you have seen hypocrisy writ large, that is it.

A point was picked up by Jon Faine on radio when he interviewed the minister about this a couple of weeks ago. The minister could not answer it then and still cannot answer it. Since the embarrassing interview on the radio you would think that he would have been prepared for the day when an honourable member would ask a question in this place, but more embarrassment prevailed today.

In respect to the 1000 seats, the minister had trouble answering the question, so I quote from the Melbourne Cricket Club's weekly information bulletin in today's sports section of the *Age*, which says:

Members have been pleased to note that an additional 1000 seats have been allocated to the new MCC reserve following the restructuring of MCG redevelopment funding announced last week.

There it is. I have no bone to pick with the MCC but a big bone to pick with the government over its \$77 million — —

**The PRESIDENT** — Time!

**Hon. KAYE DARVENIZA** (Melbourne West) — Again I am pleased to have an opportunity to make a contribution to this debate. I certainly want to say something about double standards. Mr Best raised the issue of double standards, and I certainly want to respond to that.

What we are seeing here is double standards in relation to the way the federal government is handling its commitment and contribution to these very important Commonwealth Games that are due to be held here in 2006. We know the federal government was only too willing to make a contribution to the Olympic Games in Sydney, and so it should have been. We know it was prepared to make a contribution and, in fact, came to an arrangement with the Victorian government about its contribution to the Commonwealth Games to be held here in Victoria.

When talking about double standards let's have a look at what the federal government did for the Sydney Olympic Games. It was prepared to contribute in excess of \$1.1 billion. Of that amount, \$150 million went to the building of the main stadium for at Homebush. The federal government allocated another \$25 million for the relocation of the showgrounds to Homebush. When the federal government made those very significant financial commitments to the Olympic Games — which were an enormous success — and when it came to an arrangement with the government of New South Wales it did not place any additional conditions on those arrangements. There were no conditions over and above those that were set out in the commonwealth Workplace Relations Act for the building and construction of the stadium and the relocation of the showgrounds. It was not asking for anything additional. There were no strings attached or any additional conditions imposed on New South Wales.

Here in Victoria originally there were no extra conditions. It was only when the federal government found it was short on its budget and that it did not have the kinds of funds it thought it would have for its budget that it started to look around to try to find ways to save money. One of the ways it thought it could save money was to take \$90 million from the Victorian government, and it has imposed unreasonable conditions on Victoria that it did not impose on New South Wales in relation to the Olympic Games. It did

not do it then, but it is doing it now, so it is a double standard.

It is just totally unreasonable that the federal government should put these conditions on the Victorian government, withdraw the money and renege on the commitment to make the contribution that it said it would make. Not only that, the contractors that tendered for the redevelopment of the MCG made it very clear that it would be impossible to finish the redevelopment on time and within budget under the federal government's unprecedented conditions — and they are unprecedented conditions.

The government is committed to these games. We are committed to finishing everything on time. They will be the very best Commonwealth Games and they will be the pride of all Victorians.

**The PRESIDENT** — Time!

**Motion agreed to.**

## QUESTIONS ON NOTICE

### Answers

**Hon. M. M. GOULD** (Minister for Education Services) — I have answers to questions 2153, 2818, 2899, 2918, 2925, 2926, 2941–3, 2949–51, 2956–95, 3010, 3011, 3016.

## BUSINESS OF THE HOUSE

### Benalla sitting

**Hon. M. M. GOULD** (Minister for Education Services) — By leave, I move:

That the Council meet at the Benalla town hall in the City of Benalla on Wednesday, 30 October 2002, and that so much of the sessional orders be suspended as necessary to enable —

- (a) the sitting to commence at 10.00 a.m.;
- (b) questions without notice to be taken, motions to take note of answers to questions without notice and answers given to questions on notice following formal business;
- (c) general business to take precedence of all other business for 2 hours following questions;
- (d) members statements to be made at 2.00 p.m. for a period not exceeding 15 minutes;
- (e) government business to take precedence of all other business from the conclusion of members statements until 6.00 p.m.; and

- (f) a motion for the adjournment of the house to be moved at 6.00 p.m.

**Hon. BILL FORWOOD** (Templestowe) — On behalf of the Liberal Party I welcome the motion moved by the Leader of the Government today. Following the most successful sitting held in Ballarat last year it has been the view of the Liberal Party that we should continue to meet, preferably each year, in rural and regional country Victoria. We fully support and encourage this.

I note with a wry smile and thank the Leader of the Government and the Leader of the National Party for their contributions in arriving at the program that we have before us. As honourable members would be aware, these things do not just occur, and there were significant discussions about the best way of ensuring that Parliament had the opportunity to meet in country Victoria again. I am grateful that, at the end, agreement was reached with the government to enable this sitting to take place.

On behalf of the Liberal Party I welcome the motion. I look forward to this house meeting in the City of Benalla. I look forward to a fruitful engagement with the people of the district and the Shire of Delatite at that time. I commend the motion to the house.

**Motion agreed to.**

### Orders of the day

**Hon. BILL FORWOOD** (Templestowe) — On behalf of various colleagues in my party and the National Party, I move:

That orders of the day, general business, nos 1, 2, 3, 4, 5, 7, 9, 11 and 19, be read and discharged.

**Motion agreed to.**

### PETITION

#### Parkside Gardens, Shepparton

**Hon. E. J. POWELL** (North Eastern) presented a petition from certain citizens of Victoria requesting that the Parliament of Victoria take whatever action necessary to protect Parkside Gardens, Shepparton for the public and to restore the historic Chinese cultural buildings of the Pagoda, Pavilion, Moongate and Bridge. (1401 signatures).

**Laid on table.**

### QUESTIONS ON NOTICE

#### Answers

**Hon. M. M. GOULD** (Minister for Education Services) — Pursuant to the orders of the Council on 12 June 2002, I lay before the house a copy of answers to questions on notice 2343 to 2350 from the Minister for Energy and Resources, the Minister for Education Services, the Minister for Small Business, the Minister for Ports, and the Minister for Sport and Recreation, and answers to questions on notice 2921, 2922 and 2923 from the Minister for Ports. Questions on notice 2343 to 2350 were asked by the Honourable David Davis and the last three were questions asked by the Honourable Andrea Coote.

**Hon. Bill Forwood** — On a point of order, Mr President, as I do not have in front of me the complete details of the order passed in this house yesterday, I ask whether all of the orders are satisfied.

**The PRESIDENT** — Order! This deals with the questions asked by the members indicated by the Leader of the Government, but it does not deal with the matter raised by the Honourable Graeme Stoney.

**Hon. Bill Forwood** — On a further point of order, Mr President, can I ask whether or not the issues raised by Mr Stoney, which in my recollection is were required to be tabled last night or today, will be dealt with in this sitting?

**Hon. M. M. GOULD** — I have obtained the answers to the questions on notice that I have indicated to the house. I am still pursuing other answers, but I am not in a position to table them at this point.

**Hon. BILL FORWOOD** (Templestowe) — I thank the Leader of the Government for her response, and I am delighted that the issues raised by my colleagues have been satisfied. Am I correct in assuming therefore that the issues raised by the Honourable Graeme Stoney will definitely not be dealt with in this sitting?

**Hon. M. M. GOULD** (Minister for Education Services) — Further to my previous answer, I am not in a position to table answers to the questions on notice raised by Mr Stoney.

**Hon. E. G. STONEY** (Central Highlands) — I am extremely disappointed with the minister's response to the issue raised by Mr Forwood. I understood the motion yesterday ensured that the answers would be tabled last night or at the latest today. Over the last few days the government has had every opportunity to answer those questions. It is, as I have prophesied, that

the government is putting this issue off for the winter, hoping that it will go away in the spring sitting. I am extremely disappointed with that attitude. I believe the government is flouting the rules of the house.

**The PRESIDENT** — Order! The Deputy Leader of the Government has given an undertaking that all the questions will be answered. He was unable to put a time limit on it, and I am repeating that for the record. I do not think we need to say any more about it. I understand another answer could be tabled later in the day.

## OMBUDSMAN

### Melbourne University student

**Hon. BILL FORWOOD (Templestowe)** — I move:

That the Council take note of the report of the Ombudsman on an investigation into a complaint about preferential treatment of a student by the University of Melbourne, May 2002.

At the outset of the brief contribution I can make under sessional orders, I say again to the house that I proudly serve as a member of the council of the University of Melbourne.

This matter is serious. The Ombudsman at page 38 of his report entitled *Report on an Investigation into a Complaint about Preferential Treatment of a Student by the University of Melbourne* states:

Fundamentally, I am of the view that this matter need never have reached the stage where an investigation by the Ombudsman became necessary.

This matter should never have been taken to the Ombudsman, and the circumstances under which it was taken to the Ombudsman bear some scrutiny.

Before I do that I want to place firmly on the record the findings of the Ombudsman on page 1 of the executive summary where he states:

I would expect that the reporting of my investigation in which Mr Marshman — —

I make the point that Ian Marshman is a senior vice-principal at the university —

has been exonerated would go some way towards addressing the concerns expressed ...

It goes on about the university concerns on this matter. Let me make the point again: this matter should never have gone to the Ombudsman in the first place but

having gone there Mr Marshman has been exonerated of an accusation made against him.

Let me summarise again from page 2 of the report where the Ombudsman states:

On 20 February 2002 I received a written complaint alleging improper conduct by a senior Melbourne University official.

A complaint was made on 20 February; the official in question was Ian Marshman. The Ombudsman has made two findings: that the matter should never have been taken to him and that Mr Marshman has been exonerated.

Let me refer to the *Age* of 21 February and specifically to a paragraph at the bottom of an article headed, 'Gosper son's uni spot under scrutiny'. It states in the fourth-last paragraph:

In a statement emailed to the *Age* last week, Mr Marshman said only that second-round offers were made on a course-by-course basis to meet enrolment targets.

I make that point because it indicates that a week before the complaint was made to the Ombudsman the *Age* was aware of these issues. So what happened was that some vicious, vindictive official at the University of Melbourne decided to big-note himself or herself and make an accusation against Kevin Gosper's son and the University of Melbourne about preferential treatment in the allocation of places at the university.

This person, name unknown to me, went to the *Age*, which was not prepared to run the story. So a complaint was made on 20 February to the Ombudsman, and the next day a very detailed article in the *Age* appeared under the headline 'Gosper son's uni spot under scrutiny'. That led to a frenzy in the media in Victoria about favouritism. It led to an attack on the Gospers and on the University of Melbourne and a particular attack on a man of unimpeachable integrity, Ian Marshman — a man who has suffered because of a vindictive and vicious act of an unknown, cowardly person who was not prepared to use the mechanisms of the act which gives him the right to go to the university as a first port of call.

If somebody in the university had a concern about the allocation of places they had the right under section 6(1)(b) of the Whistleblowers Protection Act to go to the university, but they were not prepared to do that. As I said, the person went first to the newspaper, second to the Ombudsman. In the course of that behaviour great damage was caused to the Gosper family, Ian Marshman and the University of Melbourne. Frankly, it is not good enough.

I am happy to put on the record another comment by the Ombudsman on this matter because I want people to be under no misapprehension about what he found. On page 42, the Ombudsman states:

As mentioned in the executive summary, I trust that the reporting of my investigation in which Mr Marshman has been cleared of the allegations made against him, will go some way towards addressing the concerns expressed by the vice-chancellor in this regard.

Let me turn to what the vice-chancellor says in an appendix to the Ombudsman's report:

You state in the draft report that, 'Fundamentally, I am of the view that this matter need never have reached the stage where an investigation by the Ombudsman became necessary.' That is a critical finding, but I must point out that the regrettable eventuality to which you refer is a direct and in many ways inevitable outcome of the provisions of the Whistleblowers Protection Act.

All it takes is for one disaffected individual to decide to avail himself/herself as a matter of first resort of the provisions of the legislation, and any prospect of an internal inquiry is precluded by the confidentiality restrictions which the legislation imposes.

He goes on:

The complainant, however, has —

The right to use the Ombudsman as a tribunal of first resort;

The right to complete confidentiality; and

The power (exercised in this case by someone intimately aware of the allegations) to brief the press in detail.

The press not only had the information that it used against the Gospers but it had the names of other people who it started ringing — other students who it thought had a higher ranking but had not been offered a place. The press was ringing these people too. This person used the Whistleblowers Protection Act as a mechanism to damage the University of Melbourne and particular individuals, and the act is deficient in that it allows that to occur.

The vice-chancellor goes on:

The officer against whom an allegation is made, on the other hand, is likely to be severely compromised by the public airing of the allegation. Criticism of his conduct made under rights of confidentiality is reported in detail, without any similarly public or detailed provision for rebuttal.

We were hamstrung by the act in our ability to argue back our case in these circumstances.

Let me remind honourable members that the investigation started on 20 February and this is the second week of June, so it has been hanging over the

heads of Ian Marshman, the Gosper family and the University of Melbourne since that time.

The vice-chancellor goes on:

Unless greater protection is afforded to the individual targeted by this kind of allegation, a potentially serious compromise of natural justice may become a recurrent feature of the operation of the legislation.

I wholly concur with those comments.

The Whistleblowers Protection Act has some provisions which certainly give protection to whistleblowers but it also includes section 106, which makes it an offence to make false disclosure. I am not saying that in this case the disclosure was completely false, but I am saying that it was vindictive, venal, vicious and cowardly and should not have been done in the first place. But the person who did this has a right to confidentiality.

I only regret that I do not know who it is because I would not give two hoots about that and I would be quite happy, if I knew who this person was, to name them in this place for misusing the Whistleblowers Protection Act and for wrongly calling into question the integrity of officers of the university, the university itself and the Gosper family. This is a sorry saga which shows that despite the good intentions of the whistleblowers act it is fundamentally deficient in that there is no constraint on a person going to the media first or at the same time as they make their complaint, hiding behind the confidentiality provisions of the whistleblowers act, and then causing untold damage to innocent people.

Let me finish by saying that I am delighted the Ombudsman has cleared the university, and I am pleased that the *Age* at least had the decency to put on its front page 'Uni clear over Gosper claim'. I am delighted that Mr Marshman has been cleared, but this damage was totally unnecessary and should not have occurred.

**Motion agreed to.**

## LIQUOR CONTROL REFORM (PACKAGED LIQUOR LICENCES) BILL

*Second reading*

**Debate resumed from 11 June; motion of  
Hon. M. R. THOMSON (Minister for Small Business).**

**Hon. W. I. SMITH** (Silvan) — I rise to talk about the Liquor Control Reform (Packaged Liquor Licences) Bill 2002. The Liberal Party does not oppose this bill.

The bill basically amends the Liquor Control Reform Act 1998 to implement legislative aspects of an industry agreement brokered by the government between Woolworths, Coles, the Master Grocers Association of Victoria and the Liquor Stores Association of Victoria. The bill seeks to do a number of things: to phase out the 8 per cent limit on packaged liquor licences; to close a loophole called the Eudon scheme, which potentially allows Coles and Woolworths to breach the 8 per cent limit on the number of packaged liquor licences they can hold; to provide a buy-out option for existing packaged liquor licenses; and to provide for the minister to determine a code of conduct for the licensees. It also defines the concept of amenity, includes more community scrutiny of liquor licences and promotes the reasonable sale of liquor.

This bill is a response to two things. It is a bill to legally implement the deal brokered by the government, but it is also a response to Woolworths — to a business which has aggressively and purposefully gone out to find ways around the legislation, to breach the 8 per cent cap and to push this government into changing its mind on the policy commitment it came into government with. Woolworths has gone out to make sure that it gets a better market share than others in the industry. It has pushed the government, which has completely capitulated and turned away from small business in many ways. In fact the government has rewarded Woolworths for aggressively finding loopholes and going outside the intent of the legislation.

The Liberal Party has had a lot of problems with this legislation and the way this issue has been handled — it has been a very difficult issue for us, and we have been very concerned at the way the government has handled it. We have always believed that while Woolworths had found a way around the loophole the government should have kept its promise to the business community, closed the loophole, kept the 8 per cent cap and then sat down and consulted with the whole of the industry. It has not done that. It has been quite selective in where it has consulted and has left out many players in the industry. Instead of going out and consulting, the government was pushed into a corner by Woolworths, and it sat down with the Master Grocers Association of Victoria and the Liquor Stores Association of Victoria to come up with a deal.

The deal does give the industry some certainty in comparison with Woolworths and Coles taking up the

Eudon scheme and pushing the cap much further out, particularly as under the legislation the government brought in last year the 8 per cent cap would have been phased out in 2003. While the industry agreement does give the industry a bit more certainty and a bit of extra time, and does give businesses that want to get out of the industry — and not all of them do; in fact, most of them want to continue their businesses — an opportunity for a buy-out with a particularly good deal, it has still been a blackmail approach. As I said, the Liberal Party has had a great deal of difficulty coming to terms with the legislation. We do not oppose it, but we are extremely unhappy about the way the government has not had the backbone to keep its own policy going.

The Labor Party came up with a very explicit policy in 1999 — obviously it did not expect to win the election — that said:

Labor is concerned at the growing concentration of the retail liquor, hotel and gaming industries.

Labor is also concerned at the abolition of the Liquor Licensing Commission and the loss of independence from political intervention in the administration of the liquor industry.

A Bracks Labor government will immediately and retrospectively close legislative loopholes which allow large retailing chains to accumulate more than 8 per cent of the total number of packaged liquor licences.

Labor will reinstate an 8 per cent limit on market concentration in other areas of retail liquor licensing.

An independent liquor licensing commission will be established to administer the liquor industry in Victoria.

That was two years and eight months ago! Last year, when Woolworths aggressively found a loophole to get around the 8 per cent cap, the Minister for Small Business came into Parliament, introduced the legislation, closed the loophole and said this government was committed to retaining the 8 per cent cap.

Four times in the past 12 months the Minister for Small Business has been asked that question in question time and four times she has committed to maintaining the cap, and yet this year when Woolworths found another loophole the minister decided it was all far too hard.

The minister had a review of the 8 per cent rule last year and some interesting comments were made in the course of it. I want to put some of them on the record because they explain why other people in the industry have, after consultation, said that this deal is the better of two evils but still not where the industry wants to go.

The Victorian Wine Industry Association submitted last year that the 8 per cent rule is a reasonable measure to ensure the diversity of the retail liquor enterprises through which the Victorian wine industry can access the retail market. There is still huge concern out there about what is going to happen to some of the small wineries and boutique wineries in Victoria. The association says today that it supports retention of the 8 per cent rule and will only support the lifting of it if other avenues for winemakers to retail their products can be identified and proved to be effective.

The association says it is between a rock and a hard place. Its members believe the deal in front of them at least gives them until 2006, but it gives them nothing else. They believe this will impact on them, but under this deal they get an extra three years of phase-out of the cap. That is the only reason the association thinks the deal is okay. It is extremely unhappy about the fact that access to the market will be limited because of Coles and Woolworths, and some businesses will go under because of it.

Last year the Independent Grocers of Australia (IGA) and Ritchies submitted that the 8 per cent rule protects the market from dominance by the major chains and to get rid of it would stifle competition, have an adverse impact on regional economies and reduce the number of independent operators. They recommended the government maintain the 8 per cent rule. When consulted today — I probably have 50 letters from IGA supermarkets sitting on my desk — IGA and Ritchies said they do not like what is happening but see that the deal is better than what Woolworths would have done with the Eudon scheme. That is the alternative: to allow Woolworths to get out there with a scheme to take unfair advantage of the marketplace and place unfair competition pressure on licensed grocers. IGA and Ritchies support the deal; their hands have been tied behind their backs. They believe they have had a gun at their heads and have been blackmailed.

The Australian Liquor Marketers also wanted the 8 per cent limit on liquor licences retained. It accepts the present deal for very much the same reasons as IGA and Ritchies. The Liquor Stores Association of Victoria wanted real diversity and to see a national approach. The association has been part of the deal and has accepted it because it gives some of its members the chance to sell out when they have Coles or Woolworths competing against them. Southern Independent Liquor supported the maintenance of the 8 per cent limit because it did not want to see the major chains dominating the market. Wineslashers said exactly the same thing.

There was great concern last year about the fact that the 8 per cent rule would not be maintained because people knew what Woolworths was up to. People are still unhappy about where they are today. Basically they have accepted the deal because of the phase-out over three years. Most people do not want to sell and get out of the industry. Most people have small family-run businesses and want to stay in the industry. People have accepted this deal because of the three-year extension of the 8 per cent cap.

As I said, the wine industry accepts the deal as it stands but is extremely unhappy about it. It has no doubt that some small wineries will go to the wall and will go under. There is no doubt that it will be far more difficult for some wineries to get access to the marketplace to get their wines on shelves. However, at the end of the day the industry accepts the deal because of the phase-out to 2006. That is the only reason.

The comments made in the media at the time are quite instructive, particularly those made by the chief executive officer of Coles Myer, and show where the two largest retail businesses in Australia see the whole thing going. An article in the *Australian* of 15 May said:

The Victorian liquor industry is facing more upheaval after the big grocery chains scored a coup with the planned phasing out of ownership caps for packaged liquor licences by the start of 2006.

I have had conversations with Nick Chlebnikowski and his brother Vic from Nick's Wine Merchants. They do not like what is happening although they probably will not be as affected as others because they dominate such a specialised niche area. However, they believe that other independent stores will not be able to withstand the impact of Coles and Woolworths. Nick is the owner of three liquor stores and he predicts that small operators will bleed to death quietly over the next few years.

The *Australian Financial Review* of 15 May ran an article by Mark Skulley headed 'Liquor outlets to be mopped up'. The article said:

The Victorian government has completed a policy backflip which will allow retail giants Woolworths and Coles Myer to keep soaking up small liquor outlets in the state.

Mark Westfield wrote an article in the *Australian* of 28 March headed 'Coles, Woolies driven to drink'. In it he said:

Bracks and Thomson have a problem. Both Woolworths and Coles are well over the cap, and the big retailers aren't about to let any of these excess liquor outlets go.

They certainly were not. In this article Mr Westfield talks about the granting of the liquor licence that has been dubbed the Eudon scheme. He says of Brian Kearney, the director of Liquor Licensing Victoria:

This decision may be challenged by independent liquor retailers ... because it can be argued that Kearney didn't use his discretionary powers in this decision, i.e., that Kearney appears to have allowed himself to be fettered in his discretion.

That was said publicly in the paper. He went on:

The die is cast, however, and the backroom deals are done between the retailers and the Bracks government.

On 27 March the *Age* ran an article by Leonie Wood headed 'Retail giant wakes from slumber'. In talking about the chief executive officer of Coles Myer, John Fletcher, it said:

'We are starting to see in the marketplace some people feeling the "uncomfortableness" of this company as it is starting to use its size', Mr Fletcher told analysts.

He singled out retailers in the Victorian liquor industry, saying that once the government cap on liquor licences was scrapped, small independent retailers would feel Coles Myers market power.

'The consequence is that there will be more independent liquor store operators that, with the shackles off (Coles Myer), may think about selling', he said.

The story ran in local newspapers from Sunbury through to Monbulk, and of great concern was the fact that small wineries and independent bottle shops throughout metropolitan Melbourne were feeling the squeeze and were concerned about the giant retailers coming in. I fear the impact will be felt significantly in regional and rural Victoria. Country pubs and small wineries out there are in for a really hard time.

The Kennett government, when it was in government for seven years, chose to maintain the 8 per cent cap on packaged liquor licences. It chose to forgo the money from national competition. But this government has put its hand out; it is quite keen to get the money and the deal. It has done a complete Labor policy backflip.

The consultation process has been incredibly poor. Whilst the government has spoken to two of the leading industry groups — there are 1377 packaged liquor licences in Victoria: the Master Grocers Association of Victoria represents 350, the Liquor Stores Association of Victoria represents 200, Coles represents 105, and Woolworths represents 121, and that is how the minister got her figure — the reality is that there are a lot of small independent liquor licensees out there who have not had any consultation and who are extremely unhappy about the changes. They want to maintain

their businesses and stay in the industry, but they are concerned about the challenge facing them. The wine industry was completely left out of negotiations. There was absolutely no consultation whatsoever!

I take this opportunity to read into *Hansard* some of the concerns put to me about the legislation and the deal that has been done. The Australian Hotels and Hospitality Association raised a number of issues. It is concerned about the removal of the 8 per cent cap. Having looked at the legislation it says in its letter of 6 June:

1. We are concerned that this bill focuses on retailers wishing to leave the packaged liquor industry. It is our contention that any measures to assist packaged liquor licence-holders should be directed towards keeping them in the industry and being able to trade in a fair and reasonable manner.
  2. With respect to the proposed code of practice, it is vital that all parties to the liquor industry, particularly the Australian Hotels Association and its member hotels, are part of the process of formulating a code of practice.
- I can see why the association would be concerned about the consultation process because, as I said, half of the industry has been left out so far. The minister may well pick these people up, but her process of consultation up to now has been poor and clumsy. The association goes on to say:
3. The hospitality side of the liquor industry takes very seriously the responsible service of its product. The community expects, quite rightly, that hotel keepers take some responsibility for the outcomes of their liquor service and to this end the industry developed a code of practice which it enthusiastically embraces and vigorously promotes the service of alcohol in a reasonable manner.

It is very concerned about the duty of care ramifications. It continues:

There are duty of care ramifications for hotel keepers who abuse the privilege of a liquor licence.

It is very concerned that the same community safeguards are not present on retail premises — for example, a packaged liquor licence held by Coles with a car park outside. Who is there to ensure there is no consumption of the alcohol? Apparently it is not uncommon for people to consume cans of beer outside premises. The association says that the hotel industry has people present to check the amount of alcohol, watch what is happening and make sure that there is no abuse. However the association's concern is that with the expected proliferation of retail outlets, community safeguards will not be the same. The association is particularly interested in the code of practice and that it

be extended to duty of care for packaged liquor retailers.

I will also read comments by some individual and group operators who have not been involved in the consultation process. While they acknowledge that the deal is between a rock and a hard place, it is worth noting what some of those who the government has not spoken to are saying about the proposed changes to the rule of 8 per cent ownership of liquor licences:

The only retail operators to benefit from the proposed change are Safeway and Liquorland; no other operators are currently close to the 8 per cent limit.

Safeway and Liquorland are likely to greatly expand the number of retail liquor outlets and consequently greatly expand their market share of the industry.

Potential to create, in effect, a duopoly within the retail liquor industry.

There is no doubt about that. They continue:

All other retail operators, including hoteliers, will be adversely affected by the proposed changes.

They go on to say:

There is no evidence to suggest that consumers will be better off or that prices in the long run will be lower. The history of other industries, such as petrol, banking and telecommunication, proves the less number of competitors the less competitive prices will be.

I make a prediction: in 18 months we may see a drop in prices of liquor and wine, but I bet that in three years time we will see them go up. I bet we will see increases and not see the cheap alcohol that people think will come out of these changes. The operators further comment:

There is no evidence to suggest Safeway and Liquorland will compete vigorously in terms of prices; there is no evidence that this has occurred in the grocery industry.

...

Domination of the retail liquor market by two key players will be detrimental to emerging small wine producers.

There is no doubt about that. They already have trouble getting shelf space. They go on to say:

Large supermarkets have a history of ranging only top selling lines and well-known brands.

That is of particular significance when a small winery has to pay \$5000 to \$6000 just to get its wine listed, and there is no guarantee it will be sold. The operators also say:

The government election platform was to protect and encourage small businesses; the abolition of the 8 per cent limit rule protection runs contrary to this commitment.

It is interesting to note that when the government introduced this bill it was doing this deal. The government did it in such a hurry that the whole way it has been handled has been sloppy and clumsy. The legislation had a loophole in it, but the very provision with which the minister was trying to close the loophole on the Eudon scheme actually introduced a new legal loophole. The minister had to introduce legislative amendments to the house to fix it up.

This whole process has shown that the Labor government does not have the backbone, courage or principles to go where it said it would. As I said, because the 8 per cent rule will be eliminated in the year 2003 the liquor industry associations believe the proposed legislation is the best outcome from negotiating in a hostile environment, and it will give them more certainty. There is no doubt guns have been held to people's heads, that it has been a hostile environment, and there has been enormous pressure. To confirm that one only needs to have experienced the lobbying of members of Parliament by some of the larger retailers.

The Liberal Party has had a lot of trouble with the way the bill has been put together and with the government's backflip and the lack of consultation. At the end of the day the final judgment on the government will be the state of the industry in the next two to three years. Already the industry blames the government. I have probably spoken to 200 independent retailers, wine merchants and others in the industry, and I have not yet heard anyone who does not place the blame back at the government. The questions have been asked: why didn't the government close the loophole? Why didn't the government keep the cap? Why didn't the government sit down with the industry without the hostile environment and negotiate the changes? Instead it completely capitulated to the big end of town.

As I said, the judgment at the end of the day will be from the industry. I predict we will see a different industry. I predict that in a couple of years some of those small wineries will go to the wall, as will some of the small independent retailers. We will see two large retailers dominating the marketplace in Victoria. The deal is the best of two evils, but the government stands firmly condemned for the way it has handled the whole process.

**Hon. KAYE DARVENIZA** (Melbourne West) — I am pleased to make a contribution to the debate and

speak in support of the bill. I am also pleased that the bill is being supported by the opposition.

The bill has a long track record going back some years. The government announced in January 2001 that it would phase out the 8 per cent rule from the end of 2003, or earlier if we could get agreement between those in the industry. An earlier review undertaken by the government found that the 8 per cent rule was increasingly ineffective in promoting the diversity that we and the industry believed should exist. The bill is a result of the 1998 reforms and the changing nature of liquor retailing which resulted from the growing number of licences that have been granted.

The government closed the known loopholes that were being used to get around the 8 per cent rule by introducing legislation in May 2001. The government made a commitment to work with the industry to develop future arrangements to ensure we continued to enjoy a vibrant, competitive and diverse packaged liquor market.

I take exception to some of the comments made by the previous opposition speaker about the way the government has gone about consulting and facilitating discussions. As with all bills that the government has introduced, it has always been involved in a consultative process. The minister wrote to all licensees regarding the phasing out of the 8 per cent rule. More than that, not only were they all contacted in writing by the minister, but the government facilitated discussions and consulted with the players in the packaged liquor industry.

The initiatives set out in the bill are based on an agreement between the Liquor Stores Association of Victoria; the Master Grocers Association of Victoria; Coles Myer — Liquorland and Woolworths — Safeway. While these groups are not the only groups involved in the packaged liquor industry, they make up two-thirds of the current licence-holders in the industry.

The agreement generates significant benefits to the community and to small businesses, including greater community involvement as well as the scrutiny of the granting of any new liquor licences. This will ensure not only amenity, but also that harm minimisation is properly considered with the issuing of licences. A \$3 million packaged liquor industry development trust fund will be established to improve the competitiveness of independent liquor stores. There will be a gradual and orderly phase-out of the 8 per cent limit on the packaged liquor licence holding during which major chains will generally only be able to purchase existing licences if they are under the set limit. There will be a

special buy-out arrangement with minimum payments specified to protect the affected independent liquor stores during the transitional period.

The agreement that deals with all those issues was facilitated by this government. It went out and consulted with the industry and came up with an agreement that contains these protections which give the industry significant benefits, and those significant benefits are provided for by the bill before us today.

The bill will amend the Liquor Control Reform Act of 1998, it will promote the responsible sale of packaged liquor, it will enable genuine community involvement in the issuing of licences and it will ensure that there is a vibrant and diverse industry.

**Hon. W. R. Baxter** — How will it achieve that?

**Hon. KAYE DARVENIZA** — I will take the honourable member to the bill now and refer him to some of the important changes that are outlined in it which have come about, as I said earlier, because of the agreement that has been reached between the parties in the industry.

The purpose of the bill is to amend the Liquor Control Reform Act and to provide for the misuse or abuse of alcohol — —

**Hon. R. M. Hallam** — You're not going to read the whole thing, are you?

**Hon. KAYE DARVENIZA** — The purpose is an important one, because it goes to the very heart of the bill and outlines clearly the sorts of important changes that the bill will introduce into this industry. The first purpose in the bill is an excellent purpose and one that the whole community is applauding, because it will provide for the misuse or abuse of alcohol to be an additional ground for objection to an application for a grant, a variation or a relocation of a packaged liquor licence.

The bill defines the term 'amenity', it improves the advertising of licence applications and it provides additional packaged liquor licence conditions as well as providing for an industry code of conduct. The bill also phases out the 8 per cent limit on packaged liquor licences and imposes a range of restrictions during the phase-out period on the granting, transfer or relocation of certain packaged liquor licences.

Clause 4 is a definitions clause and in particular it defines 'related entity'. The bill strengthens the current related entity and controlling interest test and will ensure that the percentage limits are complied with. It

will also ensure that previous mechanisms and corporate structures that have been used to circumvent that 8 per cent limit will be caught by this strengthened definition and that a loophole that has been used in the past will now be closed.

Clause 5 ensures that the community will have a genuine opportunity to raise objections to a liquor licence application. The clause inserts into the act proposed section 3A, which defines ‘amenity’ as follows:

For the purposes of this Act, the amenity of an area is the quality that the area has of being pleasant and agreeable.

The proposed section then sets out a range of factors that might be taken into account when determining whether the granting, variation or relocation of a licence would detract from the amenity of a given area. A number of factors that would be taken into consideration are listed in the act, although consideration would not be restricted to those factors, and they include the presence or absence of parking facilities; traffic movement; noise; the possibility of nuisance and vandalism — the previous speaker talked about some of the nuisance factors that can exist in and around licensed premises which sell packaged liquor — as well as the harmony of the environment. This proposed section gives the community greater guidance when considering the impact of an application for a liquor licence in a particular area.

Clause 6 of the bill requires new licensees and managers to undertake or complete an approved program after they have been granted a licence, and it also requires existing licensee managers to undertake refresher courses. Licensees and managers who are currently in the industry have been undertaking this sort of training without it being a requirement of the legislation, but this proposal will place in the legislation a requirement that licensees or managers undertake this type of training to ensure that they have the necessary skills for the responsible selling of liquor.

Clause 6 also provides that the minister, in consultation with the industry, can determine a code of conduct. Again, this is a matter that has been raised by the opposition.

The power to set in place a code of conduct is a really important one, because it will give the industry an opportunity, in consultation with the minister, to develop a code that will be good for the whole community, not just for the industry. It will give us an opportunity to work together with the industry to obtain some positive outcomes, particularly in relation to harm minimisation, as well as diversity and responsible

development of the industry. The minister said in her second-reading speech that she would be looking at the development of a code of conduct in consultation with the stakeholders.

The failure to comply with a code of conduct once it is developed is also dealt with in the bill. This could ultimately lead to a range of penalties that are already set out in section 90 of the act. It could lead to the loss or suspension of a licence or fines of up to \$10 000. These are not new penalties, but this bill sets out a new condition under which these penalties could apply if the code were to be breached.

Clause 7 deals with the phasing out of the limits on packaged liquor licences as set out in clause 4, which defines ‘permitted percentage’. The bill provides for the gradual and orderly phase-out of the 8 per cent limit on packaged liquor licences over a three-and-a-half-year period. The minister outlined in her second-reading speech in some detail how that will happen. The cap will be removed from 1 January 2006, as set out in clause 16. The phase-out provisions in this clause are part of the agreement with the industry that we as a government helped to facilitate.

Clause 9 protects the most affected small retailers by generally requiring that a major chain wishing to acquire a new outlet makes a fair and reasonable offer to the nearest independent retailer within a certain radius. The bill contains a formula to determine a minimum price to ensure that the offer is a fair one.

Clause 10 inserts a new provision for the advertising of a licence application. The bill will ensure that the community is better informed about an application for a liquor licence, a variation of a liquor licence or a relocation of a premises. This clause provides that when such an application is made an advertisement must be placed in a local newspaper that is circulated in the area that is going to be affected. This means that the community knows what is going on in its neighbourhood and has an opportunity to raise objections or concerns if it should have them.

Clause 11 introduces new grounds for a person to be able to object to the granting, variation or relocation of a packaged liquor licence.

**Hon. R. M. Hallam** — Mr Deputy President, I draw your attention to the state of the house.

**Quorum formed.**

**Hon. KAYE DARVENIZA** — I was dealing with clause 11 which introduces new grounds for a person to be able to object to the granting, variation or relocation

of a packaged liquor licence. It means that someone is able to object if they believe that the granting of a licence would encourage the misuse or abuse of alcohol. It is a very important ground on which people are able to object and which does not exist in the act.

The clause also sets out that a council may object if it believes that the granting of such a liquor licence is going to encourage the misuse or abuse of alcohol, so it covers both individuals and councils. Again, this is something that does not exist in the current act, and it is one of the issues the government believes is really important and the industry also believes is important. This arises from the abuse and misuse of alcohol, and it shows that the bill provides for the responsible sale of alcohol.

In conclusion, I believe this is a very good bill, because it closes the loopholes that have been identified and are being circumvented by people in the industry. It gives reasonable phase-out provisions. Even more importantly, it gives power to the community, individuals and municipalities to look at whether they want these sorts of liquor licences and premises in their communities, and it gives them the power to object. It also delivers significant benefits to small liquor retailers. The industry fund will be paid for by the major chains and will ensure that the independents have the right advice to remain within the industry as a vibrant force. There are also safeguards and protections through the transitional arrangements.

This is a good bill and it deserves the support of all members of this chamber. I commend the bill to the house.

**Hon. W. R. BAXTER** (North Eastern) — We in the National Party oppose this bill. We have a number of reasons for doing so, but if ever we needed another one we have just had it from the Honourable Kaye Darveniza. She has wasted 20 minutes of the house's time on the last day of sitting when the government wants to get its legislation through. It sent in a backbencher who knows nothing about the bill and who simply re-read the second-reading speech clause by clause. There was no rigour in the speech at all and there were no answers to any of the objections we made or questions we asked, yet the government will go out and say to the community that the upper house is being obstructive! It is time the government learnt that if it wants to get its legislative program through it should pull its backbenchers into line and have them make speeches of substance instead of wasting time, as we have seen this morning.

The National Party opposes this bill because it is yet another crass example of the hypocrisy of this government. This week we have seen a number of examples of the government's hypocrisy. On Tuesday in question time the opposition exposed the government's hypocrisy on the closure of schools. In questions to the Minister for Commonwealth Games this week we exposed the government's hypocrisy over the Melbourne Cricket Ground. In question time this morning we exposed the hypocrisy of the same minister in his support of Mr Mark Conroy. Last night we exposed the hypocrisy of the government over the Environment Conservation Council's report on marine parks. Today we are exposing the hypocrisy of this government's promises in relation to what it actually delivers, and there is no greater illustration of that than the policy of this government when it was in opposition prior to the election.

'Taking care of small business' was the policy document. It states, among other things:

Labor is concerned at the growing concentration of the retail liquor, hotel and gaming industries.

A Bracks Labor government will immediately and retrospectively close legislative loopholes which allow large retailing chains to accumulate more than 8 per cent of the total number of packaged liquor licences.

There it is in black and white — and in September 1999 people voted on the basis of that policy, and people made investments in liquor licensing on the basis of that policy. What do they see now? They see the Australian Labor Party walking away from it. But did the ALP come clean on it early? No!

I was sitting here, innocent as I am, listening to the Minister for Small Business answer numerous questions over many months from the Honourable Wendy Smith about the 8 per cent rule, believing that what this minister was implying to the house was that she was maintaining the 8 per cent rule and that she was taking action to overcome the breaches that were being exercised by Woolworths. That was the impression she conveyed to this house — that she was out there implementing ALP policy; that she was going to make the 8 per cent work and bring Woolworths to heel. What was she doing all the while? She was actually in secret negotiations with the very people at the big end of town who were flouting the law — breaking it!

**Hon. R. M. Hallam** — With Coles and Woolworths!

**Hon. W. R. BAXTER** — Yes, she was dealing with the big boys, with Coles and Woolworths, who openly and flagrantly breached and flouted the law of this state.

What a deal Coles and Woolies have got from this mob! They have got everything they wanted for a measly \$3 million — \$1.5 million each from Coles and Woolworths. They are two of the biggest retailers in Australia — in the world — in terms of their finances and turnover, and for a measly \$3 million they bought this government off. They now have open slather. They will be able to do what they like from here on in. I know the minister is likely to say, ‘No, they cannot, at least not until 2006’. Where is the proof of that? Woolworths has ignored this government up to now — it has gone out and done what it likes and it has got away with it — so what will stop Woolworths next week buying up to 15 or 20 per cent of retail liquor licences? It got away with it in the past.

This government did not stand up to either Coles or Woolworths. They said, ‘We are national companies and we can buy off provincial governments’, and that is exactly what they did. They went out to this minister and they bought her — —

**Hon. Bill Forwood** — Cheaply!

**Hon. W. R. BAXTER** — For \$3 million — very cheaply indeed.

I know the minister will say, ‘Oh, but what a deal we have for the people. We will give them the offer of a buy-out!’. Say I am an innocent little packaged-liquor licensee in a country town, going about my business and making a living but struggling, when suddenly in the mail I get this offer and say, ‘They are going to buy me out!’.

I am really taken aback. My family has been in this for a couple of generations and had no intention of selling. I get this buy-out offer; maybe it is worth considering. Do you know what, Mr Deputy President? I have to respond within seven days to something I have never heard of or thought about. My whole life’s career is on the line and I have to give an answer within seven days. Is that a good deal? Is that fair to those packaged liquor licensees? Of course it is not! It is holding a gun at their heads. This is the sort of deal that this government has offered to these people.

This legislation also says that the prospective holder of this packaged liquor licence has to advise the existing holders within the designated area. Do we know what the designated area is? No! The designated area is going to be set by ministerial fiat. So you can be a packaged liquor licence holder in Wangaratta and you think, ‘There are a number in the town — Coles may want to put one in perhaps — I wonder if I am in the designated area?’ You would not have a clue because

we do not have the designated area set yet. It is going to be determined by the minister.

**Hon. W. I. Smith** — It’s a worry!

**Hon. W. R. BAXTER** — It is a worry, Ms Smith. Here again is more stress for the holders of these packaged liquor licences. Are they going to get an offer? Are they in the designated area or are they not? A great deal this is for these people! I know that the licensees — two organisations in particular, the Master Grocers Association and the Liquor Stores Association of Victoria — have come to the conclusion that they have to support the bill. I can understand that. I have had discussions with the Liquor Stores Association of Victoria.

**Hon. R. M. Hallam** — It wasn’t exactly a great choice.

**Hon. W. R. BAXTER** — Exactly, Mr Hallam, it wasn’t a great choice.

*Honourable members interjecting.*

**Hon. W. R. BAXTER** — Ms Smith, in some fairly graphic language and perhaps a few mixed metaphors, summed it up pretty well when she said, ‘Gun at the head’ and ‘Between a rock and a hard place’.

**An Honourable Member** — ‘Hands behind their backs’!

**Hon. W. R. BAXTER** — ‘Hands behind their backs’.

**An Honourable Member** — ‘Hostile environment’!

**Hon. W. R. BAXTER** — ‘Hostile environment’. Yes, it did conjure up a fairly startling scenario — but absolutely true! The Liquor Stores Association of Victoria, knowing that Woolworths was breaking the law and that the government was not going to stand up to it and was going to allow it to continue to do it, had no option but to get the best possible deal it could in the circumstances. That is a very difficult position to negotiate from.

If you have a government elected on the promise that it was, professing to stand up for small business, professing to be anti the big boys of town and the multinationals, but the evidence before you is that it is actually in league with Woolworths and secretly dealing with that company, what option do you have but to pull what coals you can out of the fire. The Liquor Stores Association of Victoria got the best

possible deal it could in the circumstances from a very weak negotiating position. Not only was it up against Coles and Woolworths, but it had the government ranged against it as well because the government was not standing up to the big players.

That is why the National Party is opposing this legislation, because it says this government has let small business down. The National Party says it is little wonder that people become cynical and suspicious of governments and politicians when you have a circumstance where a party goes to an election with a written policy which says, 'We are going to do X', and it gets into government and does the opposite. We also had the former coalition government at the time acknowledging that the 8 per cent was going to be difficult to sustain in the long term, acknowledging that under national competition policy it had some prickles on it, but being prepared to say, 'We are sticking with it for the time being and we believe it is worth some sort of penalty under national competition reimbursement to maintain this for the time being whilst we work our way through it'.

People invested on the basis that the Labor Party said it was going to maintain it. The coalition government was working its way through it in an orderly fashion. People invested and this is what they get from this government which was elected on a very explicit policy yet does the opposite.

**Hon. E. J. Powell** interjected.

**Hon. W. R. BAXTER** — I bet they do! The National Party acknowledges that the 8 per cent is not sustainable in the long term. However, it says the law ought to be enforced in the first instance. We ought to get back to a level playing field and then we can look for a way forward. The government should not give in to the big end of town. It should not send a message to big industries and corporations in Australia that state governments are an easy take. It should not send the message that you can break the law with impunity, get away with it and the state government will collapse before you and bow down and come to an agreement.

That is the message that this state government has sent to corporate Australia — if you are big enough, tough enough, and if you have enough money, state governments will give way, they will not enforce the law. The National Party believes this is entirely the wrong way to go. We should get back to a level playing field and then we can move forward. The National Party also believes this legislation is putting many of our small packaged liquor licence holders in country Victoria under enormous pressure. They have been put

under pressure because the government has failed to stand up for its own law. They wonder what law is next going to be taken on by the big boys and make this government go weak at the knees. The National Party says, 'Vote it out. Get back to a level playing field and then we can go forward'.

**Hon. BILL FORWOOD** (Templestowe) — Where to start? I will welcome back the Minister for Small Business, who is leaving the chamber, as quickly as possible.

As my colleague the Honourable Wendy Smith indicated, the Liberal Party does not oppose this piece of legislation. We were persuaded by the arguments put by the Liquor Stores Association of Victoria, by Peter Wilkinson and Tony O'Brien in particular, and by the Master Grocers Association of Victoria, that the guns being held to their heads would blow their brains out if we did not help them. For that reason, and for that reason alone, we were persuaded that it is better not to defeat this piece of legislation.

I have huge sympathy for the position taken by Mr Baxter, which was put so articulately in this house today. What we have seen is behaviour from this government that is so bad that it leaves one almost speechless. That a sovereign state can behave in the way that this government has behaved is appalling. I do not normally do this, but I am happy to include amongst the people who have failed in this regard not just the minister, the Premier or others associated with the administration of the liquor industry in this state, but also their advisers, who should know better than to go down that route.

As you know, I am not one to take on people who cannot defend themselves, but this thing has been going on for too long, and very poor advice has been provided to the minister. The minister is not in the chamber at the moment — —

**Hon. J. M. Madden** — Back any minute, Bill!

**Hon. BILL FORWOOD** — I will keep waiting until she arrives and will repeat what I am saying when she gets here.

The Honourable David White, who was a minister in a previous Labor government, had a description of cabinets. He said that in any cabinet of 18, six could swim, six could tread water and six were drowning. That is simple maths.

**Hon. R. F. Smith** interjected.

**Hon. BILL FORWOOD** — David White! This is not my theory; it comes from your side. Your mob came up with this!

**Hon. R. F. Smith** interjected.

**The DEPUTY PRESIDENT** — Order!

**Hon. BILL FORWOOD** — Thank you, Mr Deputy President, for your protection from my friend, the thug on the other side.

**Hon. J. M. Madden** — Tell us about your shadow cabinet, Bill! Who are the swimmers?

**Hon. BILL FORWOOD** — I am happy to say that, if I had my way, I would not use his 6-6-6 scenario, because we know the calibre of the people opposite. I do not want to bring the Minister for Sport and Recreation into this, because the last couple of weeks have been bad enough for him!

Turning back to the bill, the performance of the Minister for Small Business has been substandard in relation to liquor issues since the moment she got the gig. She has been less than adequate. She has not been treading water; she is firmly in the drowning category. She was out of her depth from the very beginning.

I welcome the Minister for Small Business back to the chamber. I will need to run my little scenario one more time. I was explaining to the house the adage of the Honourable David White, the factional colleague and ally of the Minister for Small Business.

The Minister for Small Business wears another hat. Obviously she is not across the small business issues, but she is a factional warrior for the unity faction of the mob opposite and she is on the national executive of her party because of her factional abilities. Her factional colleague, former minister David White, was fond of the adage that, in a cabinet of 18, six swim, six tread water and six drown.

My point about the Minister for Small Business is that the water is not one foot, but 10 feet over her head. The evidence is there for all to see, as the bloated — —

**An Honourable Member** — Have a drink!

**Hon. BILL FORWOOD** — This issue is important. Woolworths deliberately set out to find a way around the law. I do not wish to revisit the last piece of legislation, but I invite the minister, if she wishes, to go and re-read the debate, particularly that which occurred during the committee stage of the bill.

She will be able to see how she betrayed people then and continues to betray them now.

Some discussions had started between the industry groups and the major players in the industry, but Woolworths walked away. Why? Because it got some advice. That advice said there were artifices it could put in place to circumvent the intention of the law and that its bargaining position would be stronger if it did so. Woolworths deliberately walked away. It broke off negotiations with the industry and set out to design a scheme that would be able to bully the government into acquiescence, and that is what it did.

**Hon. I. J. Cover** — And it worked!

**Hon. BILL FORWOOD** — Thank you, Mr Cover! And it worked, not only because the minister is weak, supine, spineless and cowardly in her dealings with this issue, but because she got heaved by the Premier. We know that Roger Corbett, the bullyboy from the top end of town — —

**Hon. J. M. Madden** — You're making it up now, Bill!

**Hon. BILL FORWOOD** — No, we're not making it up. That's the minister's problem. The Minister for Sport and Recreation has interjected and said I am making it up. The government knows there is no defence of its behaviour; it is trying to muddy the waters and cast aspersions. We know — —

**Hon. J. M. Madden** — You're making it up, Bill. One of the things about speaking in Parliament is that you are allowed a bit of poetic licence. You're speaking with parliamentary privilege. It's just rubbish, Bill.

**Hon. BILL FORWOOD** — I cannot let the minister's interjection go without response. The minister has accused me of making this up. With no hint of equivocation, I say to the minister that the only person who has been making things up in this place for the last two weeks is the Minister for Porky Pies; the minister who admits he is not in the highest echelons of government — —

**Hon. J. M. Madden** — No; you missed the subtlety of my comments.

**Hon. BILL FORWOOD** — That is what you said. I do not want to bring the Commonwealth Games in on this.

**Hon. J. M. Madden** — My subtlety is always lost on you, Bill, and always will be.

**Hon. BILL FORWOOD** — Oh, dear! To be accused of lack of subtlety by you!

**Hon. J. M. Madden** — That's exactly what I mean.

**Hon. BILL FORWOOD** — It is not often that I find myself at a loss for words.

**Hon. J. M. Madden** — This is the same sort of stuff as the Three Stooges. It's gotta be a sight gag; it's gotta be a poke in the eyes or a pinch of the nose!

**Hon. BILL FORWOOD** — In relation to the interjections from the self-described former dumb ruckman, the only thing he is making up is the budget of the Commonwealth Games.

**Hon. C. C. Broad** — Got no better contribution to make, Bill?

**Hon. BILL FORWOOD** — Hello, hello! They are bringing out the big guns now! Joan Kirner's chief of staff just rolled in. They are bringing out the heavies now!

**Hon. C. C. Broad** — Is this the best you can do, Bill? You can tell it's the last day.

**Hon. J. M. Madden** — Speak to the bill, Bill. Come on, honey!

**Hon. C. C. Broad** — Talk about the bill!

**Hon. BILL FORWOOD** — The minister invites me to talk about the bill. That is a novel approach! What I know and what the minister equally knows is that I know a darned sight more about this than she does.

**Hon. C. C. Broad** — Well, get on with it then!

**Hon. BILL FORWOOD** — I am happy to. I am more than happy to engage you in conversation across the chamber.

**Hon. J. M. Madden** — Prove it to us, then!

**Hon. BILL FORWOOD** — I can do that.

**The DEPUTY PRESIDENT** — Order!  
Mr Forwood should ignore interjections.

**Hon. BILL FORWOOD** — I have to plead provocation by the minnows on the other side who are trying to find a way of justifying one of the all-time great betrayals of small business.

Let me get back to where I was before I was so rudely interrupted. The issue is that Woolworths, having put in

place the Eudon scheme, then had the mechanism with which to blackmail the government and hold it to ransom. It found the mechanism that left the government with absolutely nowhere to go.

I remind the minister that the key date in this matter is 18 July. Why is that date important? It is 90 days after the day by which Woolworths was meant to have divested itself of licences above the new 8 per cent. I invite the Minister for Small Business, if she is honest, to read her own words in the committee debate on this issue last time, where she described the circumstances under which the 90-day extension would be used. I invite her to deny to the house that it has been misused — absolutely and completely misused. The only reason it was misused was because Woolworths had the gun so firmly pointed at the minister's head that the government realised that if it did not the Eudon scheme would come into play and that, if implemented, that scheme, which the minister was not prepared to address or take on, would blow the small independent retailers out of the water.

We find ourselves in the situation, as Mr Baxter said, where the legislation before this house is here as a result of the acquiescence of the government to the bullying tactics of Woolworths. The minister was not strong enough to stand up and take them on or brave enough to address her small business constituency at any stage.

I applaud the efforts of the Liquor Stores Association of Victoria and the Master Grocers Association of Victoria for the efforts they have made to protect their industry. My heart goes out to them because they found themselves in a situation where because of the supine, weak behaviour of a minister who cannot cope with her portfolio they had not much choice but to acquiesce.

I have huge sympathy with the National Party's position of opposing this legislation. No government should roll over the way this government has done. However, consideration must be given to the letter I received from Tony O'Brien of the Liquor Stores Association of Victoria on 5 June:

On the evening of 4 June, the LSAV held a special general meeting to report on the outcome of those negotiations on an industry agreement for a phase-out of the 8 per cent cap and to endorse the committee of management's actions.

The result was a unanimous endorsement of the agreement.

In the circumstances, where the industry says to us that it wants this to go through, despite our sympathy with the position taken by the National Party as a result of the supine behaviour of the government, we will let it go through.

**Hon. R. M. Hallam** — Duplicitous!

**Hon. BILL FORWOOD** — Yes, duplicitous — that is a good word.

The bill still has a section 85 statement in it, which means it needs to be passed by an absolute majority. The government does not have the capacity to form an absolute majority without our assistance. Let it bring in its 14 and I will see if I can rack up enough members to get it across the line.

**Hon. C. C. Broad** — We always do.

**Hon. BILL FORWOOD** — Good! I will be pleased to see them here. There is no enthusiasm at all for this piece of legislation on my side of the chamber. This is a minister who has lied to the people of Victoria.

**An Honourable Member** — That is most unparliamentary.

**Hon. BILL FORWOOD** — I am happy to choose other words to describe the minister's behaviour in relation to this.

**An Honourable Member** — He will bring the Parliament into disrepute.

**Hon. BILL FORWOOD** — It is the three wise monkeys, really, isn't it! Look at them sitting over there: the Minister for Commonwealth Games, the Minister for Small Business and the Minister for Energy and Resources. They are so out of their depth! What one always discovers is that when one is trying to make some points they try to shout you down.

**Hon. R. F. Smith** — You are cooked!

**Hon. BILL FORWOOD** — You don't like it!

The Minister for Small Business, from the day she got the gig, has played with the English language. Time after time she has found a way to say, 'I am preserving the 8 per cent', while at the same time she has destroyed it. Time after time she has resorted to semantics in an effort to pretend that she is abiding by the policy of the Australian Labor Party.

The Liberal Party, because the industry asks us to, will not oppose this piece of legislation. We have great sympathy with the position of the National Party, but given that on 19 July, if this legislation had not passed, Woolworths would have proceeded to implement the Eudon scheme across the state because the minister was too weak to stop it, we reluctantly agreed to not oppose the bill.

**Hon. R. F. SMITH** (Chelsea) — It is with pleasure that I rise to speak on the Liquor Control Reform (Packaged Liquor Licences) Bill. I congratulate the minister on a job well done in bringing before this house appropriate legislation that will clearly improve the industry for all those concerned, not the least the general public. I have to say that this is clearly something that is right up the nose of those conservatives opposite. They would never have been able to bring this off — that is the bottom line, Mr Deputy President. They would be incapable of reaching this agreement for this industry, and that is why they are so vitriolic over that side.

A few facts: Woolworths had a clear unfair advantage in the industry, with 140 licences as opposed to 107. Coles had performed and acted as a good corporate citizen in this industry and clearly the 8 per cent rule was being either rorted or distorted or wrecked by Woolworths in every way possible. Something had to be done and we have done it. The minister has performed admirably in this area and, as I said earlier, has brought good legislation before this house that will alleviate the current problems within the industry.

There were clearly loopholes that were constantly being exploited by Woolworths, and this legislation fixes those loopholes. Something that is really disturbing the opposition is the fact that for 12 months this minister has negotiated with the Master Grocers Association of Victoria and the Liquor Stores Association of Victoria which represent two-thirds of all licence-holders in Victoria — quite a substantial group to negotiate with. We are very comfortable in the knowledge that we have got it right and certainly whilst negotiations have been protracted and, as in all of these sorts of circumstances, no-one gets everything they want, we are comfortable that the industry and in particular those small businesses are going to be looked after.

It has already been mentioned that Coles and Woolworths have put on the table \$3 million to assist small businesses in making either transmissions or finding out what is the best thing for them to do in the industry. Also there is clearly no denial that there will be bias, but there are guidelines to protect them with minimum payments et cetera, and whilst the opposition is most uncomfortable about this the fact is that they will be looked after. Also within the legislation are guidelines that protect the interest of the general community in a way that exceeds the current legislation, particularly with licence arrangements, when people make applications.

I know time is afoot and there are other speakers so we have to wrap this up soon. I took the opportunity to talk

to my local licensee at Stony Point, Crib Point Cellars — a good man who sells good wine too, by the way! I thought, ‘Go to the coalface, ask them. What does he think? How will the bill impact on him?’

**Hon. W. I. Smith** — Didn’t you speak to more than one?

**Hon. R. F. SMITH** — Well, we only have one in the small town I live in and I suppose that means I canvassed 100 per cent of the licence-holders in my local community. He was not in a state of shock or horror or dismay about this legislation. It is fair to say he had some concerns and raised the issue that in his view it would inevitably mean a duopoly, but when I explained the detail in the bill and the intent, he was more than satisfied. He was comforted to a great degree, and that gave me some comfort because this is a complex issue for society. Despite the claims to the contrary from other speakers before me, including Mr Baxter, the reality is that this will not result in a massive take-over of the top end of town and those who choose to stay in the industry will be competitive and will maintain their businesses. Those who feel they cannot, or who want to get out, will get a good, fair price for their businesses.

We think this is good legislation and I commend the bill to the house.

**Hon. E. J. POWELL** (North Eastern) — I would like to put on notice that the National Party will be opposing this bill. The Honourable Bill Baxter has put on record a number of reasons why we are opposing this bill. The Bracks Labor government comes into this house day after day during the sittings and says we should support its legislation because it went to the community with a commitment during the election, and it says it is now delivering on a pre-election promise. With this bill it cannot say that because it has done a complete backflip. It went to the community with a decision and a very distinct commitment on what it was going to do, and it has gone 180 degrees around the other way.

The government promised the Victorian community that it would retain the 8 per cent rule on packaged liquor.

Now it is going to abolish that 8 per cent rule. I will read from Labor’s pre-election commitment entitled ‘Taking care of small business — encouraging a vital part of Victoria’s economy’. I think a number of honourable members have already read out part of the specific section on liquor laws which says:

Labor is concerned at the growing concentration of the retail liquor, hotel and gaming industries.

Labor is also concerned at the abolition of the Liquor Licensing Commission and the loss of independence from political intervention in the administration of the liquor industry.

This is the good bit:

A Bracks Labor government will immediately and retrospectively close legislative loopholes which allow large retailing chains to accumulate more than 8 per cent of the total number of packaged liquor licences.

When honourable members have been debating this issue the minister has said time and again that the former government did not close the loopholes. This minister has not been able to do so, either. That should have been done before we started debating this legislation. Labor’s document continues:

Labor will also reinstate an 8 per cent limit on market concentration in other areas of retail liquor licensing.

An independent Liquor Licensing Commission will be established to administer the liquor industry in Victoria.

The government has done none of that. The document also talks about Labor’s plan for small business and states how important small business is:

Labor will create an environment in which a vibrant, dynamic and prosperous small and medium-sized business sector can thrive.

We will give them the support and encouragement they need to get on with the job.

It also says — and this is an interesting one:

They also need the chance to compete on fair and more equal terms. The Kennett government has stacked the odds heavily in favour of big business and its business mates at the cost of small business.

Small business people often put their homes and their life savings on the line. They should not have that put at risk by unfair and predatory trading practices by big business and mates of the Kennett government.

**Hon. W. R. Baxter** interjected.

**Hon. E. J. POWELL** — The Honourable Bill Baxter put on the record the fact that a number of businesses, and particularly a business in Wangaratta, put on the line their own businesses and employment opportunities. The document continues:

Labor has an ethos of fairness, initiative and equality of opportunity. A Bracks Labor government will be unashamedly pro-small business.

That was signed by Steve Bracks as Labor leader.

The document later refers to the Bracks pre-election commitment on unfair trading practices. It says:

Small to medium-sized business are often disadvantaged by unfair trading practices of larger businesses.

The greater market power and political influence of big business often leads to unfair and predatory trading practices which are anticompetitive and lead to excessive market concentration.

This bill goes against everything that the government says it is trying to support in small business and allows big business to be predatory to the detriment of small business.

**Hon. W. I. Smith** — They are hypocrites!

**Hon. E. J. POWELL** — As the Honourable Wendy Smith says, government members are hypocrites. The document also says:

Labor will work with the federal government to ensure that small and medium-sized businesses do not suffer as a result of unfair trading practices by larger competitors.

When the Labor Party was in opposition, it gave a number of commitments to the community of Victoria but when it got into government it threw all of them out the door. It is to be condemned for that.

I received a letter from a constituent in Wangaratta who symbolises what it is like to be a small liquor retail store owner. I will read the letter to prove that the National Party did receive letters. This is one of many and goes to the heart of why country members of Parliament oppose this bill. It says:

Dear Jeanette

In regards to our telephone conversation ...

I asked him to put his comments in a letter so I could read it out to make sure that people understood why the National Party opposes this bill. More importantly, it shows how the bill will affect small business in country Victoria. The letter continues:

... I should write to you to air my strong concern in regards to lifting the 8 per cent limit (cap) on liquor licences.

He goes on to say how worried he is about it:

... like hundreds of other independent liquor stores in Victoria, that if Coles which are only just up the road from me were to open up a liquor store, I will be in financial trouble as I have a large bank loan.

I own and manage a drive-through bottle shop and hotel, my turnover is approximately \$19 000 per week, the bottle shop is my main income which is about 85 per cent and the hotel is about 15 per cent, my company employs six people. All of our jobs will definitely be at risk.

He says that the population of Wangaratta is about 25 000, and continues:

... we already have eight retail liquor stores and 14 hotels, we do not need another licence especially if it belongs to Coles ...

The only ones that will benefit from this so-called 'reform' are the large supermarkets ...

**Debate interrupted pursuant to sessional orders.**

**Sitting suspended 12.56 p.m. until 2.08 p.m.**

## MEMBERS STATEMENTS

### Ice-skating: masters cup

**Hon. I. J. COVER** (Geelong) — On the Queen's Birthday Monday I had the good fortune to attend and present trophies at the 2002 Masters Cup and Adult Interpretive Ice-skating Trophy. This wonderful ice-skating event was staged by the Kings Domain Ice-skating Club at the Olympic Ice-skating Centre in Oakleigh. Dozens of ice-skaters from around Victoria and interstate competed in a range of solo, pairs and group competitions in front of a large crowd of ice-skating enthusiasts. Speaking with competitors and spectators alike, it was tremendous to hear about the enthusiasm and commitment that they all share for their sport.

I also heard of their similar enthusiasm for a world-class ice sports facility being built in Melbourne, an attitude that has not been diminished by their disappointment with the Bracks government's failure to develop such a facility. They feel badly let down by this government and the Minister for Sport and Recreation. Happily, I was able to state that the Liberal Party remains committed to the establishment of an ice sports centre in Melbourne, a proposal that was part of Liberal Party policy in 1999.

I commend Victoria's ice sports community who participate in conditions which are less than desirable. I do not mean any criticism of the people such as those who run Victoria's existing ice sports venues who are doing their best for events such as the Masters Cup. I commend them, as well as all the officials, judges and other volunteers headed by Erica Rauschenbauch and Kristine Whorlow who worked hard to make Monday's event such a success.

### Queen's Birthday honours list

**Hon. D. G. HADDEN** (Ballarat) — I want to pay tribute to and congratulate the seven people in my

electorate who have been recognised for their decades of service to the Victorian community in the Queen's Birthday honours list. They include Mr Gary Morgan, Department of Natural Resources and Environment chief fire officer and former Country Fire Authority board member and Mr Quentin Turner, Creswick fire brigade captain and three times president of the Victorian Urban Fire Brigades Association, also akin to John Curtin, another Creswickian and Australia's famous wartime Prime Minister. Both Mr Morgan and Mr Turner were honoured with the Australian Fire Service medal.

Mr Rod Nicholls, chief executive officer of the Shire of Golden Plains has been recognised with an Australian Public Service medal; Mr Graeme Vendy of Ballarat received an Order of Australia medal for his contribution to music, education and the performing arts; Mr Henry Thai, Chinese advocate and businessperson and founding president of the Ballarat Chinese Community Association, received an Order of Australia medal; Mr Colin Prowse, retired accountant, for his voluntary services to Ballarat's Sovereign Hill; and Ms Toni-Louise Van Hamond who received an award for outstanding public service to mental health services. Ms Van Hamond, a University of Ballarat graduate of psychiatric nursing, is now the program manager for community services at Barwon Health. I congratulate each of them.

### **Children: farm safety**

**Hon. W. R. BAXTER** (North Eastern) — A week or two ago I had the pleasure of attending a launch in Beechworth of a farm safety course particularly directed to children. I pay tribute to the developer of this unique kit, Mrs Vicki Connell, who is a preschool teacher at Yackandandah and who naturally has been concerned about the incidence of children being injured on farms, including children who live on their family's farm and of course are playing in what would otherwise be a workplace.

Mrs Connell has developed a farm safety kit which is portable and can be loaned to child-care centres and community centres to help send a message to children. It includes a number of themes: people, chemicals, water, machinery and animals. I was quite fascinated by the work that has gone into developing this kit and the initiative and thoughtfulness of Mrs Connell. I was particularly intrigued by the response of the children who were at the launch, how they were not at all interested in the speeches that were being made by Cathy McGowan, who was launching it, and other notable personalities, but were absolutely fascinated by the models and more particularly by the woman called

Sallywag who was actually singing these songs and getting the message across. It was a demonstration to me as someone who is not well experienced in being a parent what one needs to do to get messages across to children, and I congratulate Mrs Connell.

**The DEPUTY PRESIDENT** — Time!

### **Crime: statistics**

**Hon. B. C. BOARDMAN** (Chelsea) — Honourable members may be aware that in the middle of last year Victoria Police engaged the services of the Australian Institute of Criminology to prepare a consultancy to evaluate the appropriateness of the Victorian law enforcement assistance program (LEAP), which is the management program that is used to collect and collate crime statistics in the state of Victoria.

For too long crime statistics, particularly the way in which they have been collected, have come into question by various governments because there has been some direct and anecdotal evidence about the adequacy of LEAP and whether it is actually fulfilling community expectations. This report was due to be given to Victoria Police in December last year. Unfortunately that task was delayed and as I understand it on Friday the week before last Victoria Police actually received a draft copy of this report and it is now having discussions with the criminology institute to go over the findings.

This is a very important public issue. Considering that for too long crime statistics have been politicised, particularly by this government because of the ineptitude of the Minister for Police and Emergency Services in understanding how to interpret the basic premise surrounding crime statistics, it is important once Victoria Police has considered the findings of the report that this government release the report to ensure members of the community are getting value for their money. This issue must not be hidden under the table; it must be made public, and I look forward to the government responding, whenever that may or may not be appropriate.

### **Vietnamese Television Association**

**Hon. S. M. NGUYEN** (Melbourne West) — I would like to acknowledge the work of the Vietnamese Television Association. This group was formed five years ago by a group of volunteers. It is a non-profit organisation. It is associated with the Melbourne community television Channel 31 and has a 30-minute program every week. The aim of the TV program is to promote cross-cultural activities in Vietnamese

communities and bring weekly news in the Vietnamese language to help those who cannot understand English. It has also promoted Australian culture and many important program events such as Clean Up Australia Day, Anzac Day, Australia Day, the Federation celebrations 2000, Moomba and Lunar New Year. It also reports on the many activities in the Vietnamese community.

I wish the association every success in fulfilling its objective and its application for full membership, which would allow it to have a full 1-hour program per week for its audience, which would help those who cannot understand English.

### **Rail: regional links**

**Hon. R. A. BEST** (North Western) — I raise a matter that relates to the announcement by the Minister for Transport that the government has been unable to attract private sector funding to assist in the fast rail project for Bendigo, Ballarat, Geelong and the Latrobe Valley. The government initially said it would provide some \$800 million for rail infrastructure to save travel time between regional centres and the metropolitan area. The financial allocation for this project is now down to approximately \$495 million.

The question I now have is: what level of frequency and quality of service can the communities along the Bendigo rail corridor expect following this admission by the Minister for Transport on ABC radio this morning of a reduction in available capital? We are all aware that this government puts more spin on its issues than the best Shane Warne leg break; however, the local members in Bendigo have been out selling this initiative as a major achievement of the Bracks government in the way in which regional centres will be developed. So on behalf of Swan Hill, Bendigo, Castlemaine, Malmsbury, Kyneton, Woodend, Gisborne and Sunbury I ask: will the minister please explain what types of services we can now expect from this government under this now very underfunded rail project?

### **Queen's birthday honours**

**Hon. G. K. RICH-PHILLIPS** (Eumemmerring) — I wish to acknowledge the constituents in Eumemmerring Province who were recognised with honours on the Queen's birthday honours list on Monday. Mr Georg Dore of Pakenham was recognised with an Order of Australia medal for services to the building industry and to the community. Cr Keith Ewenson, the current mayor of the Shire of Cardinia, from Upper Beaconsfield, was recognised for services

to local government over a very long period of time and for conservation in the foothills surrounding the Dandenongs. Mr Ian Thomas, also of Pakenham, was recognised with an Order of Australia medal for his contribution to the newspaper industry and to the community. Members of the Thomas family have been major contributors as third generation publishers of the *Pakenham Gazette* and the *Berwick News* to the newspaper industry and more generally to the Pakenham community. Our community can be proud of the contribution that these individuals have made.

### **Centre for Eye Research Australia**

**Hon. G. D. ROMANES** (Melbourne) — I recently attended the 2002 annual general meeting of the Centre for Eye Research Australia (CERA) at the Royal Victorian Eye and Ear Hospital. It is the second time I have attended since being elected as a member for Melbourne Province. On both occasions I have been interested to learn of the latest findings of research being conducted by CERA and impressed by the ability of Professor Hugh Taylor and his staff to communicate very clear messages about eye disease in our community.

At the 2002 AGM Professor Taylor presented findings from recent research in Melbourne on visual impairment in older drivers which estimates that about 85 000 Victorians over 40 years of age are driving with poor vision, of which 80 per cent is due to failure to use correct distance glasses and about 7 per cent is due to cataracts. This obviously has implications for driving safety. Professor Taylor has since submitted a copy of the report to the Road Safety Committee of the Victorian Parliament.

CERA has raised the need for elderly Victorians, whether drivers or not, to get regular eye examinations, as visual impairment leads to increasing social isolation and blocks healthy ageing due to increases in falls, fractures, depression and nursing home admissions. I congratulate CERA on the important research it continues to undertake on behalf of all Victorians.

### **Peter Costanzo**

**Hon. M. A. BIRRELL** (East Yarra) — I take this opportunity to honour the work of Peter Costanzo, otherwise known as Peter the Painter. Peter has worked at Parliament House for about 28 years, and his excellence and contribution deserve to be recognised. He will soon be going off for a minor operation and will be off for several months, so it seems timely to use this opportunity to thank him.

Peter has ensured that the heritage excellence of this building has always been protected, and he is perhaps one of the most delightful and engaging people we can meet around this place.

Not many members of staff in public life have had a *7.30 Report* done on them, but Peter did last year, reflecting the fact that at that stage, after about 27 years, his work deserved to be properly recognised. He is an outstanding professional and he has ensured that this historic building is kept in the highest possible order.

I think it is only right to honour the work of Parliament's many outstanding, long-serving staff. On behalf of many members I say, well done, and best wishes to Peter.

*Honourable members applauded.*

### Parthenon Marbles

**Hon. JENNY MIKAKOS** (Jika Jika) — I cannot leave unanswered the assertion made by Andrew Bolt in the *Herald Sun* of 10 June that the Parthenon Marbles, currently held in the British Museum, were 'lawfully' obtained by Britain and, by implication, that Greece has no claim on them.

At the time when over 100 statues and friezes were removed from the Parthenon in 1801, Lord Elgin was the British ambassador to Constantinople and Greece was still under occupation by the Ottoman Empire. An occupying force does not have either the moral or legal right to flog off the national heritage of the nation it occupies. The fact that the Parthenon Marbles were illegally obtained is evident from the controversy that surrounded Lord Elgin's actions by his contemporaries. Even in the 1800s prominent members of British society such as Byron and Keats protested against Elgin's actions.

In 1816, when the House of Commons decided to purchase the marbles for the British Museum, at least 30 members of the British Parliament voted against the purchase on the basis that the marbles remained the property of the Greek people and that they should be returned. The Greek people have themselves fought for the return of the marbles since 1821 when Greece restored its independence.

Many prominent Australians and people around the world have also championed this cause. In Australia we have had bipartisan support from current and former premiers, former prime ministers and many others. This issue is very much overdue, and the Parthenon Marbles should be returned to Athens in time for the Olympic Games.

### Housing: Inkerman Oasis

**Hon. ANDREA COOTE** (Monash) — A St Kilda development was one of 13 international projects to be presented with a Stockholm partnership award recently on World Environment Day.

The City of Port Phillip and the developer shared the award for a 236-unit housing development at the former St Kilda works depot. The developers emphasised best-practice environmental design for the buildings. Features include the fact that 80 per cent of units face north or east-west and 15 have solar hot water and the communal areas will be lit by solar power.

I also congratulate the federal government for its interest in the project. Thanks to a grant of \$267 000, which was matched by the developers, the Inkerman Oasis will feature the first-ever combined grey water and stormwater recycling project in Australia in a residential development.

I hope that the state government will use the Inkerman Oasis model for sustainable development in its future housing developments.

## LIQUOR CONTROL REFORM (PACKAGED LIQUOR LICENCES) BILL

*Second reading*

**Debate resumed.**

**Hon. E. J. POWELL** (North Eastern) — Prior to the break I was putting on the record a letter I had received from an independent liquor store owner in Wangaratta and some of the concerns that he had. I will precis his concerns. He had borrowed money to expand his business, and employed more people. He believed the Labor government when it said that it would retain the 8 per cent rule. Approximately 85 per cent of his income comes from his bottle shop, so it is a real concern to him that the government has reneged on its commitment and done a backflip and will now abolish the 8 per cent rule.

If the bill is passed he and many other small to medium businesses will not be able to meet their financial obligations. During their presentations the Honourable Bill Baxter and the Honourable Wendy Smith said that many small businesses will go to the wall and will not be able to meet their obligations because they will not be able to compete against the large multinationals. In fact, some of the wineries in rural Victoria will not be able to keep up the production needed by major retail outlets.

The bill will allow large retail chains to take over the small liquor outlets and, as has been said, it will hit hardest in the country. In smaller towns we have a number of major liquor outlets, and if they buy the licences in those towns it will be very difficult for small bottle shops, wineries and pubs to compete with them because, as well as having their liquor outlets, the multinationals have other products that attract people into their stores, so the competition will not be fair or equal.

The government said the bill had to be introduced because a 1999 National Competition Council report stated that Victoria was in breach of its National Competition Policy commitments. The Honourable Bill Baxter spoke about this issue in his presentation and put on record the fact that if the government so desired it could forgo those contributions, picking up on its pre-election commitment, and support medium to small business. We are talking of forgoing \$11 million to \$15 million, with the extra income the government is receiving from gaming and other taxes, I am sure it could look after small businesses much better by saying that it is not the only reason for abolishing the 8 per cent rule, just to gain the extra \$11 million or \$15 million or whatever the amount of money is.

When the government came to office, even though it made a commitment not to abolish the 8 per cent rule, it said it would review the issue, speak to the industry and communicate its views and listen to what was going on in the industry.

It did bring forward a review. One of the organisations that put in a submission to the review was the Liquor Stores Association of Victoria. It is entitled 'Submission of the Liquor Stores Association of Victoria (Inc) to the Office of Regulation Reform's review of the 8 per cent limit on liquor licence holdings under the Liquor Control Reform Act 1998' and is dated 15 May 2000. I would like to put on record some of the comments from that submission. Its vision for the industry was that it sought to achieve:

a liquor industry with a diversity of retailers offering a wide selection of products and services to consumers and producers;

real diversity and true competition, but with a fair and equitable share of the overall market guaranteed by legislation for small business, a major generator of investment, employment and innovation, promoting freedom of choice;

a reasonable return on the effort that small business proprietors invest in their business, including a fair return on the capital investment ...

It continues with a few other issues and also talks about:

an industry environment in which small business can operate and thrive without the fear of being crushed by major retailers taking advantage of their substantial market power ...

I think we all agree with those sentiments.

The submission by the association discusses legislative issues and some other issues it consulted members about and states that:

The Liquor Control Reform Act 1998 aims to limit, on a continuing basis, the number of packaged liquor licences held by a single individual or corporate entity to 8 per cent of the total number on issue. The act has failed because:

removal of the 'needs' clause from this act has resulted in a lack of effective control over the issue of new licences, with each increase raising the number of licences within the 8 per cent ceiling ...

It goes on to say:

larger retailers can 'step around' the 8 per cent rule by applying for general licences, with the specific premises used exclusively for packaged off-premise sales;

a loophole permits an applicant to lodge multiple licence applications whilst below the 8 per cent cap to secure additional licences above the cap (Commissioner Horsfall's, May 1999, decision no. 664); and

if a licence is surrendered due to business failure, closure or retirement, thereby lowering the 8 per cent cap, those licences held above the cap are not required to be surrendered.

The submission goes into great detail about some of the consultation the association had with its members. The summary of the association's position is:

The Liquor Stores Association of Victoria is convinced that to achieve orderly industry development and fair and equitable involvement of small business in the packaged liquor industry, a national approach is required. In our view this approach is the only one capable of meeting community needs, preserving a place for small business and satisfying the requirements of national competition policy.

Until a national approach is implemented, the LSAV must insist that the 8 per cent cap is retained and strengthened.

When the organisation put its submission to the review it was clearly looking after its members. I understand now that there has been some pressure to agree with the government's decision because of certain loopholes that could not be fixed and the organisation wants to make sure that it can now work towards developing an alternative mechanism but it is not sure what that would be.

When the review was announced a number of submissions were put forward. The Liquor Stores Association of Victoria put the view of its membership but it has backed away from that because of the

realisation that it cannot be fixed. I think the recommendation it put to the minister is the one it really believes in.

The second-reading speech states that a \$3 million packaged industry development trust fund will be created. A number of honourable members have spoken about that industry development trust fund and the paltry amount of money going into it. We are talking about \$3 million, with a contribution from Coles Myer and Woolworths of \$1.5 million each. The second-reading speech states that the fund is being set up to:

... enable small liquor retailers to have access to the right advice and support to help them become more competitive.

It really means that the fund is being set up to help the major retail chains to buy up the licences of the small liquor outlets.

**Hon. M. R. Thomson** — No.

**Hon. E. J. POWELL** — Well, I am not sure how small businesses will be able to meet the criteria to get support from the fund and get advice because I am sure Coles Myer and Woolworths will not give them advice that will help them stay in the industry.

The second-reading speech also states that the community will have an opportunity to scrutinise the packaged liquor licence applications and object on the grounds of such things as amenity. The Honourable Kaye Darveniza talked about amenity and said how wonderful it was that it was included. The bill has an interesting definition of ‘amenity’. I would like to read, as the Honourable Kaye Darveniza did, proposed new section 3A, inserted by clause 5 and headed, ‘What is amenity?’:

- (1) For the purposes of this Act, the amenity of an area is the quality that the area has of being pleasant and agreeable.

I do not know who decides what is pleasant and agreeable and I do not know how councils will be able to decide what is pleasant and what is agreeable.

Some of the other factors that may be taken into account are listed in proposed new subsection (2):

- (a) the presence or absence of parking facilities —

that makes sense —

- (b) traffic movement and density —

that makes sense —

- (c) noise levels —

you would not put a liquor outlet where there are no cars driving past or there is limited access to the public, so I do not know who scrutinises the noise levels —

- (d) the possibility of nuisance or vandalism —

that means you would not be able to put these sorts of outlets anywhere. I am not sure whether a criterion should be the ‘possibility’ of vandalism or nuisance because in most major streets in many of our rural, regional and metropolitan areas there will be the possibility of nuisance which could include people who are moving from one area to another being very loud and boisterous. Many people would see that as a nuisance. What is nuisance and what is vandalism will be difficult to interpret — well, we know what vandalism is but it will not be stopped where people move from one venue to another in some areas.

Factor (e) is one that, I think, is going to be very difficult to define and be objective about, and that is that you need to take into account:

... the harmony and coherence of the environment ...

I am not sure what it means. I am sure that during the committee stage somebody is going to ask that question, and hopefully we will have put on the record what that part of the bill means.

**Hon. R. M. Hallam** — They won’t get an answer though.

**Hon. E. J. POWELL** — As the Honourable Roger Hallam said, we hope we get an answer.

**Hon. R. M. Hallam** — No, we won’t.

**Hon. E. J. POWELL** — But he is a bit concerned that we won’t.

One of the other areas this bill deals with is a code of conduct. We are asked to support this part of the bill, but we have heard that the code of conduct has still not been developed. I think that is a bit of an ask — asking us to support something when we are not sure what the guidelines are and it has not yet been developed. I understand that the government is going to work with the industry to determine the code of conduct.

**Hon. R. F. Smith** interjected.

**Hon. E. J. POWELL** — The Honourable Bob Smith said, as he left the chamber, ‘Trust us’. I am not sure if the National Party will take that on face value.

The government has had plenty of opportunity, over the lengthy time it has had to consult on this bill, to talk to

the industry and stakeholders and to determine this code of conduct. The National Party is concerned that we are agreeing to a component of the bill that talks about a code of conduct when there are no guidelines or rules as to what this code of conduct is. I wonder whether, when the code of conduct is developed, it will be brought back to the house to allow us to look at it to see if we agree with it.

A number of honourable members have talked about clause 9, including the Honourable Bill Baxter. It concerns the response time and criteria involved in buying out a packaged liquor licence. There was some concern about the time allowed and that the first response must be within 30 days. I will quote from the bill so there is no misinterpretation of it:

If the licensee —

who is the person who owns the licence now and has been approached by an applicant to buy out the licence —

does not accept an offer made under sub-section (3) within 30 days or any later period determined by the director ... a packaged liquor licence may be granted or transferred to the prospective applicant in respect of the designated premises, or relocated to the designated premises, in accordance with this act as if this division (other than section 26T) did not apply.

As the Honourable Bill Baxter said in his presentation, what we are looking at is somebody from that area — perhaps one of the major retail liquor outlets — approaching a smaller packaged liquor retail outlet and asking them to sell their licence. The person who is making the decision has 30 days in which to make up their mind as to whether they will sell. They need to be able to speak to their bank and get some sort of financial advice, and they need to talk to their staff. They have to do all this under duress within 30 days! I think that it is just appalling.

It is stated in the second-reading speech that these outlets will be given plenty of time, but in fact they will not. The government is going to give them notice that within 30 days it expects them to give the applicant the information and answer it needs. That will be really detrimental to some small business owners who may not have thought of selling their business, which is what selling their packaged liquor licence may mean. That might be the major part of their business. As my constituent from Wangaratta said, 85 per cent of his business was from his bottle shop.

Clause 11 deals with how a municipal council may object to the grant, variation or relocation of a packaged liquor licence on the ground that the grant of the application would be:

... conducive to or encourage the misuse of alcohol.

The question I have is: does the application for the new packaged liquor licence have to go to the council first for consent? What procedures do councils have to follow on community input? Do they have to advertise? Do they then give time for objections to come forward? Do they then have to make a decision on whether to support or oppose the application? So on any granting, extending or revoking of a licence is the council the first port of call so that it can make a decision on the amenity and other guidelines councils can take into account in saying yes or no to a packaged liquor licence?

In the second-reading speech the government states that it has:

... a clear commitment to ensure that the percentage limits are complied with during the course of the phase-out.

I want to know how this government can make that commitment when it cannot even control or enforce the current 8 per cent cap? The Bracks government went to the community before the last election and said it would:

Immediately and retrospectively close legislative loopholes which allow the major retailing chains to accumulate more than 8 per cent of the total number of packaged liquor licences.

The government stands condemned for breaking that commitment to the Victorian community, but more importantly, to the Victorian small business community. The government has thrown its hands up in the air and is saying, 'We can't control the 8 per cent cap, so we'll remove it'. This rewards those businesses that have deliberately ignored the cap. This bill is anti-small business, and the National Party strongly opposes it.

**Hon. T. C. THEOPHANOUS** (Jika Jika) — I rise to support this bill. In doing so, I want to congratulate the minister for the way she has dealt with this very complex and difficult debate, which is a legacy of the inaction of the previous government.

When Labor came to power we had a situation in this state where the 8 per cent rule was in tatters, notwithstanding that a number of people, including me, had attempted during the reign of the previous government to have that situation rectified.

It is of interest to me that on 17 April the Honourable Bruce Atkinson used words to the effect that, 'The minister cannot show me one occasion when either of the major chains was over 8 per cent in the number of licences that it held in the entire time that the Kennett

government was in office. It did not happen'. Talk about misleading the house — giving the house factually incorrect information and trying to establish some sort of myth! In fact, Liquor Licensing Victoria records show that Woolworths was continuously in excess of the 8 per cent limit on a number of occasions between November 1998 and April 2000.

**Hon. W. R. Baxter** — How can it be continuous and on a number of occasions?

**Hon. D. McL. Davis** — On one occasion continuously or on a number of occasions, which is it?

**Hon. T. C. THEOPHANOUS** — Honourable members opposite might want to make light of this, but the fact is a member of the opposition came in here and tried to suggest that a certain situation was the case during the time of the Kennett government — that is, that there was never any instance of a company being over 8 per cent — when clearly that is wrong. It would be more appropriate for the honourable member who made that statement, the Honourable Bruce Atkinson, to say, 'I got it wrong', rather than have honourable members opposite try to somehow defend what he said.

The fact is there was a loophole, and it had been pointed to on a number of occasions by me in opposition. That loophole provided that the 8 per cent rule applied at the time of the lodgment of a packaged liquor licence application rather than at the time of determination of the application. It allowed the bulk lodgment of applications by Woolworths-Safeway when it was below 8 per cent — and that is what happened. As a consequence of that loophole those applications were granted and that put that organisation in excess of the 8 per cent limit. That happened in the Kennett period, and it was pointed out. The then Minister for Small Business, the honourable member for Brighton in the other place, was called upon a number of times by me and other members of the then opposition to try to close this loophole. Indeed, while in opposition in May 1999 I attempted to introduce a private members bill to close that loophole, and it was rejected.

When we hear members of the opposition today trying to suggest that somehow they come to this debate with clean hands it is important for those of us who remember that period in opposition to put on the record exactly what took place. The fact is there was a culture of total inaction when it came to this issue of whether to do something about the 8 per cent rule. There is absolutely no doubt in my mind that either there was a deal of some sort in place or undertakings had been given by the previous government before the election

that if it was re-elected companies would not have to worry about it closing the loophole because it would open the industry up — it would be open slather — and allow complete deregulation, leaving the small businesses in the industry totally exposed in relation to the large chains.

It is quite clear from the actions of opposition members when they were in government that they were never serious about protecting small businesses in the liquor industry; nor, might I add, have they played any significant role in developing the industry and taking it into the 21st century. All of that was done as a result of the actions of Labor governments and not as a result of the actions of conservative governments. Indeed, it was a Labor government which commissioned and then implemented the recommendations of the Nieuwenhuysen report.

**Hon. R. M. Hallam** — I thought we would get to that. I was here and remember it, so you be very careful with the facts.

**Hon. T. C. THEOPHANOUS** — I know you were here, Mr Hallam. The fact of the matter is that the recommendations of the Nieuwenhuysen report allowed the liquor industry to be expanded by allowing a whole range of other outlets to get liquor licences in a range of different settings. That essentially led to, if not the development of, the massive expansion of Victoria's restaurant culture. In short, the deregulation of that sector in line with the recommendations of the Nieuwenhuysen report commissioned by a previous Labor government led to the development of something like a \$2 billion or \$3 billion industry.

When the Honourable Roger Hallam and other members of the opposition talk to us about competition or regulation and deregulation it should be remembered that that was one of the most important acts of deregulation — one which changed the culture of this state in terms of leisure activities. It changed the way we experienced and enjoyed restaurants and a variety of foods from all sorts of countries around the world by our following the way those countries responsibly incorporate the consumption of alcohol into their cultures.

The Nieuwenhuysen report led to Victoria and Melbourne coming into their own as a cosmopolitan state and city. That is our record, and that is what we have consistently done in developing this industry. Over a long period of time we have attempted to allow adults greater responsible access to alcohol in restaurant and other settings, while at the same time protecting the public from abuse resulting from alcohol consumption.

The principles and issues we had to deal with in relation to this latest piece of legislation were varied. In the first instance we had made a commitment that on coming to government we would close the 8 per cent loophole. We fulfilled that commitment by passing legislation — we delivered on our promise to close the 8 per cent loophole!

**Hon. Bill Forwood** interjected.

**Hon. T. C. THEOPHANOUS** — Mr Forwood may want to ridicule it.

**Hon. Bill Forwood** — I will!

**Hon. T. C. THEOPHANOUS** — Whatever legislation we introduced and however much it closed the loophole, it was a lot more than the former government did because it did not introduce any legislation. As I have already established, the loopholes were clearly present for two years before the opposition lost government, and it was not interested in closing those loopholes in that period. Contrast that with the fact that when we came into government we moved ahead and closed loopholes through legislation.

However, we also said that obviously the liquor industry was going to have to move beyond the 8 per cent rule in a responsible way while at the same time ensuring that the small and medium-size businesses involved in the liquor industry were maintained and protected. That is what we faced on coming into government.

Having passed the legislation to close the loopholes it became increasingly clear to us that pressure was going to be exerted to not maintain the timetable that was actually legislated for. The government had a choice. It could do what the previous government had done — that is, basically bury its head in the sand and say, 'Just leave it alone, it'll be all right; we're not doing anything' — or it could go out and start to consult with the industry about how to manage change.

We on this side of the house have never walked away from the difficult issues confronting our community, which is why we went out and started to do something that I know the opposition parties are not accustomed to doing. We decided that the correct approach was to consult. We needed to talk to the industry to find out what it wanted, how this process could be managed and what was the best way of managing this change.

Contrary to what the opposition has attempted to say in relation to this debate, we went out and consulted with the industry. On at least four separate occasions the minister wrote directly to packaged liquor licence

holders seeking to have them included in discussions about the future of their industry. This is not the sort of thing one would have expected under the Kennett government, because it very rarely consulted anybody. It put out a lot of propaganda, but it did not consult.

The minister should be commended for having written to members of the industry on four separate occasions advising them of industry discussions. She also said, in effect, 'Look, this has to be resolved within the industry itself. The discussions have to be predominantly between the players within the industry so that anything that is put to government is something which the players themselves have discussed and agreed to'.

The industry has discussed it. The industry as a whole has — —

**Hon. Bill Forwood** — Enthusiastically endorsed it?

**Hon. T. C. THEOPHANOUS** — Does the honourable member want me to go through some of the press clippings? I am happy to do that.

I refer to an article in the *Manningham Leader* of 5 June titled 'Liquor changes backed'. All sorts of organisations — including, according to that article, the Master Grocers Association of Victoria and the Liquor Stores Association of Victoria — have supported changes to the state's liquor licensing laws. Major organisations support the changes because they recognise the way the government has gone about it.

They recognise that what was put on the table by the industry itself was a proposal that involved the following: that there would be an ordered exit; that the 8 per cent rule would be gradually phased out over a number of years; and that all the players would commit to that. That meant that the players would not go around looking for loopholes in the 8 per cent rule but that there would be an ordered exit from it. Most importantly, there was also a commitment of \$3 million to an industry development trust fund. Not only will those funds be made available to assist in this transition, but they are also funds that are not entirely from the government.

**Hon. M. R. Thomson** interjected.

**Hon. T. C. THEOPHANOUS** — The minister indicates that they are not from the government but rather from the industry itself. Indeed, Coles Myer and Woolworths will contribute \$1.5 million each towards this transition. Coles Myer and Woolworths could have gone out and found more loopholes in the legislation, and we could have kept coming back here to try to close them as we moved towards complete

deregulation; or there could be an ordered way out where Coles Myer and Woolworths pay some money to the smaller players that may well be affected as a result of the transition.

Mr Hallam knows this is a good proposal and a good idea. It is better to work like this than it is to go down that track of continuously trying to close a loophole, especially when there is a timetable in place to eventually phase the limit out.

The industry has supported these changes, and its members have negotiated among themselves. Consultations have occurred with the minister, which have led to a resolution which is supported by the vast majority of the industry — save for one Mr Urquhart — and we have probably had enough to say about Mr Urquhart in this house.

**Hon. W. I. Smith** — You have.

**Hon. T. C. THEOPHANOUS** — Ms Smith has had a bit to say about him, too. I have made my views about Mr Urquhart and his cooperation with the Liberal Party perfectly clear. But even he in recent times has come back and said in letters that he has sent to Victorian parliamentary representatives that he recognises that the 8 per cent rule is not the problem. His concern is to ensure that the group of people he represents is looked after.

The vast majority of the industry is saying this is a good package or at least a package that in these circumstances is better than what we had before, which was anarchic.

The government rejects the opposition's proposition that it has not consulted with the whole of the industry, because it has. A number of opportunities have been made available to all sectors of the industry to have their say, and they have certainly been informed and written to by the minister on behalf of the government. The industry will provide a trust fund to assist in the transition, which will mean that it is managed appropriately — and, I might add, by the industry itself, which is always a better way of doing these things than having governments involved at every turn.

There has been some talk about the fact that amendments had to be moved at the last minute in another place. I know the opposition is trying to make a big song and dance about the amendments, but it is not unusual to have government house amendments. I can recall many occasions on which the former minister, the Honourable Roger Hallam, introduced legislation in this place on gaming or Workcover, and house

amendments — not just one, but sometimes dozens! — had to be moved in another place to fix it up.

On this occasion, an issue was — —

**Hon. R. M. Hallam** interjected.

**Hon. T. C. THEOPHANOUS** — If Mr Hallam is saying it was okay for him to do it, then surely he would give us the same courtesy. These house amendments were introduced, after all, to improve the bill and no-one disputed that that was their purpose.

**Hon. R. M. Hallam** — So what is your point?

**Hon. T. C. THEOPHANOUS** — My point is very simple: that we have been accused of not consulting with the opposition. I see the Honourable Wendy Smith shaking her head; she does not think she was consulted. I make the point again that these amendments improved the bill, and no-one is suggesting they did not, albeit in a fairly minor way as they were not massive changes.

According to the notes I have here the amendments were intended to do things such as amend the definition of 'related entity' so that it would not inadvertently capture a spouse or relative of a shareholder of a body corporate. The amendments also apply reciprocity between related entities, so that if company A is a related entity of company B, then by definition company B is a related entity of company A. This aspect of the bill was also mentioned by previous speakers.

The opposition has been very picky about this legislation. It has scratched around trying to find anything that might be wrong with it, but the truth of the matter is that this legislation is supported by the vast majority of the industry; it is legislation that deals in a responsible way with an issue that has confronted both sides of government, and it brings on board the industry itself by developing a trust fund and establishing a framework within which the industry can manage the transition from the current 8 per cent rule to eventual complete deregulation.

We could have an argument about regulation and deregulation, but I do not know what position the opposition is really attempting to take on this issue because it has not made it clear whether it wants to maintain the 8 per cent limit or if it prefers a regulated proportion of licences out into the future. If the latter is the opposition's position then it should have the guts to state it publicly.

I am happy to put on the record that I think this issue has been managed extraordinarily well by the

government. The legislation is supported by the industry — that is quite clear; it looks after the small to medium-size businesses involved in the industry; and most importantly, this latest round of changes and reforms builds on the extraordinary record of achievement by Labor governments, past and present, in developing a liquor industry which, to its credit, has integrated with our restaurant and food industries in a way that creates a cosmopolitan culture within this state that all Victorians can be proud of.

**Hon. R. M. HALLAM** (Western) — I feel constrained to make a short contribution to this debate on several grounds. Firstly, I am sorry to learn that the National Party members are apparently to sit on their own in opposing this bill. I inform Mr Birrell that that is a matter of some regret. I understand why the Liberal Party has come to the decision it has about this bill, and by way of explanation I also say that I was very pleased to hear the comments made during the debate by the Honourable Bill Forwood. I understand that some members of the Liberal Party are a tad envious of the position we have taken.

That is the first point that prompts me to rise to speak. The second is the pious pontification we have just heard from the Honourable Theo Theophanous and his notion that somehow Labor comes to this debate with clean hands. Nothing could be further from the truth, and I want to rebut some of the quite facetious commentary we heard from the Honourable Theo Theophanous.

Beyond that, I make the point that before I became involved in politics I spent 23 years in the retail sector, and that included the management of an independent licensed supermarket in the country in a pretty tough environment and up against the best of competition in the form of the major supermarket chains.

I must have had a modicum of success because the organisation I had the pleasure to head survived the most torrid years of the advent of those chains, and therefore I feel qualified to make some comments about the bill before the chamber.

I start by making the point that we in the National Party do not necessarily advocate the retention of the 8 per cent rule. In fact, my personal position is that the 8 per cent rule is nonsensical and I do not like it. However, National Party members would take that position in respect of any arbitrary intervention in the market because we see that that intervention would inevitably create unwarranted and inappropriate distortions.

It just so happens that there is another feature of the bill before the chamber that we like even less, and it is on

that basis that we came to the conclusion we did. I have been never been persuaded about the appropriateness of the 8 per cent rule. I have made that argument very clear in the party room in the past. I am a bit embarrassed to say that I have not carried the day in those debates, but I have never been persuaded.

The rationale of putting a ceiling on the share which an individual may win in any market, but particularly in respect of the packaged liquor market, makes no sense at all. It certainly does not provide the protection for the independent liquor outlet operator who perhaps has paid through the nose for the favour of a government licence and has had to survive against the change in what is a pretty unforgiving marketplace.

But I come to the issue from a slightly different perspective to that of my colleagues because of my background and experience. I do not pretend that my position is subtle or sophisticated — I think it is just practical. After many years of the hurly-burly of the marketplace and at the front edge of competition in respect of food, I have come to two conclusions. The first conclusion is that I worry very seriously about those members of the industry who complain about competition. I wonder what they are doing in the trade in the first place if they are afraid of competition — of course, always with the condition that that competition is fair. Perhaps I can spend some time on that argument later.

My second conclusion after having looked at it at first hand over some years is that any intervention in the marketplace is likely to have some unpredictable and long-term side effects. There are a number of examples that my colleagues in the National Party will remember vividly, probably as clearly as I do. The first of those is the issue of the dairy farmer as opposed to the grower of oilseed.

**Hon. W. R. Baxter** — We remember that.

**Hon. R. M. HALLAM** — We remember very painfully, Mr Baxter, because this Parliament decided in its wisdom that we should impose restrictions on the marketing and advertising of margarine to protect the dairy industry, that we should not be able to promote a table spread that was not 100 per cent butter. As I said, that required that we take sides in respect of our own constituents, and I remember very clearly saying, 'Why don't we get a bit novel in this respect? Why don't we promote both sides? Maybe we could blend the product. Maybe we could have spreadability and taste'. I remember running that argument some years ago. I thought it was a good argument at the time.

**Hon. W. R. Baxter** — You were well before your time.

**Hon. R. M. HALLAM** — The only problem was I was about 15 years too early. I am delighted to see that we now have a dairy-blend mix on most Australian tables.

I also remember the dilemma we faced in respect of the bread market. It was very traumatic for country-based members of this chamber, and the members of the National Party in particular, because we inherited a set of rules that said there shall be a restriction on the distance one can cart fresh bread. Tell me about the logic of that! Here I was running a department store with a very big bread trade. Well, that intervention has gone, thankfully. It was maintained again and again in the name of protecting the local baker. It has gone, and what do we have today? We have the bulk of the standard loaves produced by one or two major bakers in this state and retailed through the supermarket chains. But surprise, surprise, we have almost every country town with a hot bread kitchen and with a range of products that we would not have even dared imagine would be available a few years ago.

**Hon. E. G. Stoney** — Gourmet breads!

**Hon. R. M. HALLAM** — Gourmet breads. What it proves, amongst other things — as an old retailer, let me tell you — is there is nothing like the aroma of hot bread in the sales place. That is the first thing I would tell you. The second is that anybody who has the temerity to take on the Australian housewife is doomed to failure because our housewife is the most discerning shopper known in captivity and anybody who tries to put one across does not survive for long. I have never been persuaded about the wisdom of external manipulation of the market. It is not the best way to go. It does not provide the protection that the proponents suggest in the first place. That applies more so today than ever before.

So why is it, against that background, that the National Party is opposing the bill before the chamber? Without giving away too much of the discussion that took place at the party room table, let me tell you this was a very close call. I am delighted to report that there are those in our party who are pragmatic enough to know that any market intervention is fraught with danger, but against that there was in this case a very influential factor. That factor was what this Labor government promised from opposition.

I hesitate to refer to the policy document that has been employed by my colleagues, but I need to do so

fleetingly just to reinforce that this government — this Labor Party in advance of government — gave a quite clinical undertaking in that it would immediately and retrospectively close the loopholes and, more than that, it would reinstate the 8 per cent limit on market concentration in other areas of retail liquor licensing — a statement of commitment that should have been written in blood, it was so clear. There were no strings, no qualifications, no room to slip or slide. That was the commitment given by this government and this minister in advance of the occupation of the Treasury benches.

What has happened since is what in our view makes this debate quite different. We got specific commitments, not just to retain the 8 per cent but to ensure compliance. It is painfully obvious that this government has failed dismally in that challenge. It is now effectively admitted in the form of the bill before the chamber. The problem is that the big players in this marketplace — two in particular — not only anticipated that failure, but in fact contributed to the failure of the government to meet its commitment.

**Hon. M. R. Thomson** — One did!

**Hon. R. M. HALLAM** — I am corrected — one did! I am pleased to have that on the record. Let the record show that the Minister for Small Business acknowledges that one big player actually anticipated the government's failure and contributed to that failure. I thought it was two; I stand corrected. What the big player thought was that this government was not fair dinkum.

**Hon. M. R. Thomson** — No, it did not.

**Hon. R. M. HALLAM** — I stand corrected again, Minister. What was it that actually transpired?

In any event, it is now clear that at least one big player in the marketplace deliberately set about to flout the law, and in doing so it held this Bracks Labor government up to total ridicule. That is what carried the day in the National Party room because, more than anything else, this bill says of the Bracks Labor government that it will now admit failure and acknowledge that the commitment it gave from the safety of opposition will not be delivered. But worse still, and this is what swung the debate, it will now reward those who engineered their way around the law of the land — in other words, it will now reward those who held the law of the land up to ridicule.

It might be bad law. We could have a debate about that. We could have a debate about whether the law is an ass, but it is the law of the land. We in the National Party say we must protect the rule of law. To simply

abandon the 8 per cent rule, even though our assessment might be quite unkind, would be to undermine the one thing that stands between us as a civilised community and the law of the jungle — and we take it very seriously. So we would want to be assured that Labor had drawn a line in the sand which would acknowledge the 8 per cent — which would make sure that not one particular party was to prosper from Labor's failure to meet a clear commitment given in advance of government. Then, and only then, would we be prepared to consider a scheme to phase out the 8 per cent rule. Our view is that that is not too much to ask. That is not a big call.

**Hon. M. R. Thomson** — You have that!

**Hon. R. M. HALLAM** — I want to come back to that, Minister. Don't prompt me, because we will be here all day. I understand what you are up to.

It is not a big call because it is the government which gave the commitment. The people who gave the commitment are the ones who now have control of the purse strings, of the rule book, of the administration of the licences. Those people are not over on this side of the house. It was the government, through the minister of the Crown, which gave the commitment and which is now allowing the law to be held up to ridicule. In my view the government is now required to demonstrate that no-one has been able to get advantage from the failure to administer the law. We in the National Party say that is an appropriate position on which to take a stance of principle.

After all, the market we are talking about is a confined market. People cannot get into it until they have a licence — and guess who stands at the door as the gatekeeper? It is the government! The government has the keys to the market. It says who shall come and who shall go and what the conditions of entry shall be. Then, in the next breath, it says, 'Hang on, this is all too hard. We don't like what is happening in the market'. How is that for an abrogation of responsibility? We say that the operation of the market, which is the subject of this bill, is within the keeping of the government and of this particular minister. We make the point that it is very clear that Labor has failed to keep a commitment it gave in advance of government, that it has broken faith with the Victorian community and that it has allowed those who would manipulate the law to profit from that manipulation. We say that is not acceptable, and it is on that basis we want to stand on our dig.

We in the National Party feel very strongly about this government's dereliction of duty. On balance we have decided that holding this government to account in this

instance is more important than doing away with an arbitrary restriction on the packaged liquor industry, particularly when it is patently obvious that some licence-holders have profited substantially from the government's failure to meet specific commitments and uphold the law of the land. It is on that basis that we have taken the decision to oppose the legislation.

#### **The ACTING PRESIDENT**

**(Hon. C. A. Strong)** — Order! I am of the opinion that the second reading of this bill is required to be passed by an absolute majority. I call upon the Clerk to ring the bells.

**Bells rung.**

**Members having assembled in chamber:**

**House divided on motion:**

*Ayes, 32*

Atkinson, Mr	Jennings, Mr
Birrell, Mr	Katsambanis, Mr
Boardman, Mr	Lucas, Mr
Brideson, Mr	Luckins, Ms
Broad, Ms	Madden, Mr
Carbines, Mrs	Mikakos, Ms
Coote, Mrs	Nguyen, Mr
Cover, Mr	Olexander, Mr
Craige, Mr	Rich-Phillips, Mr ( <i>Teller</i> )
Darveniza, Ms	Romanes, Ms ( <i>Teller</i> )
Davis, Mr D. McL.	Smith, Mr K. M.
Davis, Mr P. R.	Smith, Mr R. F.
Forwood, Mr	Smith, Ms
Furletti, Mr	Stoney, Mr
Gould, Ms	Theophanous, Mr
Hadden, Ms	Thomson, Ms

*Noes, 6*

Baxter, Mr	Hall, Mr
Best, Mr ( <i>Teller</i> )	Hallam, Mr ( <i>Teller</i> )
Bishop, Mr	Powell, Mrs

**Motion agreed to by absolute majority.**

**Read second time.**

**Committed.**

*Committee*

**Clause 1 agreed to.**

**Clause 2**

**Hon. M. R. THOMSON** (Minister for Small Business) — I would like to take this opportunity to indicate that this legislation is the culmination of a long and at times difficult negotiation and discussion period about a liquor industry agreement.

We made a commitment in this house to maintain the 8 per cent cap until the end of 2003 unless there was industry agreement to do otherwise. We have that industry agreement. A lot of people put in a lot of hard work to achieve that agreement, which is based on providing ongoing diversity in the liquor industry and a place within it for small business to maintain the vibrant industry that we have here in Victoria.

In particular I thank Peter Wilkinson from the Liquor Stores Association of Victoria and Geoff Gledhill from the Master Grocers Association of Victoria who took an awful lot of time out of their businesses to work through the issues to ensure that we reached an agreement that would be to the betterment of small business in this state. I thank them very much for their personal commitment to this cause, which I know has come at a cost of time not spent with their families and their businesses.

I also thank Tony O'Brien from the Liquor Stores Association of Victoria and Jenny Flanagan from the Master Grocers Association of Victoria for the time, effort and energy they have put in to ensure we were able to conclude an agreement which I think will be for the benefit of the industry as a whole and which will enable a period of certainty during the phase-out period in the vibrant small business sector of the liquor industry.

**Clause agreed to; clauses 3 and 4 agreed to.**

#### Clause 5

**Hon. W. I. SMITH** (Silvan) — I am interested in the new definition of 'amenity' in proposed section 3A, which tightens up the amenity conditions for packaged liquor licences. I have a couple of questions. I refer firstly to proposed section 3A(1), which states:

For the purposes of this Act, the amenity of an area is the quality that the area has of being pleasant and agreeable.

Will the minister give a definition of 'pleasant and agreeable', and how will it be measured?

**Hon. M. R. THOMSON** (Minister for Small Business) — This does not change the existing requirement in relation to the capacity to object on the basis of amenity in the existing legislation. It codifies what 'amenity' might mean based on Victorian Civil and Administrative Tribunal (VCAT) cases that have already been decided, so it gives to anyone who wants to object on the basis of amenity some grounds on which they can do so.

It is not exclusive, but it does give a general direction for people to look to if they want to object on the

grounds of amenity. They may include the presence or absence of parking facilities and traffic movement and density. All those issues that are listed are part of decisions that have already been made by VCAT in relation to amenity.

If the honourable member would like, I can point to the VCAT decision in *Avery v. D of LL and Woolworths (Victoria) Pty Ltd* on 20 April and also to a decision in relation to 'the amenity of an area being the quality that the area has of being pleasant and agreeable' in the Supreme Court case of *RSL Inc. (Pascoe Vale Branch) v. LLC and Carlton Cricket and Football Social Club Ltd*.

**Hon. W. I. SMITH** (Silvan) — From the briefing I understand that these definitions of 'amenity', 'parking', 'traffic movement', 'density', 'noise levels', 'the possibility of nuisance vandalism', 'harmony', 'coherence of the environment' and the other things listed in the bill are new and tighten up the requirements that need to be met to obtain a licence. During the briefing it was put to us that if a hotel were extending its premises or doing something slightly different, it would have tougher regulations to go through with the introduction of this legislation than it had in the past.

**Hon. M. R. THOMSON** (Minister for Small Business) — To set the record straight, the bill codifies 'amenity'. It is not an exclusive definition, but it is based on decisions that either the Victorian Civil and Administrative Tribunal or the Supreme Court have already determined.

**Clause agreed to.**

#### Clause 6

**Hon. W. I. SMITH** (Silvan) — I am also interested in the code of conduct, which I understand has not been written at this point and which is obviously one of the important elements of this piece of legislation. As I said, I understand it has not been written, but I would be very interested, and so would the industry, to know the underlying principles the government will use for the code of conduct.

**Hon. M. R. THOMSON** (Minister for Small Business) — The purposes of the bill will be the basis for delivering a code of conduct, so the things listed in the purpose clause of the bill, which includes such things as the additional packaged liquor licence conditions, the need to undertake the responsible sale of alcohol and questions of unfair market practices to ensure the diversity, will be included as part of the

code, and that will be done in consultation with the industry itself.

**Hon. W. I. SMITH** (Silvan) — Further to that, will the minister be having consultation with all elements of the industry, including the wine industry and the hotels association?

**Hon. M. R. THOMSON** (Minister for Small Business) — In the second-reading speech I stated that the government will be including the Australian Hotels and Hospitality Association, which is impacted on by this code. It will certainly be included in the consultation process.

**Clause agreed to.**

**Clause 7**

**Hon. W. R. BAXTER** (North Eastern) — Clause 7 goes to the issue of the 8 per cent cap and substitutes the wording ‘permitted percentage’ for ‘8 per cent’ wherever it occurs in the principal act, which will facilitate the staged increase and the ultimate abolition of the 8 per cent limit.

Is the minister prepared to give the committee an undertaking that, in the event of one of the big players failing to adhere to the permitted percentage at any time between now and 2006, she will take action to enforce the law? Bearing in mind that she has not been enforcing the law, the committee is entitled to seek an undertaking that if the committee agrees to this clause it will be upheld.

**Hon. M. R. THOMSON** (Minister for Small Business) — I now have written agreements from both Coles Myer and Woolworths stating that they will maintain not only the legislative requirements of the act but also the intent and spirit of it, which I am happy to have received. I have indicated to all in the industry that I expect the intent and the spirit of the legislation to be adhered to, and I give a commitment to the committee that I will be insisting on that.

**Hon. E. J. POWELL** (North Eastern) — Taking into account the minister’s answer, then, what would be the repercussions if they do not do so? What sorts of penalties will the minister be placing on Coles Myer and any others that do not honour that commitment?

**Hon. M. R. THOMSON** (Minister for Small Business) — I should start off by saying I believe they will meet that commitment — and I have it in writing — not just to the law but to the spirit and the intent. I believe the commitment will be met, so I preface my answer that way. I expect both Coles Myer

and Woolworths to adhere to the percentages and the phase-outs accordingly.

I stress that we have tightened the definitions of both ‘related entity’ and ‘controlling interest’ in the previous act to encourage parties and ensure that that will occur, and the parties have been left under no illusion as to my intention of ensuring that, by whatever means we need to employ, the phase-out period will be adhered to.

**Hon. E. J. POWELL** (North Eastern) — With respect, that did not really answer my question. I need to know what penalties the minister will put in place if they do not comply.

**Hon. M. R. THOMSON** (Minister for Small Business) — Loss of licences is the one that always hurts the most!

**Hon. W. I. SMITH** (Silvan) — I would like to take that a little further because I think the experience we had with this government last year was that the same commitments were given to the chamber in regard to extension of licences, and Woolworths was allowed the extra 90-day permit. While that issue may now have gone, we know it is easy to find other loopholes in the legislation and I am not convinced that Woolworths will not come back and have another crack at it to get, in particular, a commercial gain over Coles as Coles starts to enter the marketplace. Can the minister more fully explain what the government will take off Woolworths? If Woolworths is at the 10 per cent point with the licences that it has, which it is, what penalty can the minister further apply when the company has its full licences being implemented and in use and it finds a loophole and does something differently? How then do we tackle Woolworths?

**Hon. M. R. THOMSON** (Minister for Small Business) — I have to say at this point we believe we have covered every possible and reasonable loophole that a corporation would probably like to use if it was trying to circumvent legislation. The other thing that having a phase-out does is provide some certainty for the companies about the timetable, for the phase-out and what is going to occur, so they can plan how they may develop into the future. I do not believe they will circumvent the legislation.

In the previous legislation brought into the chamber I did not have that written commitment to uphold not only the legalities of the law but its intention and spirit. I certainly did not have that before; I have it now in writing, and I genuinely believe that will be adhered to. Having said that, should they circumvent legislation or

attempt to do so again over additional licences, that is what they will forfeit.

**Hon. W. I. SMITH** (Silvan) — Coles has gone on the record as saying — and has told me personally — that it believes there are other loopholes in the legislation. Coles, as a good corporate citizen, has not pushed it, but it believes the legislation has other loopholes that can be used for circumvention. I am not as convinced as the minister that Woolworths will not come back, and I do not have the confidence that she has in her written agreement. I have seen one of the agreements, because Coles sent me a copy, and I wonder how it would stack up legally. I still want greater clarification on the refusal of licences. Is that enough of a penalty to stop Woolworths?

**Hon. W. R. Baxter** — Are you prepared to bring it back into the house, Minister?

**Hon. M. R. THOMSON** (Minister for Small Business) — In answer to Mr Baxter's question, I thought I made it clear that I will do whatever I have to do to ensure that the phase-out period is maintained. If that includes bringing something back into the house then that is what I will do — I will bring it back into the house.

**Hon. W. I. SMITH** (Silvan) — Will the minister give that commitment again, that she will bring back any changes to the house for agreement?

**Hon. M. R. THOMSON** (Minister for Small Business) — Certainly, if there is any circumventing of the agreed phase-out I certainly would be prepared to bring this matter back to the house.

**Clause agreed to; clause 8 agreed to.**

**Clause 9**

**Hon. W. I. SMITH** (Silvan) — I wish to pick up on proposed section 26M, which provides an interpretation of the expression 'designated area'. I know that the effectiveness of this whole legislation is dependent on a definition of the word 'radius'. I am told, again in a briefing, that it will not work without that tight definition of 'radius'. I want to know where the government is on these discussions because I understand they are still ongoing. I understand that the metropolitan radius will be 1 kilometre but that the rural radius is still being debated. Where is the minister at with that definition?

**Hon. M. R. THOMSON** (Minister for Small Business) — Yes, there is going to be a tiered arrangement for metropolitan and country areas, and we

will have those finalised in the next week. There is still an issue around the geographical area to be declared for each category. At this stage we are probably looking at a three-tiered system: one for inner or metropolitan Melbourne, one for the fringe areas and another for regional Victoria.

**Hon. W. R. BAXTER** (North Eastern) — I thank the minister for that explanation. My question relates to the same issue that the Honourable Wendy Smith has raised. Proposed section 26M(1), to be inserted by the clause, defines 'designated area' and proposed section 26M(2) provides that the minister may from time to time determine an area to be the designated area in respect of the designated premises.

I am interested in this radius proposal and I accept the minister's advice that the matter is still being considered. But can she confirm whether the 1 kilometre radius will, as the Honourable Wendy Smith suggested, apply to the metropolitan area; and will she further elucidate on the second and third tiers, particularly as to what sorts of towns will fall into each of those two tiers?

**Hon. M. R. THOMSON** (Minister for Small Business) — For metropolitan Melbourne we are talking about 1 kilometre. There is still some discussion about the geographical areas that will be covered under the other categories. We are looking at a number of options such as 2, 3 and 4 kilometres. Agreement on that has not been finalised but will be within a week.

**Hon. W. R. BAXTER** (North Eastern) — I thank the minister for that. I am taking her remarks in the absolute best of faith and I have no doubt she will give that consideration. However, I would certainly be encouraging that in some of our provincial towns and cities — for example, Wangaratta — the designated radius be of reasonably generous proportions so that there is an opportunity for an existing holder of a packaged liquor licence to be eligible to receive an offer if Coles or Woolworths is proposing to seek a new licence. There is no compulsion in this. The operator does not have to accept any offer they might make, but I would want to make certain that in these relatively small areas we give the maximum opportunity for people to participate in this buy-out scheme, because there is nothing to be lost by giving them that opportunity. It is voluntary and they should have the opportunity and not be excluded by some narrow, designated area declaration.

**Hon. M. R. THOMSON** (Minister for Small Business) — I will take that into account, Mr Baxter.

**Clause agreed to; clause 10 agreed to.**

**Clause 11**

**Hon. E. J. POWELL** (North Eastern) — One of the provisions in this bill includes the municipal council of the district in which the premises are situated. The council may object to a grant or variation or relocation of a packaged liquor licence, and I wondered what sort of input it would have. Would it learn of the packaged liquor licence application by advertisement in the newspaper or would the applicant have to also send the application to the council, which would then carry out the proper process of advertising and allowing for objections and then making a decision?

**Hon. M. R. THOMSON** (Minister for Small Business) — One of the purposes of the legislation in the past was to minimise the misuse and abuse of alcohol, and unfortunately the only person able to object on that basis was the director of liquor licensing. We are now broadening that. It is intended that notification will be by advertisement in local newspapers and that councils will be able to object under those proposals.

**Hon. E. J. POWELL** (North Eastern) — That was my question: that that is how councils would find out and that it was not the intention of the minister to make sure that a copy of the application went to the council for it to comment on.

**Hon. M. R. THOMSON** (Minister for Small Business) — No.

**Hon. W. I. SMITH** (Silvan) — I want to pick up that point as well. I was interested to know on what grounds the council could lodge an objection. The two areas are harm minimisation and amenity. I am wondering whether that is correct — ‘harm minimisation to the community’ and ‘grounds of amenity’. Can the minister clarify that?

**The CHAIRMAN** — Order! Perhaps the Honourable Wendy Smith could repeat her question?

**Hon. W. I. SMITH** — I understand that the council can now get involved and object to these packaged liquor licence applications, and I am wondering what are the grounds it objects on. Does it object on the grounds of amenity, as the minister has said about the VCAT decisions, or on harm minimisation grounds — the fact that the premises can be next to a school or whatever you want to define as being an inappropriate area in which to set up a licensed liquor store?

**Hon. M. R. THOMSON** (Minister for Small Business) — Councils could always object on amenity

grounds, but they will now be able to object on harm minimisation grounds as well, so it is an additional allowance for councils. I wish to correct the record for the Honourable Jeanette Powell: the council will in fact be notified by the director of liquor licensing. If it is a question about the possibility that it would encourage under-age drinking or those sorts of things, that might be a reason for wishing to object on the basis of harm minimisation. They would then have to go through the process of objecting on that basis. Up until now that process of objection has not been open to councils.

**Hon. W. I. SMITH** (Silvan) — On that basis will the minister define that a bit more? Can she give me some more concrete examples of how they could object on harm-minimisation grounds?

**Hon. M. R. THOMSON** (Minister for Small Business) — It would be a case of having discussions with the director of liquor licensing about what he would have considered to be such areas in the past, but they do run to things like whether young people might be encouraged to consume alcohol. We are undertaking a research project to look at harm minimisation and those issues around liquor licensing, particularly packaged liquor licensing. We hope that will go some way towards helping councils define what might be areas where you would show some concern about abuse or misuse of alcohol. That would help in the process of objecting on that basis.

**Hon. W. I. SMITH** (Silvan) — I have one last question on this: with harm minimisation I know the minister is planning for people associated with restaurants, pubs and so on to go through programs, but what is the minister planning for retail outlets?

**Hon. M. R. THOMSON** (Minister for Small Business) — Hotels already take part in a responsible serving of alcohol program that has been developed by Liquor Licensing Victoria. This program will be adapted for retailers.

**Hon. W. I. Smith** — Coles and Woolworths?

**Hon. M. R. THOMSON** — Coles and Woolworths; and anyone who owns or manages a store at various stages through the day will be required to undertake the program and take a refresher course. The refresher course for the responsible serving of alcohol program is now online. The government is trying to keep costs down, make it easier to do and to comply with while still ensuring that everyone understands how to best serve or sell alcohol in a responsible way.

**Clause agreed to; clauses 12 and 13 agreed to.**

**Clause 14**

**Hon. E. J. POWELL** (North Eastern) — Clause 14 contains a number of packaged liquor licence numbers, and I seek clarification of why they are excluded from part 2.

**Hon. M. R. THOMSON** (Minister for Small Business) — As the government was working through the processes of developing the bill, it did not want to have any unforeseen consequences. When Woolworths acquired some Franklin licences the mechanism under which they were set up meant that if Woolworths were to now try to transfer them into the Woolworths name it would have to buy them from a group that no longer really exists and it would prove to be a legal problem. The licences that will transfer to Woolworths are the ones that it purchased from Franklin. It is not allowed to move them — the licences have to be in those existing premises, which are the Franklin supermarkets that it purchased. It is the transfer that has been exempted. Should Woolworths wish to relocate them, the buy-out arrangements will be in place.

**Clause agreed to; clauses 15 and 16 agreed to.**

**Reported to house without amendment.**

**Report adopted.**

*Third reading*

**Hon. M. R. THOMSON** (Minister for Small Business) — I move:

That this bill be now read a third time.

I thank honourable members who contributed to the debate on this bill.

**The PRESIDENT** — Order! As I am of the opinion that the third reading of the bill requires to be passed with the concurrence of an absolute majority, I ask the Clerk to ring the bells.

**Bells rung.**

**Members having assembled in chamber:**

**The PRESIDENT** — Order! The question is that the bill be now read a third time. I ask honourable members who support the passage of the bill to stand in their places.

**Required number of members having risen:**

**Motion agreed to by absolute majority.**

**Read third time.**

*Remaining stages*

**Passed remaining stages.**

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

*Second reading*

**Debate resumed from 6 June; motion of Hon. C. C. BROAD** (Minister for Energy and Resources).

**Hon. D. McL. DAVIS** (East Yarra) — I rise to contribute to the Appropriation (Parliament 2002/2003) Bill. It is an important bill in the sense that it provides for the Parliament's forthcoming financial year. It is important that the bill is seen to be separate from the budget itself, which provides for the public sector as a whole. The Appropriation (Parliament 2002/2003) Bill provides for the appropriation of the Parliament itself, which consists of the departments that we are all aware of: the Legislative Council, the Legislative Assembly, the Department of Parliamentary Debates, the Department of the Parliamentary Library, the Joint Service Department and the parliamentary investigatory committees.

I note the ongoing reform that occurs in the way the parliamentary budget is released and the ongoing changes that occur over a budget period. It is important that this process continues and is incremental, one that we should support in a bipartisan way. For example, I know the Scrutiny of Acts and Regulations Committee has recently released a report and recommendations about how parliamentary committees should be organised. Certainly they are worthy of investigation and examination by all members of Parliament and the community.

The bill seeks specifically \$77.4 million in appropriation for the forthcoming financial year and, as such, is about a significant amount of funding. The Parliament needs to undertake many tasks, and the task of scrutiny of the executive is the most important of those in the representation of the community. If one looks at that \$77.4 million as expenditure on behalf of Victorians to provide government across the state Victorians can see it is an amount that is generally well spent.

That is not to say that there is no room for improvement in a number of areas. Talking of the process of incremental improvements, I shall comment on the list of output initiatives in table A20 at page 214 of budget paper 2. Obviously expenditure will be required for electorate office redistribution following the state redistribution. There is obviously an ongoing need for

spending on information technology so that the Parliament is equipped with IT at the highest standard, which is currently not the case. We have some way to go. It is important that appropriate funding is available to enable the joint House Committee to ensure that members of Parliament and parliamentary departments are equipped with IT capacity to enable members of Parliament and other parliamentary services to operate at a capacity that is both modern and enables them to undertake their tasks in the most satisfactory manner.

I make specific comment about the electronic news service the parliamentary library has implemented. It is an important service. For a long time state parliamentary members were somewhat behind in their ability to track news across the nation and information for research that we had to undertake from time to time on particular topics. The electronic news service has been an important addition to that capacity. I welcome it and believe members on both sides of the house welcome it. I pay tribute to the parliamentary library for the way it has been able to implement that electronic news service in partnership with Australian Associated Press. It has greatly strengthened the capacity of members of Parliament to undertake their work.

It is also important to record the work that Hansard does, which is difficult at the best of times with the variety of members we have in this place. Hansard needs the support of members and certainly the financial support that is provided in this appropriation of \$77.4 million to the Parliament of Victoria.

I turn to the other institutions associated with the Parliament, in particular the officers of the Parliament. As has been made clear to the house on a number of occasions the independence of those officers, the Auditor-General in particular, is preserved and the way that this budgetary allocation is set up seeks to do that appropriately.

I want to comment on the appropriation of funds for members' support. The process whereby a parliamentary department controlled by both houses is able to make decisions about members' entitlements, and to lay out suitable benefits and resources available to members is an important process for their independence. I note that the Appropriation (Parliament 2002/2003) Bill has an area of reform that will need to be seriously examined as time goes forward, that being the allocation of funds that members receive through the Department of Premier and Cabinet. In particular I direct attention to the allocation of funds to the three Independent members of the Legislative Assembly. Funds provided to them through the Department of Premier and Cabinet are additional to those available to each and every other backbench member of Parliament.

Whether one thinks it is right or otherwise that the Independent members of the Legislative Assembly are provided with additional resources is one question, and one worthy of debate, but the second question is how those resources are provided and by what mechanism.

It is my contention that the current mechanism by which those resources are provided — that is, directly through the Department of Premier and Cabinet — is unsatisfactory and leads to longer term questions of the independence of those particular members. It leaves the gate open, I guess, for decisions to be made by members of Parliament that can be influenced by factors other than the merits of a particular case or issue.

As members in this house will be aware, I have made a number of public comments throughout the past 12 months about the funding of the Independent members of the Legislative Assembly. Through the procedures of this house and freedom of information requests — sometimes, I might add, with great difficulty and sometimes great reluctance on the part of the government — and also through the procedures of the Public Accounts and Estimates Committee I have been able to piece together a good deal more about the funding of the three Independent members of the Legislative Assembly than was hitherto known.

It is important to place on the record that a lot of this information was not known and that it in itself is in my view a considerable concern. It is unsatisfactory that members of this place, and therefore members of the community, are unaware of the precise additional funding that is available to three members of the Parliament of Victoria.

I indicate to the house today that there is not one person in this chamber, and I include myself, who can give you a precise figure as to what was received by each of those Independent members in the Legislative Assembly in the last financial year over and above what other backbench members are entitled to. I also indicate that when 30 June comes this year there will not be one member of this Parliament nor a member of the community who can actually say precisely what those three Independent members of the Legislative Assembly received in addition to what normal backbench members are entitled to. That is a concern for issues of transparency and accountability. As I have alluded to, it is a concern when it comes to the making of decisions by those members and the question of whether those decisions are truly independent.

Looking back to the democratic traditions of this place and the Westminster system, members of Parliament fought very hard historically in periods of English

history going back to the English civil war and before that to break and achieve independence from the executive and to ensure that members of Parliament were not in any respect able to be influenced by financial considerations that may be at the direction of the executive — in the case of English history, the King; or in the case of more recent periods, the executive more generally, meaning ministers and particularly the Premier.

It is true that I have pieced together some significant aspects. We know, for example, from the answer to a question on notice that was tabled in this place on Tuesday, 23 May 2000 that the Premier indicated to this house that the current expenditure for 2000–01 on the three Independent members of the Legislative Assembly over and above what was received by other backbench members of this Parliament was \$350 000. That is a significant outlay, a significant expenditure. But that is not all that was expended in that period, and certainly not all that was expended in the last financial year.

In one instance when I submitted a freedom of information request to the Department of Premier and Cabinet I encountered very strong resistance from the Department of Premier and Cabinet and from the three Independent members. One of those members in particular, and I do not believe it is necessary for me to name that member, was determined to prevent me proceeding with those requests and was determined to prevent the scrutiny associated with them. I know the three Independent members of the Legislative Assembly were very unhappy when the \$18 000 of additional expenditure that is sent through the Department of Premier and Cabinet to their offices and is available to meet additional expenditure was expended.

On 8 June 2000 the Premier wrote to the three members — the honourable members for Mildura, Gippsland West and Gippsland East in the other place, Mr Savage, Ms Davies and Mr Ingram respectively — outlining the aspects of that expenditure of \$18 000, that is, \$6000 to each of those three members. It is important to place on the record what the Premier said to those members. He said:

As you are aware, the Victorian government is currently providing you with an adviser in accordance with the terms of the Independents charter.

I am writing to advise that a maximum amount of \$6000 will be set aside each financial year to meet operational costs associated with the employment of the adviser. Examples could include travel, telephone costs, motor vehicle hire, office stationery, and so on.

The 'and so on' seems to be an extremely broad category. He simply indicated that claims for payment should be submitted to the Department of Premier and Cabinet to an assistant secretary, corporate strategy and governance, in that department, and that those expenses would be paid.

But I put it to the house that those expenses are paid entirely at the whim of the Premier. It is entirely available to the Premier not to pay those accounts, and it is entirely available for the Premier to determine whether or not those accounts are paid and whether or not a particular expense is suitable for payment.

We also know other expenses are paid, including flights and so forth, by the Department of Premier and Cabinet. I want to make the point that there is a difference between payments made to individuals and those made to a political party as a group as in the case of the National Party, the Liberal Party or another opposition party that is a significant corporate body — a body that is not a single individual that is at the whim of payments, either for or against, by the Department of Premier and Cabinet and in fact by the Premier's personal fiat.

It is important to note that the total funding — and I add these together — for the opposition, the Liberal Party, is about \$712 000 annually from the Department of Premier and Cabinet paid in a block.

There are 59 Liberal Party members of Parliament in the two houses and there is no top-up funding available for them through this mechanism the Premier has made available to the three Independent members in the other place. On my calculation it comes to \$12 033 that is available on a pro rata basis across the 59 Liberal opposition members. The three Independents have available \$350 000, plus the \$18 000 of additional payments, which comes to \$122 666 each, or more than 10 times the amount available to each member of the Liberal opposition — an extraordinary additional benefit. It is a benefit that in my view influences greatly the activities of the Independent members in the Legislative Assembly, or certainly leaves open the prospect that their decisions can be influenced by considerations of the Premier.

I note also an important table which came to me through the Public Accounts and Estimates Committee and which lays out the cost of advisers. It is important to put on the record that additional advisers and electorate officers are available to each of the Independent members of the Legislative Assembly. Normal backbench members of Parliament in the lower house have an entitlement to two electorate officers;

under the current arrangements with the Bracks government the Independent members of the Legislative Assembly have been funded for two base electorate officers plus an additional electorate officer and an additional adviser — four staff!

It is important to place on the record what these Independent advisers are paid. The fourth staffer, as it were, that is available to the Independent members of the other place is employed on a different basis to those of each and every other member of the Parliament. According to the Premier, from the information provided to the Public Accounts and Estimates Committee, in 2000–01 the base annual salary of the three advisers of the Independents was \$59 410 and the total salary costs were \$73 333 each. I put to honourable members that that is a far greater amount than is available to my staff and that of Mr Ken Smith, Mr Cover, Ms Hadden or other honourable members of this Parliament.

The total cost of the benefits available to the three special advisers to the Independents is, according to the Premier, \$266 000. On a careful calculation the add-on costs of the additional electorate officers would easily amount to \$50 000, which multiplied by three would equal \$150 000. If those costs are added together the figure is well over \$400 000 — a significant cost to the people of Victoria. I note that those special advisers have additional benefits that are not available to most of the staff of most members of Parliament. I refer to a performance pay bonus that may be available of 3 per cent, which could total \$1782 each or \$5347 for the three, according to the Premier. They also have a fifth week of recreation leave, which is costed by the Premier at \$1200 for each adviser — a total of \$3600.

I am sure the electorate officers of each and every member of this chamber would be pleased to receive a fifth week of paid annual leave, and that they would make good use of that additional week. It is not clear to me whether the Premier believes this is a pace-setting industrial arrangement and whether he would advocate it for the Victorian work force in general, or whether he advocates this as a special arrangement for the advisers of the three Independent members of the Legislative Assembly. Either way this is a significant policy statement that has implications of concern to Victorians. I know most Victorians would find this an unusual arrangement that the Premier has entered into with additional industrial arrangements available to the staff of certain members of Parliament that are not available to the staff of other members of Parliament.

It is important to state that the Independents in the lower house have voted in a particular pattern that can

only lead one to conclude they have thrown in their lot with the government. Whether that is in any way influenced by the special financial arrangements between the Independent members of the Legislative Assembly and the government is a point on which one cannot rule because one does not know the motives of people. However, what people can say is that in the appropriation for the Parliament it would be desirable for the full payments of benefits to the staff of members of Parliament to be incorporated in the usual way one would expect the staff of members of Parliament to be paid — that is, through the Joint Services Department — rather than through the unusual mechanism of paying staff of individual members of Parliament through the Department of Premier and Cabinet.

It has been long-established practice that opposition parties are paid through the Department of Premier and Cabinet. However, dealing with a large organisation or group of people who hold a certain political viewpoint and who are paid in that way in accordance with a longstanding practice is different from dealing with individual members of Parliament where payments are made entirely at the fiat of the Premier, particularly given the voting decisions of the Independent members of Parliament.

The analysis undertaken late last year by my office of the voting patterns of the three Independent members is interesting and will be updated to show voting patterns in the Legislative Assembly over the sitting that has just ended. It showed that in the divisions in the Legislative Assembly Susan Davies, the honourable member for Gippsland West in the other place, voted with the government on 94 per cent of occasions; Russell Savage, the honourable member for Mildura in the other place, voted with the government on 80.3 per cent of occasions; and Craig Ingram, the honourable member for Gippsland East in the other place, voted with the government on 80.6 per cent of occasions. Over the life of the Parliament to the end of the previous sitting — not the one just completed — the three Independent members voted as a block on 78.8 per cent of occasions. I will update those figures shortly.

In that period under analysis at least one Independent member of the Legislative Assembly always chose to vote with the government. One member voted with the government, ensuring that bills would pass and that the government always had the required numbers on 92.6 per cent of occasions. In my view they are Labor-voting Independents despite the recent vote in the lower house which will form part of the analysis that I will undertake over the next period to fully place

in context the votes of those members of the Legislative Assembly and how they relate to the decisions of the government and other parties in the lower house.

It is important to also place on record that the three Independent members of the Legislative Assembly greatly dislike scrutiny. The unfortunate attacks on me when I sought to expose their additional secret payments were surprising, given that these individuals claim that they were prepared to be scrutinised and examined. I was surprised by the vehemence and lack of fairness in those attacks. Most Victorians would have found those attacks surprising and see them as self-interested, given that those three members of the Legislative Assembly did not like the scrutiny of their funding.

To return to the method of funding through the Department of Premier and Cabinet, it is true to say that the opposition is funded through the DPC. I want to emphasise that it is a long-established practice under all parties in government to fund through the DPC in that way. As I say, that is different from the funding of independent individuals who may be subject to greater political pressure. As I understand it, \$712 000 is available to fund the opposition and around \$325 000 — though I stand to be corrected on that figure — to fund the National Party, a separate and independent party from the Liberal Party, not part of the funding provided to the Liberal Party and a political party over which we have no direct influence but with which we sometimes share political views.

I also note the decision by the Department of Premier and Cabinet to impose a depreciation component on the opposition this year which effectively reduces the payments to the opposition. I understand that depreciation component is in the order of \$20 000 to \$30 000 on computer equipment, and that is a significant reduction in the expenditure on the opposition. That is a matter for debate between the opposition and the government, but in the same way the government has made a set of decisions and the opposition will live with that.

I make the point that the method of payment through DPC to the individual members of Parliament concerns me greatly. It leaves open the prospect of undue and unsatisfactory influences on policy and voting decisions, and there is evidence that concerns me and others in the community.

On a different matter related to the Parliament I welcome the decision of the chamber to travel again to country Victoria in the forthcoming period. It is

important that Parliament and this house are seen to be close to the Victorian community.

In the context of the debate on the Appropriation (Parliament 2002/2003) Bill I record a note about the centenary of Federation celebrations in the Parliament through the last period. I have been very happy to be part of those celebrations and believe they did credit to the Parliament as a whole. The centenary of Federation book that I and each member of Parliament has recently received entitled *Victoria Celebrates* contains a section on the Bendigo sitting of the Legislative Assembly held on 16 August last year.

I would have liked to see the Legislative Council mentioned as part of the Victorian Parliament and would have preferred to see at least a mention of the Legislative Council having sat in Ballarat. On any such future occasion I encourage the government to make sure the activities and movements around country Victoria of both houses are recorded in official publications. I do not want to quibble too much about that but I think it is important that these things are recorded and that the Parliament is close to the Victorian community.

I have said enough on the bill and want to record my support for the various parliamentary departments. The Legislative Council will face a number of notable challenges over the coming period. The officers in the department serve us well and sincerely and will place us in a good position to explain to members of the Victorian community the value they receive from the chamber and the important role it plays in the scrutiny of government and the activities of the executive of the Bracks government in particular.

**Hon. GAVIN JENNINGS** (Melbourne) — On many occasions when I join second-reading debates I rise to urge the chamber to support the bill and I often embark on a conversation where I am not clear what the outcomes will be. I am fairly certain about the outcome of this conversation and in my contribution to this debate I will demonstrate that there is a directly inverse relationship between my urging of this chamber to pass legislation and its successful delivery.

On this occasion I will not be mounting a substantive argument about why this piece of legislation should be adopted, but I will take the opportunity to document briefly some of the achievements of this Parliament and indeed this chamber during our attempts in the last year to take the Parliament to the people and make it relevant to our community, which is a useful benchmark for the effectiveness of the role we play in the Victorian community.

We have seen a number of initiatives such as the taking of Parliament to Bendigo and Ballarat. In the last year the Legislative Assembly travelled to Bendigo and the Legislative Council travelled to Ballarat. I believe those events were of great significance. It was the first occasion on which an Australian Parliament had left its home and gone to regional areas, setting a precedent for other jurisdictions in the nation to follow our lead. Indeed, within the next 12 months it is the intention of this chamber, at the very least, to make a further trip to Benalla — —

**Hon. Bill Forwood** — Will we get to the Cs?

**Hon. GAVIN JENNINGS** — I was going to say that we are starting at the beginning of the alphabet and will work our way through. In fact, earlier today the house agreed that it will travel to Benalla in October.

A number of other initiatives have increased our capacity to communicate with constituents, including improved information technology services. We will see a further roll-out of this later this year to improve the capacity of members of Parliament to communicate with one another, to be well informed and to communicate with their constituents.

We have seen improvements to the library services available to MPs, and hopefully there is a correlation between the quality of information available to MPs and their contribution to the community — we will wait and see whether there is a correlation. The potential for members of Parliament to be better informed and more alive to current events and concerns of the community has been enhanced by those improvements to the library services.

During the past year we released a very significant, well-structured and beautifully presented document about the Parliament of Victoria. That document, which is available to Victorian citizens, shows the glory of this building, its two chambers and other rooms, and provides a brief history of the Parliament. It is a very worthwhile document for members of the Victorian community to obtain and get a greater appreciation of some of the virtues of Victoria's Parliament.

Perhaps the most significant issue in terms of the interface between members of Parliament and their constituents will be supported through the enhanced working conditions of electorate offices that have been achieved within the last 12 months. I am very pleased to say that a new enterprise agreement was entered into with the electorate officers, who are the day-to-day interface between constituents and members of Parliament. I hope that leads to a greater degree of job

satisfaction for all of those people who work very diligently on behalf of members of Parliament, being our public face each and every day in their workplace, which is the front door for Victorian citizens to access the services of all members of Parliament.

In the last couple of years there has been some contention within Parliament about constitutional reform. Again, referring to my inability to convince the chamber to deal with constitutional reform that reflects this place, that was an issue that divided the Parliament. But we have seen a couple of instances of unanimity of purpose, including the electoral reforms that went through early last month which will see refinements to the way in which the electoral processes will work in this state.

We hope this will add to the accountability and transparency of funding arrangements that underpin election campaigns. We hope it adds to Victorian citizens' access to their electoral system, and that they become more confident and more willing to participate, and see the net benefits of their participation in the electoral process. That was done by agreement within Parliament and we are all the better for it.

I look forward to this Parliament taking the opportunities in the future to work through similar issues and reform processes that will enhance its capacity to demonstrate to the people that this Parliament adds value to Victoria's democratic institutions, and that honourable members can work cooperatively and collaboratively on important initiatives for their constituents into the future. I lay that out as both a challenge and opportunity for all of us.

In conclusion, I would like to say that as a member of Parliament I personally appreciate all the efforts of the staff who work in this institution. I find there is generally a high degree of generosity and graciousness among the staff as well as a high degree of professionalism and commitment to their responsibilities. I often worry on their behalf about the nature of the tasks we inflict upon them, including late night sittings such as the one we had last night. I also worry about the aural fatigue they may be subject to, so I will not add to the weight of their dismay at this moment. I encourage all members of the chamber to support the Appropriation (Parliament 2002/2003) Bill.

**Hon. BILL FORWOOD** (Templestowe) — On the last day of sitting I want to briefly add to this debate. I begin by congratulating the Deputy Leader of the Government for his contribution, which was well thought out and with which I agree.

**Hon. R. M. Hallam** — It was considered.

**Hon. BILL FORWOOD** — Yes, considered. Because of his erudite expression there is a lot of ground I now do not need to cover. I simply wish to add my words to his, particularly in relation to the work of the staff in this building and the issue of working cooperatively in the interests of all Victorians, which is what this Parliament is about.

If my memory serves me correctly, I think the parliamentary appropriation bill was passed last year without much debate.

**Hon. M. M. Gould** — Without debate!

**Hon. BILL FORWOOD** — This year, when the second-reading speech was read, I picked up the bill and looked at page 5 under the heading ‘Department of Legislative Council’. I noted that the budget for the Council had dropped by \$633 000. Given the interest there was at the time in constitutional change — I certainly will not use the word ‘reform’ — I wondered whether this was not some dastardly plot. I set out on an excursion to discover why, if you look at page 4 of the bill, the estimates for each of the other departments of the Parliament have gone up but the Council’s budget has gone down by \$633 000. I was greatly assisted in my search by the Clerk and by Stephen Aird and Hilton Barr from the Joint Services Department. I am grateful to them for their assistance.

There is nothing sinister behind the fact that the budget for the Council has dropped by \$633 000. More than \$500 000 of that comes from the fact that there is now a completely new estimate line for the parliamentary committees. If you then do the mathematics you discover that the deletion of the \$140 000 the Council was required to pay for the performance audit means that in actual terms the Council this year is \$18 000 better off than last year. That is not a huge amount of money, but it is certainly sufficient for the Council to go about its business.

There are two aspects of the parliamentary appropriation bill I want to briefly touch on. The first is the library. We are extraordinarily well served by the parliamentary library. This year honourable members will note on page 7 of the bill that the library’s annual appropriation is up by \$170 000. The majority of that — \$160 000 — represents funds transferred from other parliamentary departments to fund Parliament-wide initiatives such as education, printing and web development, and \$10 000 represents consumer price index adjustments. In essence, the parliamentary library’s budget is up just under 10 per cent. What is of real significance is that there is

provisional funding for the news centre of \$290 000. Honourable members have come to rely on the news centre on their laptop computers. It is an extraordinary addition to our tools, and one that I congratulate the library on.

However, I want to make the point that the biggest impediment facing the library is not money but space. The library has office space for 18 but a staff of 25. As you travel around the building and spend time in the library you note that its staff are literally perched in corners in the reading rooms and collection areas.

**Hon. R. F. Smith** — A bit like the rest of us.

**Hon. BILL FORWOOD** — That is true; the accommodation for members of Parliament is not great, but it is improving. I will touch on that in a moment. However, the issue is that we do not spend all of our time here and members of the library staff do. This is their workplace, and I know that my good friend and colleague from the Australian Workers Union would appreciate the importance of sound workplaces even for clerical staff. I make the point that some of the offices of the library staff are little better than cupboards.

**Hon. W. R. Baxter** — They are cupboards.

**Hon. BILL FORWOOD** — They are cupboards. Thank you, Mr Baxter.

The library staff is the only group in this Parliament that shares its work areas with members of the public, particularly the tourists. They share their facilities such as photocopiers and computers with the clients. They receive no allowance for the confidential and detailed work required of them, and they have no place to go that is purely their own. I understand that the library is now squeezed into one-third of the area it occupied six years ago. I think that is very difficult. The library serves us all well, and I would like to see the staffing and the space issues of the library addressed in the years ahead. I congratulate the library staff and thank them for the terrific work they are doing.

On the issue of space, I understand from the briefing I got that the Parliament is renting the building across the road for \$660 000 a year. My understanding is that had we been a bit sharper with the pencil we could have bought the building for an extra \$200 000. It seems to me that that might have been a better investment but that was not us — that was Treasury and Finance, and I understand how the system works. It is a four-storey building. The computer servers and storage are now in the basement; the ground floor will be the discovery centre, which is an important asset for the Parliament; Joint Services Department is on the first and second floors; and the third and fourth floors of the building are

vacant. Given the space requirements of Parliament, I encourage the Joint Services Department and the people in charge of the allocation of space to think wisely about the best use of that space in the interests of the Parliament. It is very important that we make the best use of that space.

Some \$1.6 million has been spent to date on refurbishing the building across the road, and perhaps there is a bit more to be spent as well, but it is money well spent — as will be the extra money that will be spent this year on new computers throughout the Parliament as — the next rollout comes through.

**Hon. K. M. Smith** interjected.

**Hon. BILL FORWOOD** — I pick up the interjection from my colleague the newly computer literate Mr Smith, who says, ‘About time!’.

**Hon. R. F. Smith** interjected.

**Hon. BILL FORWOOD** — Sorry, Ken Smith. I am getting my Smiths mixed up!

It is important to note that we depend on our computers so much. Bizarre situations can occur at the moment because the computers used by the government and the Parliament are now out of sync, which means members cannot do some of the things that they ought to be able to do. I am grateful that the President and others assist people to sort those problems out.

That is by way of a brief snapshot. Obviously we support the budget. The Parliament is an important part of our democratic system, and I believe it is sufficiently well funded for us to do our jobs properly, efficiently and effectively. I put on the record my appreciation, once again, of the terrific efforts of the staff, who work so well on our behalf.

**Motion agreed to.**

**Read second time.**

*Third reading*

**Hon. M. M. GOULD** (Minister for Education Services) — By leave, I move:

That this bill be now read a third time.

I thank honourable members for their contributions to this debate.

**Motion agreed to.**

**Read third time.**

*Remaining stages*

**Passed remaining stages.**

**APPROPRIATION (2002/2003) BILL and BUDGET PAPERS, 2002–03**

*Second reading*

**Debate resumed from 11 June and 30 May; motion of Hon. C. C. BROAD (Minister for Energy and Resources) and Hon. C. C. BROAD’s motion:**

That the Council take note of the budget papers, 2002–03.

**Hon. M. T. LUCKINS** (Waverley) — I am delighted to finally have the opportunity to make a contribution on the budget papers and to challenge some falsehoods in the second-reading speech on the Appropriation (2002/2003) Bill, which we are debating concurrently.

The government has misrepresented the reality in the crucial areas of education, health and community safety. I will highlight some examples of Labor’s failure to deliver on its promises and to deliver good outcomes in services for Victorians.

The government has also failed to deliver needed infrastructure to expanding suburbs and growth corridors. I note the acknowledgment in the second-reading speech that these are the places that:

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

This budget is typical of an accidental government with an accidental surplus. It is high taxing and high spending, and it is very low on bangs for buck and promise delivery.

On average Victorian households are paying \$1500 more in tax under the Bracks Labor government than they were under the previous Kennett government. I was stunned in the second-reading speech on the appropriation to read that:

... Victorian businesses can now invest with confidence, with lower and fewer taxes, in a competitive, innovative and connected environment.

The fact is that that statement is a furphy. Workcover premiums are up, land tax is up and insurance premiums are up. Even worse is the fact that this government is profiteering on stamp duty on insurance premiums, with the GST component not removed. Council rates are up. Electricity prices are up by 4.7 per cent under the Bracks government, which has also

withdrawn the \$60 winter power bonus, which was crucial for households, particularly those who are struggling in our community.

I will spend some time on the issue of stamp duty. Stamp duty revenue has gone from \$1006 million to \$1.85 billion — an increase of 84 per cent — since the Labor Party came to office. It has gone up 54 per cent on the sale of a typical Melbourne house, and this is a result of the property boom and bracket creep. The government may say, 'We have no control over that market, and the fact that the property market is booming is helping our Victorian economy', but this has given the government a windfall without which it could not have balanced the budget this year. The first home buyers grant is basically paying for stamp duty; it is not assisting new home buyers.

The surplus in the budget, which is projected to be \$522 million, is not the result of the sound financial and fiscal management of the Bracks government. It is thanks largely to gaming and stamp duty revenue.

I have had the honour and privilege to represent the electorate of Waverley Province in this place for the last six years, and I look forward to continuing to represent the interests of my constituents until the next election. I am similarly honoured to have been selected as the Liberal candidate for the new lower house seat of Narre Warren North. I note that residents in Narre Warren North have paid some \$30 million to \$40 million in stamp duty since this government came to office.

**Hon. N. B. Lucas** interjected.

**Hon. M. T. LUCKINS** — Similarly, in Narre Warren South as well, and I am sure in Gembrook and, indeed, in Dandenong.

The property market is not booming because of the Bracks government. It is a direct result of the good and strong fiscal management of the Howard government in building confidence and creating a conducive economic environment for business to expand, to excel and to employ.

This booming economy is contributing to the lowest interest rates in a generation and indeed in my lifetime. The Howard government's first home buyers grant not only has assisted Victorians into their own homes but it has also resulted in the buoying of the building and associated industries, and as a result the Victorian economy is booming.

This in turn contributes to strong economic growth. In the 2001–02 budget the government projected \$1.15 billion in stamp duty revenue. What it actually

received was \$1.85 billion, which represents a 61 per cent increase. Has any of the money in this budget — any of this surprise money — gone back to families or average Victorians? No, it has not. Because of the stamp duty impost, Victorians lucky enough to purchase their dream home are paying more in stamp duty than they would for a similarly priced house in any other state. They are not able to buy furnishings or whitegoods or to fence or landscape their properties. This money is going directly to the government and sadly, in this budget, those individuals and families are not seeing any benefit from the taxes that they are paying.

In 2000–01 the Victorian government collected \$8.4 billion in total taxation revenue. Of that amount, \$3 billion or 36 per cent of the revenue was based on taxes on property, including \$1.28 billion in stamp duty. Taxes on property make up 36 per cent of the total taxation revenue. I note also that gaming taxes make up 15 per cent of total taxation revenue. I am sure all honourable members recall that during the last election campaign the ALP promised to reduce the government's reliance on gaming revenue. I find its whole position on gaming in this state to be not only hypocritical but damaging to the whole of the Victorian community.

Stamp duty paid by Victorians accounts for 4.05 percent of the value of all property sold in this state. The national standard is 3.24 per cent. In New South Wales it is 3.09 per cent. Those figures are from the *Commonwealth Grants Commission: State Revenue Sharing Relativities 2002 Update — Working Papers*, at page 80.

On a median-priced house in Melbourne the stamp duty payable is 51 per cent higher than the duty payable on the same-priced house in Sydney. On average in Victoria, Victorians pay \$14 620 in stamp duty, compared with \$9710 in New South Wales. That is based on median house prices for the December 2001 quarter.

The Real Estate Institute of Victoria is to be congratulated for highlighting this issue in the Victorian community. On 24 January it released a press release headed 'More than 20 000 Victorians plead for a fairer deal'. It delivered 20 000 postcards to the Premier's office demanding a reduction in stamp duty on property conveyances as part of an ongoing campaign to achieve a fairer deal for property buyers. That was January this year. The government had plenty of opportunity in the lead-up to the development of this budget to do something to relieve the tax burden on ordinary Victorians — and it did not.

In Endeavour Hills, for example, which will be in the new Narre Warren North electorate, the average house price is \$173 000. In 1987 the median house price was \$83 700. The difference in stamp duty revenue between 1987 and 2002 is that Victorian home buyers in that area now would be paying \$6040 in stamp duty compared with \$1809 in 1987. Given that the median house price in Melbourne is well over \$300 000, I chose Endeavour Hills to illustrate the point that it is average Victorians, and many of those are struggling or single families, who are taking the opportunity to provide for their future security and that of their families by purchasing a property and getting off the rental merry-go-round. They are the ones being most disadvantaged so they are the ones the government should be providing support to.

Despite \$1541 million of bonus unbudgeted revenue through increased taxes, charges, fines and fees, the Bracks government had to cover a \$1285 million budget blow-out. Without this unforeseen and unbudgeted for windfall bonus money coming in, this budget would have been in deficit. The government has had to pay for unplanned and unbudgeted pay rises across the public sector; it has made unwise decisions on a number of investments and other initiatives; and another example of unbudgeted, unforeseen, poorly planned and certainly unwise decisions is the government's decision to reject \$90 million from the federal government to go towards the Melbourne Cricket Ground redevelopment, just to protect its union mates.

What is the Bracks government scared of? Why does the government not accept that individual workers should be allowed the right to choose whether they join a union or not? It seems scared of the whole concept of freedom of association. The fact is the government supports closed shops because it knows if Victorian workers had the choice they would not join a union.

I would love to hear from the government where it plans to find that \$77 million in this budget or future budgets to cover the funding it rejected from the federal government. The fact is that Victorian taxpayers will be paying for this — \$18 per head — because the government is protecting its union mates, and that is wrong! That money could go into hospitals, education or roads.

**An Honourable Member** — And that's just the start of it!

**Hon. M. T. LUCKINS** — That is just the start of it. To have a \$77 million hole in the budget so soon into the 2002–03 budget period does not bode well for the

next financial year. I anticipate that we will be going to the polls before the next budget, because frankly this government's next budget is already in peril!

**Hon. N. B. Lucas** — Back to the Guilty Party days.

**Hon. M. T. LUCKINS** — Absolutely; back to the Guilty Party, although it has never really left. They are the same people. It is a disgrace how many people the government has employed from the Guilty Party days, and not only people working in the Parliament, where they are supposedly representing the interests of Victorians, but consultants as well.

The government justifies the unplanned budget blow-outs in costs by saying, 'But we saw we were going to have a surplus and we used it to boost services'. That sounds very responsible — except when you consider that of the \$1285 million budget blow-out only \$84 million has been allocated for services and programs. Land tax collection will go up by 66 per cent, and that is an enormous impost not only on home owners but in particular on business operators in this state; and taxes on insurance will go up by 49 per cent.

As I mentioned earlier, the government stated in the second-reading speech that it is creating an environment conducive to business in Victoria and an environment where those businesses can have confidence. However, it will not take long at all for confidence in this state to evaporate, and when it becomes patently clear to businesses that they would be better going to another state where they would be paying less in tax and less for services, that will have a devastating effect on the whole of the Victorian economy. We cannot afford to lose the competitive edge that we in the Kennett government took seven years to re-establish after the Cain–Kirner years, during which the Victorian economy and the confidence of individual Victorians was decimated.

Motor vehicle taxes will go up by 17.4 per cent; payroll taxes will go up by up 27.1 per cent; gaming taxes will go up by 31 per cent; and police fines will rise from \$99 million to an estimated \$336 million in this budget period, which represents a 240 per cent increase. The government suggests that this money is being ploughed back into crime prevention and law and order strategies for community safety in this state, and it bleats about the fact that it has put so much more into the police and emergency services budget and that it has put more police on the streets. How then does it justify the latest crime statistics, which show a significant increase in crime? Homicides are up 26 per cent, robberies are up 26 per cent, assaults are up 10 per cent, aggravated

burglaries are up 44 per cent and motor vehicle thefts are up 16 per cent.

Clearly this government is failing to deliver. I mentioned infrastructure in my preliminary remarks and in particular the government's commitment in the second-reading speech to growth corridors and expanding outer suburbs. I place on the record my disappointment in this government for failing to deliver on the first promise it made to the south-eastern suburbs during the state election campaign in September 1999. In a publication entitled 'Living suburbs — Labor's plan for the future of the south-east corridor', the government states as its first item:

Labor will: provide \$2.5 million for a new 24-hour police station at Endeavour Hills.

Yet the fact is that in 2002 we do not even have a site for a police station in Endeavour Hills!

**Hon. N. B. Lucas** — Not a brick.

**Hon. M. T. LUCKINS** — Not a brick! This is a huge growth area with a lot of juvenile crime and a lot of young people who need to be actively encouraged by a police presence to behave themselves. We have huge problems with graffiti and other crimes in this area, yet it does not have a police station. That is an absolute disgrace! Not only has Labor not delivered on that promise since 1999 while it has been in government, but it has not allocated 1 cent in this budget towards the building of this police station. The government cannot deliver before the next election and it will not have the opportunity to deliver after the next election because the Liberal opposition will be back in government and it will deliver!

I note in the *Herald Sun* today an article titled 'Police seek site' which refers to a search for a site in the heart of Footscray to build a new police station and notes that new police stations are being built in Victoria 'with Coburg being the only other city site'. That is confirmation that not only is Endeavour Hills absent from the budget allocations for this year but that the only two police stations this government is planning to build are in the Labor heartland in Footscray and Coburg. So much for a commitment to growth suburbs and growth corridors.

I now turn to health. I had the honour of being appointed the Liberal Party parliamentary secretary for human services, and I am horrified by what I see in that department now. We all had to put up with the carping and the moaning from the former shadow health minister and now Deputy Premier in the other place — which is a very scary concept — before the last

election, when he was basically out ambulance chasing every day. What has this government done? It may have put almost \$1 billion back into the health system, but through either poor management or poor planning that \$1 billion has not made any impact on our health system, on our community health system, on public housing or on any other area on which Victorians rely for services.

I note from the December quarter *Hospital Services Report* that the numbers on semi-urgent elective surgery waiting lists increased from 13 299 in the December 1999 quarter — the last quarter when the Kennett government was administering — to 14 718 in the December 2001 quarter — a rise of 11 per cent. The numbers on the waiting lists for patients who had to wait longer than was clinically appropriate in the semi-urgent category increased from 4765 in the December 1999 quarter to 6939 in the December 2001 quarter — a rise of 46 per cent. The number of patients waiting on trolleys for longer than 12 hours increased from 4032 in 1999 to 6096 in 2001 — a massive increase of 52 per cent.

The Labor government also made another promise to the people of the south-eastern suburbs — that is, to deliver the Berwick community hospital, an undertaking made by the Kennett government. Had a Liberal government been re-elected in 1999 this hospital would have been up and running 18 months ago. This Labor government has just found a site. It has had to re-tender because Mercy hospitals, which was going to be a partner in the project, was very concerned about this government's capacity to deliver what it promised, got gun shy and left the project. This has resulted in significant delays, and the government is now saying that the hospital will open in 2004.

While the government has been re-tendering and investigating real estate in the area, the waiting lists at the Dandenong Hospital, upon which all of the people in the south-eastern suburbs from Dandenong right through the growth corridor to Pakenham rely, have been increasing. The number of patients on the waiting list for semi-urgent elective surgery increased from 122 in March 1999 to 905 in March 2002; and the number of patients waiting longer than an ideal period went from 9 in March 1999 to 567 in March 2002. Instances of patients waiting in the emergency department for longer than 12 hours went from 199 in March 1999 to 572 in March 2002; and the number of hospital bypasses went from 1 in March 1999 to 12 in March 2002.

This government has failed to deliver in health across the board, and there are major stresses on our system.

Part of that is a consequence of the enterprise bargaining agreement struck with nurses, which is acceptable, but this agreement imposed quotas and the hospitals have had to bear the stress of redirecting funds from waiting lists management and emergency departments into paying wages for nurses because the government again failed to plan for this additional expenditure in its last budget. That is just not good enough.

Public housing is of great concern to many thousands of people in Victoria and this government again has failed on that issue. I have spoken quite a bit during my contribution today on stamp duty, and it is a sad fact that many hundreds of thousands of Victorians will never have the opportunity to own their own homes. Although many have the opportunity to rent in the private rental market, there are also many thousands of individuals and families who struggle to find any accommodation at all. This government's record on public housing is a disgrace. Waiting lists have skyrocketed, rent arrears have blown out and the number of bad debts has increased.

It is estimated there are 17 800 homeless people in Victoria. Under this government's initiatives they will receive an average of \$123.60 in assistance each for a whole year, or less than one week's rent in a caravan park. This government has cut crisis accommodation housing targets by 95 properties, and the number of families receiving household establishment fund assistance has been reduced by 3000. People are waiting well over two years on priority lists for accommodation. With public housing waiting lists blowing out to 45 776 in the December 2001 quarter, struggling families are going to find little joy and comfort in this budget, with only 1500 homes promised for the next 12 months.

Under the Bracks regime 5000 Victorian families have joined the waiting list in its term in office. That is a disgrace. In some regions in particular the numbers have skyrocketed. In the southern region waiting lists have grown by 8.3 per cent, whereas under the previous government they dropped by 20 per cent.

In conclusion, as I said at the beginning, this is a budget from a failed and accidental government with an accidental surplus. It fails to deliver for families, for individual Victorians, for those it has an obligation to provide services to and for those most in need. The result of this budget is going to be more suffering for individuals, but also greater instability in our Victorian economy — and that will affect all of us.

I look forward to monitoring the government's expenditure and its reliance on revenue, particularly from gaming and other property taxes, over the next 12 months. I look forward most of all to winning the next election and getting this mob out of office.

**Hon. P. R. HALL** (Gippsland) — To assist in achieving an adjournment at a reasonable time this evening I will make my comments on the budget as brief as I possibly can. I wish to raise a few important matters in my contribution so I will not delve into the bottom line of the budget as I had intended except to make three brief comments on budget outcomes.

The first comment relates to budget estimates in future years. Terry McCrann made a very astute comment in the *Herald Sun* of 8 May. He compared the estimates — the future budget under the Bracks government — with the estimates given in this year's budget. Two years ago this government expected to receive \$23.3 billion in revenue for the 2003–04 financial year and it had planned to expend every bit of that except for \$600 million. In this year's budget estimates the expected 2003–04 year revenue is \$25.7 billion, an extra \$2.4 billion on what was anticipated two years ago, or a 10 per cent increase in revenue. However, again this government expects to expend all but \$600 million of that! So the government is getting an extra \$2.4 billion above what it expected two years ago but it is expending all that bonus income — and not on the right priority projects.

These are boom times for the government; they do not get much better. In good times the government should be investing in infrastructure or saving money or reducing debt, and I do not see evidence of that happening in this budget.

I will give two examples of why I say we are in boom times. Firstly, this year revenue from stamp duty on insurance premiums will increase from \$696 million to \$790 million — a 12 per cent increase in this year alone. In fact since the Bracks government first came to office the stamp duty on insurance premiums has actually doubled. Why? Because the cost of insurance premiums has risen dramatically in recent years. We all know of the problems organisations are experiencing in getting public liability insurance. Those organisations are faced with massive premiums and consequently the government reaps a percentage of that increase with its stamp duties on insurance premiums. While communities struggle to meet the cost of public liability insurance premiums the government reaps an ever-increasing bonus with the stamp duty on those premiums! This government could well reduce its stamp duty take on insurance premiums and at least

help in a small way those many organisations that are experiencing difficulty in meeting the increased premium prices.

Secondly, Victorians pay the highest rate of stamp duty on property transactions in Australia. On average house prices we pay 50 per cent more stamp duty than do people in New South Wales. This government will get a \$750 million windfall this year from stamp duty on property transactions alone. Yet the budget contains no effort to reduce that impost on Victorian home buyers. As the Honourable Justin Madden says: who cares? The answer is: certainly not Labor. That is testified to by the fact that Labor can reduce taxation to the ordinary Victorian yet it has made no effort whatsoever to do so.

As a general comment, there is a stark contrast between what we read in the budget papers and what we read in the newspapers the next day. It is hard to realise that the newspapers are referring to the same documents as those presented to Parliament, because the budget papers in front of us are next to useless if we want to obtain details about programs to which expenditure has been allocated. There is an absolute paucity of detail in those budgets.

I see the Minister for Education Services is in the house so I will give an example. This year's budget provides a welcome increase of \$6.6 million for school buses, but where will it go? Where are the increases involved? What are the changes in the budget? We will not find that information in the budget papers. There is not a skerrick of detail about that increase and how it will be employed in the budget papers. Yet when we go to the newspapers the next day it is obvious that the government has briefed the media. It has given the media the detail but not the members of Parliament, judging by the lack of information in those budget papers.

My second point about the budget is that the headings are often misleading. As my colleague, the Honourable Ron Best, says frequently, this government is pretty good at putting a spin on a tail. One of those tails was an allocation in the budget papers of \$12 million for an energy and greenhouse technology centre in Gippsland which was claimed as a '\$12 million boost to Latrobe Valley'. It is not, because when we read the fine detail, when we extract a bit more information from the government as weeks progress, we realise that this centre will facilitate project funding right across the state — not necessarily in the Latrobe Valley — and most of that will probably be spent on Melbourne-based projects! So it is not a \$12 million boost to the Latrobe Valley at all. It is a very misleading heading.

My third point about the budget is that it never mentions the things that should be funded but are not. The classic example for Gippsland residents is the Pakenham bypass. It is a vitally important piece of infrastructure for the people of Gippsland and South Gippsland, yet the budget contains no commitment whatsoever to move the Pakenham bypass project forward. That is an absolute disgrace.

My fourth comment is that overall the budget lacks any details about ongoing projects or projects yet to be delivered. For example, in the previous year's budget some \$10 million was allocated for the Gippsland education precinct. Not one dollar of that has yet been spent, yet this year's budget contains no mention of progress and no mention whatsoever as to whether that money has been rolled over and is still available for that project or whether it has been thrown back into general revenue. These budget papers are deficient in that they do not report on projects which are ongoing or which have been delayed for some reason, and I say they should.

Those comments having been made, I want to use this debate to highlight the three critical issues of the 103 that I could have chosen but have not time to canvass.

The first issue is that of the Snowy River. There are a couple of aspects about this. We know that prior to the last state election the government when in opposition made a promise to return a 28 per cent environmental flow to the Snowy River. Yet once it got into government and looked at it, it watered that down to 21 per cent over 10 years, with 7 per cent to be found later than the 10 years.

I think there is real doubt as to whether that 21 per cent will be delivered. As I mentioned in the house two weeks ago, it seems that recent meetings between New South Wales and Victorian representatives with local communities suggest that that target might be down to a guaranteed 15 per cent. We still have not seen one drop.

The other issue I wish to talk about is the 'farce of the so-called lower Snowy River rehabilitation'. They are not my words; they are the words of one of my most respected constituents, with a wealth of knowledge on this matter, and that is Mr Jim Nixon of Orbost. If anybody read the *Age* on Tuesday, 11 June they would have seen a picture of Mr Nixon. It was a delightful picture of him fishing with his great-grandson in the Snowy River. It was a lovely picture; but the contents of the article were not all that lovely.

Mr Nixon has lived on the course of the Snowy River for all of his 90 years and has a vast knowledge of the patterns, flow and type of water movement in the Snowy River and the impact of extra flows. If you want to learn about the Snowy River you go and talk to Jim Nixon and he will happily convey any information you need.

What does Mr Nixon say about the Snowy River? He is very scathing about the proposed rehabilitation plans for the lower Snowy River, particularly in regard to the proposal to put logs in the river, supposedly to assist with native fish habitat. These are some of the comments in this article that was on the front page of the *Age* on Tuesday:

... plans to put logs back in the river to hasten the formation of deep channels and pools, has caused a storm of protest.

Jim Nixon, 90, a floodplains farmer and the grandfather of Gippsland East Independent member, Craig Ingram, says the idea comes from youngsters with no experience of the floods giving the Snowy its wild reputation. He fears the artificial snags will raise flood levels and add to debris.

Mr Nixon's views are shared by a great number of people. Unfortunately they are not shared by the Minister for Environment and Conservation. When the minister wrote back to me after I raised this matter on the adjournment on Tuesday, 19 March, she said in part:

The rehabilitation trial on the lower Snowy River is about to enter its main phase, which is to trial the effectiveness of large woody debris and vegetated sandbars to create bed diversity. One of the major objectives of this work is to determine the effect of these structures on any over-bank flooding and bed scour.

The minister's letter goes on to say that this is a trial program and if it proves to be successful they will use it in other rivers.

Well, as Mr Jim Nixon says, we do not need a trial; we know what the impact is going to be. Why are we being the guinea pigs on this government's trial to throw logs into the Snowy River? As I said, Mr Nixon's concerns are shared by a great number of people.

In my hand I have petitions signed by 103 local land-holders in the Orbost region. It is not in the appropriate form to be tabled in Parliament but it is addressed to the Premier. I have been asked to forward these petitions to the Premier and I will do so. Part of the petition says:

We the undersigned land-holders are concerned that there are proposals being put forward by people, not one of whom has ever experienced or even seen a flood, to put 'engineered logjams and in-stream structures' in the river between the gauging station and the bridge.

We are concerned that such structures will cause an increased welling affect, endanger the adjacent stream banks and various protective banks [built at great cost] and which, when breached will cause untold long-term damage, and long-term total loss of production.

We are also concerned that these structures will, at the full height of the flood, be washed away, causing erosion, and with the high volume of debris from upstream threaten and damage the various banks, the highway and the bridge.

These are people of experience, people like Jim Nixon and people like Gil Richardson, who is the chairman of the advisory committee from which he resigned in protest because of the folly being undertaken by this government.

I will have great pleasure in forwarding that petition with its 103 signatories to the Premier and I hope that he gives regard to the knowledge that those people who signed that petition have. It is unfair for the people in the lower reaches of the Snowy River to be the guinea pigs in an experimental project which is doomed to failure.

The second subject I wish to speak about has been raised by a few honourable members of this house during the adjournment debate in recent months. It concerns the impact of children's services regulations on neighbourhood and community houses. All of us who have neighbourhood and community houses in our electorates have probably heard some of these concerns.

We need to understand the nature of child care delivered by neighbourhood houses. Essentially, they provide an occasional care service when mum, or sometimes it is dad, may be in the next room undertaking a course at the community house and their children are looked after at the same location. If there is a problem, mum or dad are next door and can assist their child. These neighbourhood houses provide quite a different service to that of normal commercial day care centres. However they will all come under the new regulations which are proposed to come into effect on 1 June 2003.

Neighbourhood houses fear that the impost of these new regulations will mean that many of them will no longer be able to provide child-care services. They say that there will be reduced access to services, there will be issues associated with the employment of staff and there will certainly be a big financial impact on those parents using child care under a new structure.

I have received correspondence from Jenny Poon, coordinator of the Traralgon Neighbourhood Learning House, informing me of the course of action suggested

by people from the Association of Neighbourhood Houses and Learning Centres. They are putting forward a proposal in three parts.

They suggest first of all that there should be legislative changes to the state children's services regulations 1998. Essentially they propose a restricted licence service be applied to child-care centres in community and neighbourhood houses where the qualified staff ratio and the staff-child ratio would be different from those currently in the proposed regulations.

They suggest that there should be one qualified staff member for the registration of up to 21 children and that the staff-child ratio should be one staff member to seven children, regardless of age. As I said before, they justify this by suggesting that it is an occasional-care service. They cannot predict the number of children who will be at any particular session, and they know that mum or dad is immediately next door if there is a problem. It is a valid argument to suggest that in community and neighbourhood houses there could be a restricted licence service available for child care.

The neighbourhood learning house representatives make some suggestions about qualification levels for carers in child-care and community services, and they talk about the need for increasing their funding to assist with appropriate child care in these places. They express the need to ensure that the information provided by government is clear and can be interpreted easily, because some of these regulations are very difficult for people to interpret.

This is a real issue, and I fear that many of the child-care services and neighbourhood houses in our community will suffer and be forced to close unless there is a response by the government to some of those urgent issues.

The last issue I wish to raise concerns the use of the former Traralgon Hospital site on the Princes Highway in Traralgon. For years that site has remained vacant, and it has been an eyesore for those who pass along the highway, particularly those who enter Traralgon from the west, from where the site is very visible.

After much persistence on this issue I was advised that demolition of the old hospital would commence last December — over six months ago. Work still has not commenced, and it was only at recent hearings of the Cole Royal Commission into the Building and Construction Industry that the truth came out and the representative of the government mentioned that the delay was because of contractual arrangements between the union involved, in this case the Construction,

Forestry, Mining and Energy Union, and the selected contractor. As a result, the CFMEU would not approve the selected contractor for the demolition. Once again, it is a clear example of the unions, not the Labor Party, governing in Victoria.

This has meant the deferral of a very important piece of new infrastructure not only for the Traralgon area but for the broader Gippsland area. What is proposed, and what is being delayed, is a joint venture between the Latrobe Regional Hospital and the Latrobe Community Health Service. They have major plans for this site and propose to develop a health precinct that has four components: a Latrobe Valley community mental health services centre; the Latrobe Community Health Service Traralgon centre; a community residential care unit; and other community health and community-based services.

I received a briefing on this from the hospital's chief executive officer and chairperson of the hospital board, Val Callister, who was a member of the other house in years gone past and who, I might add, is an excellent administrator and does a great job for community health in the Latrobe Valley. She is very critical of this government for not moving more quickly on this important health initiative project for the Gippsland region.

As I said, the plans for the old hospital site include the development of a Latrobe Valley community health services centre, where community mental health services for the Latrobe Valley and the whole of the Gippsland region would be based. There is also potential for a professor of rural psychiatry to be based at that centre, as well as education and training in the area of mental health because of the fine association that the Latrobe Regional Hospital has with Monash Gippsland. Gippsland suffers more than other regions in not having adequate mental health services and facilities. This is a great opportunity to provide them.

The same is the case with the community residential-care development proposed for this site. It is suggested that there be cluster-style housing for 14 single-bed units that blend into residential areas. It would be staffed by health professionals 24 hours a day and would be a necessary transition facility for those who have mental illnesses in moving from hospitalisation back into the community. That much-needed facility servicing the whole of the Gippsland region is being delayed by the government's inaction on this particular project.

Also, the Latrobe Community Health Service has appalling facilities in Traralgon. It proposes that a new

centre be built as part of this community health precinct. Some 82 staff would be located there, and seven visiting services would be provided through it. It would be a much-needed and improved community health service for the Traralgon and Latrobe Valley areas.

The fourth component of this project is some allied community health services that could well be based there. It is a great opportunity, for example, for local government to house their child and maternal health facilities out of this site. It is also an opportunity to provide GP consulting suites and residential facilities, for example, for people whose family members may be patients at the nearby hospital. All these could be accommodated on this particular site. But the government has failed to act and get this project moving, so it is the people of Gippsland who are missing out.

I will leave my comments at that. They are just three pressing issues, and there are many others that we could talk about tonight. The people of Gippsland, like other people in country Victoria, are not getting their fair share of attention from this government. We do not see enough progress on some important infrastructure projects in the country regions of Victoria. If we say, 'Who cares about country Victoria?', then the answer is, 'Certainly not that mob'. They do not care about it at all. It is only people like those in the National and Liberal parties who represent those country electorates who are prepared to stand up and be counted on country issues.

**Hon. R. F. SMITH** (Chelsea) — This budget continues to deliver on the 1999 election promises of the then Bracks opposition. The government is taking the proceeds of a very strong economic performance and reinvesting it in Victoria's future. We continue to develop healthy surpluses — \$522 million in 2002–03 and a projected \$600 million a year for the following three years. Clearly that is an extraordinarily good performance for Victoria. I suggest the performance of the current Treasurer is in no small way responsible for that, and he ought to be commended by all Victorians.

This state is performing better than any other in the country, and the proof of that is in the facts. Our unemployment levels are the lowest in the country, and our education system, our health system and our police force, together with the lower crime figures, are all indications of a very strongly performing state. Another clear indication is that more people are now migrating into Victoria to enjoy those benefits.

In addition to all that, the Australian Bureau of Statistics shows that 32 per cent of all private new capital expenditure in manufacturing is coming to Victoria, which lays to rest the lie being pushed by the opposition that there is a mass exodus of jobs, investment and employers from the state. The record shows that that is completely wrong and that the opposite is true.

We are delivering a record \$3 billion in investment in infrastructure and \$317 million net to build a more caring, better educated and safer community.

**Hon. K. M. Smith** interjected.

**The ACTING PRESIDENT**  
(**Hon. R. H. Bowden**) — Order! Mr Smith should direct his comments through the Chair.

**Hon. R. F. SMITH** — In Chelsea Province the good news just keeps coming. In education the government has allocated \$4.7 million to build the new secondary college at Carrum Downs; and Derinya Primary School in Frankston South will receive \$2.78 million — and aren't they cheering about that! Happy days are here again in South Frankston. Frankston High School, an outstanding public high school with a very high reputation across the state, will receive \$2.34 million; Mount Eliza High School, the high school that my youngest attended, will receive \$2.22 million; and Konyung Primary School will receive \$704 387. In addition to that, preschools across the state will be the recipients of a further \$23 million.

In the area of health and community services Frankston Hospital, where we promised to deliver in 1999, has been given a further \$967 144 for medical equipment and ergonomic beds. The Frankston community health services will receive \$7600.

In transport and infrastructure the Bracks government has allocated \$445 million to the Scoresby freeway, and we will now just have to wait with bated breath to see what bover boy Tony Abbott does with his share of the money! The Frankston–Cranbourne Road, which is at present a horror road and very dangerous, gets \$11.7 million under the black spot funding program to duplicate the road surface. The budget also provides for better bus services out of Frankston with a \$4 million allocation, and transit city programs in Frankston will receive \$2 million. This is all good news, not only for Frankston in particular but for Chelsea Province as a whole.

In addition to all that we have allocated \$2 million for a much-needed refurbishment of the Anzac shrine, for which the Returned and Services League (RSL) is more

than grateful. That will be a very worthy contribution towards a much-needed refurbishment.

That brings me to the subject of political interference in the operations of the RSL. I was extremely disappointed to read the comments of the Deputy Leader of the Opposition in this house, the Honourable Carlo Furletti, who, as reported in the *Herald Sun* of 25 April, said it was time the RSL invited former enemies to march on Anzac Day.

If I could offer Mr Furletti some advice it would be this: stay well clear of that one, and stay well clear of the operations of the RSL. The RSL is more than capable of organising the Anzac Day march. I happen to be the government's representative on the committee that organises the march, and I can tell him first hand that the committee will continue to organise the march in an exemplary fashion. There is no role for politicians in that issue.

We have seen a remarkable resurgence in interest in the Anzac Day march as a direct result of the performance of the RSL. The march, whether the opposition likes it or not, is for one thing and one thing only: for us to remember our fallen, and no-one else's. As Mr Bruce Ruxton, the recently retired Victorian president of the RSL has said, 'If they shot at us they are not marching with us'. 'Hear, hear!', to that, I say.

It is easy for Mr Furletti to make his comments because he simply does not understand what it is all about. If he disbelieves me I suggest that he go and talk to the ex-prisoners of war who suffered the atrocities we are all aware of under the Japanese. He should ask them what they think about the Japanese being invited to march. Mr Furletti should keep out of it.

The RSL certainly appreciates this government's efforts in the budget — and in particular what it has done for the shrine — as do all the other sectors and beneficiaries across the state. The budget is absolutely first class. It is one that we on this side of the house are very proud of because it demonstrates that this government cares about all Victorians. I commend the budget to the house.

**Hon. D. McL. DAVIS** (East Yarra) — I rise to make a contribution to this budget debate. I make the point that I have made some contributions on other aspects of this annual budget, specifically aspects surrounding taxation and the government's decision to again raise taxes. I do not think I need to flesh that out again. However, I will refer to a number of other topics related to the government's administration and the way

in which this budget will impact on Victoria and how the Bracks Labor government is impacting on Victoria.

In general it is not a pretty sight, and the Honourable Maree Luckins correctly pointed out that this is a budget of windfalls whereby the government has been able to skate along very effectively on the strength of the property market and the national economy. In that sense I pay tribute to the Howard government for the work it has done to reform the Australian economy and in the spirit of political generosity say that that reform process at the national level is not a process that has had the involvement of only one political party. Back in the 1980s and the early 1990s there were significant reforms made by the then Keating Labor government — for example, competition policy reforms that are slowly working their way through the national system, the opening of the Australian economy and in particular the greater efficiency of the labour market that has flowed from the changes made by the Honourable Peter Reith in his period as workplace relations minister — which have all been key aspects of the strengthening of the Victorian and Australian economies.

The Victorian economy has benefited enormously from the weaker Australian dollar. As a state that has a very large proportion of Australia's manufacturing base Victoria has certainly benefited massively from the lower Australian dollar. I know that as the Australian dollar slowly rises again, which we are starting to see, there will be greater pressure on the Victorian economy. The dollar went down a little this morning but over the past few months there has been a steady climb. That increases the wealth of all Australians, and in that sense it is welcome, except for exporters and that section of our economy which is so dependent on the prices we receive internationally, whether it be the agricultural sector or the manufacturing sector or increasingly the services sector in which the Victorian community is also very strong.

Victoria has been an outward-focused state where the reforms of the national government a number of years ago and continuing very strongly under the current Howard government, both at the federal budgetary level and more broadly, and the reforms the Honourable Jeffrey Kennett and the previous Liberal government in this state instituted, have been returning significant dividends to Victoria. It is very clear when you look at those figures that Victoria has done well, but in a comparative sense Victoria's position has slid a little this year and last year, and in the longer term we are living off the capital of that Kennett government period. The ongoing strength of the economy is dependent not only on the reforms of the past but on the preparedness

to make continuing reforms to increase the competitiveness of the Victorian economy. I believe a future Napthine government would be prepared to make those commitments and reforms. The Bracks government, as we have seen from a large number of reviews and the sclerosis that has slowly set in to the decision-making processes of the Victorian government, has not positioned Victoria well for the future and, as I said, we are living off the capital.

One part of that sclerosis is found in industrial relations and increasingly we are going to see a more and more worrying industrial relations situation. The competitiveness of the Victorian economy is tremendously dependent on the image we put out to the community. The sclerosis in the Victorian economy is a great concern.

**Hon. K. M. Smith** interjected.

**Hon. D. McL. DAVIS** — It is almost multiple sclerosis, but I would not use Mr Smith's term in this context. I just say that the Victorian economy and the decision-making process has been slow.

Looking at the Australian Bureau of Statistics data released this week for industrial disputes over the six months to March 2002, Victoria had the largest number of days lost — 67 800. This accounted for 44 per cent of the days lost compared with New South Wales which lost 50 700 working days, or 33 per cent of the national days, and Queensland with 14 800 working days lost, which is 10 per cent of the national total. Over the nine months of the financial year 2001–02, Victoria had the highest number of working days lost of any state, with 101 000 or 38 per cent of the total. Bear in mind that Victoria has around 25 per cent of gross domestic product and maybe just a mite more than 25 per cent of the Australian population, so 101 000 or 38 per cent of the total can be compared with New South Wales which had 92 400 working days lost and Queensland with 31 700.

That is an empirical measure of the industrial relations situation we face in Victoria, which is likely to worsen with changes that have occurred in the ALP where we are starting to see the right-wing faction of the Labor Party slowly crumble and break up. New alliances are forming in the Labor Party which my colleagues on the other side of the chamber could more fully brief the house on, but it would be fair to say that those changes bode very poorly for Victoria and Australia.

The decision-making power that surrounds the left of the Labor Party will be greatly increased and the industrial relations situation will worsen significantly in

Victoria as a result. Premier Bracks, nice man though he may be according to some, will be held in a vice-like grip by the Labor factions as they impose their decisions on him. If by some chance the Labor Party were to win an election this year, it would be on for young and old as to who would get the cabinet positions, and the deciding factor would not be the quality of the prospective minister but their factional alignment and who was able to most successfully —

**Hon. Kaye Darveniza** interjected.

**Hon. D. McL. DAVIS** — I know enough about it, Ms Darveniza, as you would. In her your contribution Ms Darveniza might give us some predictions on how the new Labor cabinet — if there should be one — would look after the next election.

**Hon. C. C. Broad** — Of course there is going to be an election!

**Hon. D. McL. DAVIS** — I said, 'If there is going to be one'.

**Hon. Kaye Darveniza** interjected.

**Hon. D. McL. DAVIS** — I said, 'If', Ms Darveniza, and I was very careful to say that.

**Hon. Kaye Darveniza** interjected.

**Hon. D. McL. DAVIS** — No, I said it at the time, and I said it very carefully for that reason, Ms Darveniza. I have no doubt that there would be changes in the Labor cabinet up here and in the Labor cabinet in the lower house, and those changes would reflect poorly on Victoria's future if the Labor Party were returned to government at the next election. We would see a government that was even more sclerotic than the current one — a government that sent out the most shocking signals to the international community.

I want to give a number of examples of how this vice-like grip that the union movement has on the Labor Party is beginning to manifest itself. Not only have we not seen anything in the way of significant major projects launched in this period of government, even more surprisingly and of concern is that projects that were already in train have been compromised. Recently honourable members have heard the discussions about the upgrading of the Melbourne Cricket Ground and the government's refusal to take \$90 million of federal government money for that to be done properly for the Commonwealth Games, which will be a showpiece occasion for both Victoria and Australia.

Not only will the building of infrastructure help position Victoria internationally but it will be a showpiece occasion for Australia. Victoria has a duty to the rest of Australia to make a good showing with the running of this important international event.

Opposition members have been very unimpressed with the contribution of the Minister for Commonwealth Games. He has indicated to the house over the last week or two that \$77 million of Victorian government money will replace \$90 million of federal money for the MCG project because the state government is unprepared to accept the condition that the federal Minister for Employment and Workplace Relations, Tony Abbott, has placed on that money, which was that federal law ought be observed and the Office of the Employment Advocate ought have the right to visit sites.

Figures that I have seen suggest that building costs in Victoria are up to 20 per cent greater than in other states. You would have to ask yourself, Mr Acting President, why that enormous disparity would occur? It ought not be thought that that 20 per cent disparity is insignificant. It relates to all manner of government spending on projects, whether they be school projects, road projects or projects like the large sporting facilities that will be available for the Commonwealth Games.

The foolish idea that the Minister for Commonwealth Games put to this house that Commonwealth Games facilities would be put back drew in my mind the image of the television series *The Games*, where a series of spin doctors were buzzing around trying to organise a major event and it was driven more by the spin and the politics than what was projected to the world and the actual facilities. In that television show we saw the rearranging of pools to surprising lengths that did not match the international events. We saw a 94-metre running course instead of a 100-metre course because money had run out. I wonder whether we might see some foolish facility changes that will not deliver optimum results because of the impact of the unions in Victoria.

The state government ought just take the \$90 million from the federal government, accept the conditions and build the facilities to the highest possible standard. I have no doubt that Tony Abbott has made the right decision in insisting on proper and lawful arrangements on those industrial sites, and he should be commended for that. The state government has not gone about this in the right way. The Premier is simply captive to the trade union movement and that has led to an aberrant and foolish set of decisions.

But there have been other decisions. Today the Minister for Transport was on country radio making some surprising and disappointing announcements about country rail. This government was elected with much fanfare about the need to upgrade transport infrastructure, something all opposition members support, but the government trumpeted the need for fast country rail links and for a rapid transit link to the airport, which I hasten to add has been ditched unceremoniously in recent times.

**Hon. K. M. Smith** — Not another broken promise!

**Hon. D. McL. DAVIS** — An absolute broken promise. There was a clear promise that a rapid transit link would be built to the airport, and the Minister for Transport has managed —

**Hon. G. D. Romanes** interjected.

**Hon. D. McL. DAVIS** — He has said it will not. The Honourable Glenyys Romanes says that a rapid transit link will be built. She is at odds with the Minister for Transport.

The Minister for Transport said that it cannot economically be built and has ditched the project. I am staggered! If we have the unfortunate event of a Labor government returned we might see massive and unrestrained public spending on certain projects that have not been clearly thought through and where there is no sensible leverage with public-private partnerships. The government has been unable to achieve those public-private partnerships in any way on any significant project — some small projects, yes, but no projects of large and broad significance.

What worries me is that the rail projects group in the Department of Infrastructure appears incapable of managing these projects. Not only has it just ditched the rapid transport link but my strong impression from what the Minister for Transport said today is that the Bendigo rail project is in deep trouble, and it appears that no private partners have responded to the government's ideas and request for partners. That concerns me greatly, and I know it concerns many in the National Party. The government has been so lax that it has been unable to manage the projects in a sensible way.

I know the head of the rail projects group, Mr Cunningham, has been paid more than \$625 000 a year to manage that group which, to my understanding, has four country lines and the rapid transit link as its primary responsibility. The rapid transit link has been ditched and has created huge doubt about those country rail lines. We can only hope that it can smarten its

management footwork significantly, otherwise those projects will be off the rails, as they certainly appear to be at this point.

In the election campaign the government signed an \$80 million pledge. As I recall, Access Economics was the group that signed off on the government's pledges and promises. It is to the discredit of Access Economics that it signed off on that \$80 million as being sufficient to build those — —

**Hon. E. J. Powell** — Eight hundred million.

**Hon. D. McL. DAVIS** — No, it has become \$810 million. During the election campaign the then Bracks opposition committed \$80 million to the project but that quickly became \$810 million, the figure the Premier has said is required. He has committed \$550 million. Despite committing that amount, it is my understanding, confirmed on radio today by the Minister for Transport, that disappointingly there are no private partners. It is a disgrace! This is part of the broader problem in Victoria. The government is unable to bring significant investment to the state, from which we will all suffer — jobs will suffer in country Victoria as well as in the city. Transport infrastructure is important not only for moving Victorians and tourists; it is also important for moving freight. The quality and investment in our rail lines and the leverage that can be achieved by public-private partnerships and other arrangements in the private sector is significant, and concerns me greatly.

During the last election Premier Bracks gave a rolled-gold promise to Ballarat, his home town, that it would get that fast rail line, the 1-hour rail service, and the extraordinarily fast trains. With no private partners as promised the government will find it difficult to deliver those services. That is a tragedy for those country centres that are significant for Victoria. They are not only home to many people but home to many Victorian industries. Bringing them closer to Melbourne and to each other is crucial to ensuring the vitality and economic strength of the state.

The failure of these projects, if they were to finally fail, would be a significant blow to Victoria, and country Victoria in particular. I am extremely disappointed with the news I heard today on the radio. I believe a significant case can be mounted for massive mismanagement in the rail projects group in the Department of Infrastructure. The Minister for Transport has a lot to answer for — he has proved that he is unable to manage these projects adequately. The weakness of his proposals has been exposed by the hard work of the shadow Minister for Transport, who has

worked assiduously to understand what is going on at that rail projects group. We will find out more as he reveals the problems of the group over the next while.

Another way in which these difficulties are manifested is the ALP's membership and arrangements. In this place in the past I have raised the issue of the ALP membership clause, which is almost certainly illegal under the Equal Opportunity Act and almost certainly illegal under the federal Workplace Relations Act. I do not think in any way the ALP can claim that it is a modern clause in its membership arrangement. There appears to be some change in that clause on every membership form, which reads:

If I employ labour I will only employ union members.

That has been changed on the most recent form that I have been able to obtain over the Internet to read:

If I employ labour I will employ union members.

**Hon. R. F. Smith** — Sounds good to me!

**Hon. D. McL. DAVIS** — I am sure, with Mr Smith's background in the trade union movement. They would be captive, as many Labor MPs are, to their political background in the union movement and unable to exercise the freedom of decision making that Liberal and National Party members of Parliament are able to bring because they are not captive to their history in the union movement.

I make the point that before the last election the ALP promised to review that membership clause. David Feeney, whose future as state secretary of the ALP appears to be on the skids, promised in the *Herald Sun* before the last election to review that membership clause. After the election he recanted, breaking the commitment or statement that he made in the *Herald Sun* and refusing to review that membership clause. I call on the ALP, as part of its alleged reforms — —

**Hon. R. F. Smith** — Don't bother, no-one's going to listen to you.

**Hon. D. McL. DAVIS** — Well we'll see, Mr Smith — —

**Hon. R. F. Smith** — I guarantee no-one's going to listen to you.

**Hon. D. McL. DAVIS** — Someone will listen, because it will further highlight these links between the trade union movement and the Labor Party.

I call on the Labor Party, as part of its modernisation, to drop not just the 60:40 rule but also the clauses that are

part of its membership rules and part of its constitution, which I have referred to in other debates, that require people to be members of trade unions where that is possible in particular industries. I believe those clauses and rules are very unsatisfactory and unfortunate in a modern economy.

I need say very little more about this budget, except that I think the future for the Bracks Labor government is not good — and the future for Victoria is tied, unfortunately, to the Bracks Labor government. I would be very concerned about Victoria's future if this government were returned to office, because investment, whether in rail projects or other things, would continue to decline and country people and city Victorians would suffer tremendously. I look forward to hearing other contributions to this debate.

**Hon. R. M. HALLAM** (Western) — More than anything else, what the Treasurer, the Honourable John Brumby, wants of his second budget is that it be accepted and characterised as responsible. He has worked very hard to sell it as a product of sound financial management. Indeed his speech and the budget documents are replete with the criteria, outcomes and projections which are said to confirm this responsibility and this soundness. The reader of the budget and the documentation which supports it is encouraged to believe that the Honourable John Brumby is somehow some sort of miracle worker.

The message is that despite the terrible things that the Bracks Labor government inherited from the Kennett coalition, the economic fortunes of the state have been turned around and this miracle has been achieved through conservatism and prudence and the skill of the hands on the economic tiller. It is that message that I want to critically analyse and examine this evening.

I begin by saying I have absolutely no argument whatsoever with the criteria employed as the indicators and evidence of that sound financial management. Indeed, I commend Labor on the selection of those criteria. I cannot think of a more appropriate set of tests. Again and again they are cited in the documentation in the following order.

Firstly, we read of a commitment in respect of the maintenance of an operating surplus of at least \$100 million. We are told that there will be very careful control of debt levels in the state. We are told to expect that the level of financial liabilities generally shall be prudently managed. And beyond all that we are told that we can expect to see these factors reflected in the continuation of our AAA credit rating.

I am happy to put on the record that if I were framing this budget I would have exactly the same tests at the top of the page. Indeed, I would be very proud to frame a budget which returned the surplus of \$522 million which is predicted in the one before the chamber. I would be proud to frame a budget which was designed to produce a further reduction in debt levels. I give credit for the extent to which the budget is providing for a further decline in the financial liabilities of the state. I would be proud to have the ratings agencies provide evidence of the continuing support for our creditworthiness in the form of a AAA credit rating.

So I say to the Honourable John Brumby, 'Well done, you've actually got the criteria right. We have no argument with you at all'. These are exactly the same financial objectives that I would pursue if I were in the same position. But then I am a conservative by nature: I sit on the conservative side of the Parliament, and I am expected to be driven by prudent management theory. That is what makes this budget different, because here we have a Labor Treasurer outflanking the economic rationalists; here we have a Labor Treasurer competing on the basis that, 'I'm more prudent than you'; and here we have a Labor Treasurer demonstrating more responsibility than the combined sum of all his party predecessors. I genuinely commend him on all those features.

Two fundamental questions arise as a result of that stance by the Treasurer. The first of those is: why would he adopt such a position when it is so dramatically different from that of his Labor predecessors? The second question I want to examine is whether in fact we should expect that he can deliver on the undertakings he has given.

It is pretty obvious why Treasurer Brumby has adopted the approach that would be seen in many circles as quite novel for a Labor Treasurer. The facts are that Labor was well and truly on the nose in terms of economic management when they were last on the Treasury benches. The Cain and Kirner administration had been banished in disgrace because of its total disregard for economic theory and Labor had destroyed the Victorian economy through a mixture of ignorance, wanton mismanagement and outright deceit. It is not surprising, then, that the Bracks government would adopt as a primary objective distancing itself from that terrible legacy left lingering after the last time we had the misfortune to have Labor in charge of the public purse.

It is not just appropriate financial management but in my view it is driven by smart politics as well. For just a moment I want to look at the same financial

benchmarks that the Honourable John Brumby uses to graphically remind the chamber and the Victorian community just how grim the Kennett government's inheritance was when it came to power.

I want to use the first criteria that the Treasurer offers us, and that is in respect of the operating budget. I recall that when Alan Stockdale took the reins on 27 October 1992 he inherited a budget that had been framed just a few weeks earlier by Labor which anticipated an operational deficit of just on \$1500 million. In other words, the then Labor government was saying that it expected the debt of the state to increase by \$1.5 billion just to meet recurrent operating costs.

When we took into account all the fancy footwork, the camouflage, the contrivance to defer expense and to bring forward revenue, the deficit was closer to \$3000 million. It was a horrific financial position. Worse still, was the evidence that Labor in government was prepared to connive and contrive to hide the truth from Victorian taxpayers. When the undisclosed landmines went off, as they inevitably had to, so did the remnant reputation of Labor go with them — they both exploded! So it is no wonder that the commitment in respect of a budget surplus is at the head of the list. It is no wonder that Labor today claims and craves openness, accountability and financial responsibility.

I want to go back to the same list that the Honourable John Brumby uses to demonstrate his prudence. The second is the benchmark that relates to debt levels. The last time Labor had a stint on the Treasury benches it presided over a monumental blow-out in debt levels. My recollection is that under Labor it went from something less than \$10 000 million to something in excess of \$30 000 million. More importantly, much of that blow-out occurred in something like the last two years of that disastrous administration. It is very clear that much of that debt was incurred to meet recurrent expenses. In any other circumstance, incurring debt to meet recurrent expenses is a pretty good sign of an enterprise in its death throes. Yet here we had a massive enterprise, called the state of Victoria, demonstrating all those terrible features. It is a matter of history that it was the Kennett administration that got the terrible debt legacy under control.

That facts are that when Labor had the good fortune to come back to the Treasury benches, the debt levels were something in the vicinity of \$6000 million. So all the hard work had been done. Beyond that, I understand why the present administration is working so hard on the story that the debt levels must be under control.

I offer two asides to the chamber on this story we hear from the current government in respect of debt levels. The Honourable John Brumby insists on excluding Growing Victoria, the infrastructure reserve, in all his debt level assessments. We have had a discussion on that specific issue before the Public Accounts and Estimates Committee. I have told the Treasurer that I agree with his accounting rationale that the reserve is already committed and to that extent not available to pay down debt and on that basis it can certainly be argued it should be excluded. To that point we actually agree. But the exclusion of Growing Victoria does have some curious effects.

The first thing it does is to blanket the real shift expected in debt levels and the claimed decline in general government net debt represents something of the gilding of the lily. That is the first issue. I wonder why the Honourable John Brumby is so determined to exclude Growing Victoria. I hear the argument but I would love to have the debt levels demonstrated in both forms. It is interesting to me that they are in only one form.

The second aside I offer the chamber is that we now note the descriptive title 'General government net debt'. I am very pleased that we have overcome the stand-off which occurred last year when the Treasurer confused the measures of debt in the comparison he employed for the Victorian community. When I challenged him before the Public Accounts and Estimates Committee, he refused to acknowledge any problem even though his comparison had a hole of \$1000 million — there was a jump in logic that amounted to \$1 billion. This year the Treasurer says he has upgraded the definitions and they are now consistent and he was prepared to acknowledge before the Public Accounts and Estimates Committee that he has entitled it the 'Hallam amendment'.

I say to the Honourable John Brumby: thank you for that belated acknowledgment. It could have been more gracious when the mistake was originally drawn to your attention 12 months before. There was a mistake. The debt level reported was wrong and it would have been better had it been acknowledged at the time, but we should be grateful for small mercies.

**Hon. Andrew Brideson** — Better late than never!

**Hon. R. M. HALLAM** — Better late than never. I return to the listings offered by the Treasurer, again to demonstrate financial prudence. He uses the financial liabilities test — or, perhaps more graphically — the state's credit rating.

The Treasurer says that the retention of the AAA credit rating is of critical importance and of course we say ‘Amen’ to that. Our only query is: where was he the last time we had the misfortune to have Labor in charge of the bank? He was in the background somewhere and I do not remember him running the line then that he is now insisting has been his consistent position.

Let’s recall that Labor presided over the embarrassment of our fall from grace. Under Labor we were humiliated with several downgrades in a short time. We suffered the ignominy of being outranked by a handful of Third World basket case economies. We had to pay inflated prices to service the massive debt level and to secure the accommodation needed just to meet the day-to-day costs of operation. We were in a conventional debt spiral known across the accounting fraternity with servicing costs rising because of our declining credit worthiness.

It is no wonder that the Treasurer wants to keep the AAA rating and we should applaud him for it, but remember that it was the coalition government that clawed us back up the ratings ladder and it was painful and we did not get much support from the opposition of the time. I remember the now Treasurer being vociferous in his opposition to the major capital program which was the centre of the turnaround. That is why he has adopted all the right economic and financial management benchmarks. It is simply to distance himself and his colleagues from Labor the last time it was in government. For all that, that is why he wants to run the right measures. That is the answer to my first question about why the Treasurer would want to be seen to be so prudent in administration.

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

**Hon. R. M. HALLAM** — Prior to the untimely intervention of the dinner break I had been canvassing the irony of a Labor Treasurer out-rationalising the rationalists. I suggested that position had posed two fundamental questions. The first of those would be why the Honourable John Brumby would see the need to be more conservative than this side of the chamber and then I explained why it was that he so desperately craved credibility. To distil it to one sentence: it is because Labor’s reputation is so bad.

I posed a second question as to whether the Treasurer could deliver on all of the grandiose promises that he had been offering the Victorian community and it is the second question that I now intend to canvas. The first point I need to make in defence of the Treasurer is that up until now he has delivered. He delivered a budgetary surplus in the first budget, that of last year. I

acknowledge that debt levels and financial liabilities appear at least to be under control. We still have our AAA credit rating and I make the point that so far, so good.

But I also want to remember the inheritance the Treasurer had the good fortune to take over. The facts are that when Labor came to power we had an economy going gang-busters and a massive budgetary surplus. So it seems to me to be appropriate to pose the question of the longer term. In that context there are two very clear standout factors. They have both been canvassed in debates during the current parliamentary session, but I want to go back and put them in context.

The first of those is Labor’s relationship with the union movement; the second is the prevailing economic conditions. Let’s go to the question of the relationship with the unions, because that is absolutely pivotal to Labor’s performance. The bottom line is that the Honourable John Brumby still has to acknowledge the lead in the saddlebags that is common to all his Labor predecessors. His allegiance to the union movement — or more particularly, perhaps, the extent to which this sector of the community dominates the direction of Labor and influences policy outcomes — is a very powerful factor. The lead in his saddlebags is more specific to the extent that it relates to the payback which the unions will extract for their support at the ballot box.

I suggest to the chamber that might be a terrible price in overall economic terms. The simple truth is that if governments do not cave in to wage and condition demands then we can expect industrial disputation and the black-banning of major projects. If governments do give in, as Labor governments invariably do, then we have the flow-on costs in terms of our competitive position. One of the ironies of politics is that the union movement is more demanding of Labor governments. It expects more, it talks tougher, and it extracts a greater price at the end of the process.

**Hon. E. J. Powell** — It’s payback time.

**Hon. R. M. HALLAM** — It is payback time, Mrs Powell.

And so, particularly given that the union movement, in terms of its overall charter, is very selfish indeed — it is only really concerned about those who happen to be members at a particular time; it does not even worry about future or past members — the union leaders see their brief as being nothing more than better terms and conditions for the membership at any particular point in history. Particularly as the membership of the union

movement dwindles and it becomes less and less relevant, the price of subservience and acquiescence becomes even greater.

There are a whole range of examples, and those who are not convinced could do no better than to read the debate in this place no more than a week ago, and the example after example offered by the Leader of the Opposition, the Honourable Bill Forwood. Again and again we heard of pressure in the workplace with the Labor government sitting idly by, and there were a whole range of really graphic illustrations. I am more concerned about the most recent rumblings, because we now have no less than the federal leader of the Labor Party under challenge from the union movement. The Honourable Simon Crean himself is now being challenged by those who see themselves as powerbrokers. I find that very salient, particularly given Mr Crean's background in the union movement. We have a classic example before the chamber — and it has been instanced many times in the last two days — of the knock-back by the Bracks government of the \$90 million on offer from the federal government for the redevelopment of the Melbourne Cricket Ground, which in my view is a grim reminder of who is actually running the show in Victoria. It is not the government at all — it simply acquiesces as soon as the pressure comes on — but the union movement that is calling the shots.

At least so far as my reading is concerned, Treasurer John Brumby has many more battles ahead of him in respect of the unions. This represents the most critical challenge to his financial blueprint as spelled out in the budget documents.

That is looking at the problem from an economy-wide context. If we confine the issue to the Victorian public sector the challenge becomes even more succinct. It is important to recollect that on coming to government the Labor administration acknowledged some basic pledges that were given from the comfort of opposition. Police numbers were to be expanded by 800 officers serving on the streets; nurses were to be awarded a dramatic advantage in the form of nurse-patient ratios and a new structure in respect of their awards; teachers were to be granted a new award structure with lower teacher-student ratios; and the rest of the public service was granted pay increases and permanent employment status.

I want it on the record that I do not begrudge any of those public servants the conditions they have won. I say good luck to them if they have been able to secure a better outcome. However, it is much easier to be a magnanimous employer than it is to be one who sees

the realism of the circumstances, particularly as in this case the employer can simply pass on the cost to the Victorian taxpayers. This is no new message for me. I do not see a Santa Claus in the wings. Someone has to meet the increased costs. It is only now that the deals done by Labor are beginning to bite in terms of their full year effect on the Victorian budget.

I instance one example. In my view it is a classic, yet it is but one example. Under the deal struck with the nurses a new nurse-patient ratio has been accepted by government and has been imposed on our public hospitals. Our hospitals were told to go out into the marketplace and recruit additional nurses to meet this new ratio that had been accepted from on high. Leave aside for the moment the increasing costs of enticing more and more of our retired nurses back into the work force, or perhaps more specifically back into the public hospital sector. Let's just remember that what Labor has agreed to, according to the Minister for Health in another place, the Honourable John Thwaites, is approval for the employment of an additional 3000 equivalent full-time nurses in our public hospital sector. That is a statement of fact.

The question arises as to how that is to be funded, because it is now becoming clear that our country hospitals — at least the ones I can speak about from first-hand experience — have not been funded for that new level of employment. I suspect — although I make it no stronger than that I suspect — that maybe only about two-thirds of the new nursing structure has been funded in the last round of budgetary allocations. My real concern is that many of my country hospitals will be facing massive budgetary deficits as a direct result of a deal done beyond them in terms of the nurse-patient ratio.

My point is that that deficit has not yet found its way through the state budget process; it is not yet showing up in the bottom line. I think there is a disaster in the making in that form in the public health system. That is but one example of where the true cost of Labor's subservience to the union movement has not yet filtered through. There is more to come in costs of the police service and the teaching staff, and that completely leaves aside the sweetheart deals done with public servants generally.

One of my personal commitments to the chamber and to my colleagues in the National Party is that I shall ensure that the Auditor-General is following the costs underlying the public sector employment trends under this Labor administration. I shall be inviting the Auditor-General to pay particular attention to this issue as part of his new responsibility to attest to the realism

of the assumptions and projections underpinning the budget. I reckon we have a budgetary disaster in the making, and if I am right I want an early warning signal from the Auditor-General.

The second factor determining whether the Honourable John Brumby can deliver goes to the question of the prevailing economic conditions. He would have us believe that he has done some really great things in directing our economy, and to that degree I extend my hand, but I am experienced enough to know that the states are bit players in the grand scheme of things, and even if we had a Midas at the controls we could well be swamped by national or international factors way beyond the control of state treasurers.

Since Labor took control of the Victorian Treasury bench the Australian economy has been expanding. We have experienced very buoyant conditions, made even more meritorious by comparison with the economies against whom and with whom we trade. The truth is that our economy has been going well: confidence levels are high, inflation has been retained at an historically low level, interest rates are a fraction of those we suffered last time Labor was ruling federally, our dollar is competitive, our commodity prices are good and we have had two consecutive bumper seasons right across Australia. I cannot believe the turnaround that that represents compared with where we were, say, 10 years ago.

Leaving aside the question of who is entitled to claim the credit for that turnaround, the fact is that people are coming back to Victoria and the place is buzzing. Whatever else might be concluded, it must be acknowledged that the Victorian economy is on the upstroke, and the one thing I can testify to from my experience prior to politics is that it is much easier to manage a business that is expanding than one that is contracting. Sure, you still have plenty of problems, but they are the right sorts of problems. When the business is expanding you are putting people on and everything is running your way. You might struggle to cope before you put on the extra staff, but you build some fat into the system through that process of coping. When the business goes sour, I can tell the house from real experience that you have to resist the decision to lay people off, and that is very costly; and then there is the unbudgeted severance pay to cope with, and so on. It is a completely different management brief.

The point I make is that to this point the Honourable John Brumby has seen only the upside, and yet it is he who is predicting that there will be some slowing. He acknowledges that there will be a shift in respect of some of the key sectors; he certainly acknowledges that

there will be a slowdown in the property market. While I do not want to be a Jonah, I have been around long enough to see the portent of the weather conditions we are currently experiencing. I do not want to live through another 1982–83, but the economy has all the trademarks of leading to precisely that right now.

I will illustrate the point I am trying to make. When the Honourable John Brumby was framing the budget for the year we are about to end — that is, 2001–02 — he said we should anticipate an income of \$23.465 billion, and on the basis of that he framed a budget which assumed that we would spend just under \$23 billion — \$22.957 billion — and said that therefore we could expect to have a budgetary surplus of just over \$500 million. It was a very conservative structure. We have not got to the end of that period yet but already the same Treasurer is saying, ‘Hang on, we’ll have to go back and have another look at our projections because we did not get \$23.4 billion, we actually received a tad over \$25 billion, and \$1.5 billion of that — almost 7 per cent — came in the form of income we did not anticipate’.

There are two stand-out features in respect of that situation. One of them has been talked about again and again in this chamber, and in my view it is incredibly pertinent to note that the bulk of the increased revenue came from taxation, mainly duty on land sales.

But beyond all that, the thing which is significant from my point of view — and the point has been made really well earlier this evening — is that despite the revenue being \$1.5 billion beyond that which was anticipated, the surplus is only just \$260 million more than was projected 12 months ago, or less than 12 months ago. In other words, almost \$1300 million of the additional revenue which was not anticipated has been blown. That in my view is incredibly salutary. We have not even got to the end of the year — we are still a fortnight out — and yet all the increased income that came beyond that which had been anticipated, bar a figure of \$260 million, has been blown. It would not be quite so bad if we had used that on something worthwhile. But the budget itself confirms that that increase in revenue has been gobbled up in additional expenses. We are told, for instance, that \$500 million of it has gone in additional superannuation expense. If you go beyond the headlines, we are told in respect of that \$500 million that it was caused by ‘poor equity market performance and one-off actuarial revisions’. So here is a cost of operation taking almost half the unexpected increase in revenue.

Two fundamental points flow from that. The first is that the Honourable John Brumby could not get within

10 per cent in terms of projecting tax revenue. I make the point as an aside that that is even more pertinent, given that this is perhaps the most important part of his discretionary income. The rest of the budget is almost beyond his control. Here is the tax component — the one bit he does control — and he cannot get within 10 per cent of that.

I raise the question: if the Treasurer cannot get within 10 per cent of the bit he does control, we are entitled to ask how it was he got it so badly wrong. Is it deliberate conservatism — in other words, is the Treasurer providing even more conservatism, even more free board than he is prepared to report to the Victorian community? Is it simply good fortune in that Labor has presided over a cyclical upturn in our economy, or is it downright bad forecasting?

**Hon. K. M. Smith** — It's bad forecasting.

**Hon. R. M. HALLAM** — It is a matter of opinion, Mr Smith, and you know me — I am generous by nature! I am prepared to give — —

**Hon. K. M. Smith** — Too generous.

**An honourable member** interjected.

**Hon. R. M. HALLAM** — To a fault — thank you.

**Hon. K. M. Smith** — Particularly in your speech tonight, the things you said about Brumby.

**Hon. R. M. HALLAM** — I am prepared to say, Mr Smith, that we should give the Treasurer the benefit of the doubt.

**Hon. K. M. Smith** — — No, he's from Labor.

**Hon. R. M. HALLAM** — But I am less generous when it comes to the next issue because almost the entire windfall gain has been blown. There is no other way to describe it: it has been blown against the wall. And what is worse is it has not been directed to capital investment, but it has been blown on operational expenses. In my view that raises one very fundamental question. That question is: what would be the bottom line of the budget we are considering this evening had it not been for that windfall tax revenue gain? Let me pose this one simple question.

**Hon. Bill Forwood** interjected.

**Hon. R. M. HALLAM** — Will it? Thank you, Mr Forwood. Let's start with the premise that at least \$500 million of it was incurred on superannuation. That is not discretionary expenditure. If we take that one single line item into account, we now have a budget in

deficit here tonight. If it had not been for the unexpected increase in tax revenue — the windfall, based upon the government's own budgetary documentation — we would be today in a budgetary deficit circumstance.

Where does that take us? What is the next question that flows from that, particularly given that even Labor itself is predicting a slowdown in the economy and in the property market across Melbourne. In that context I want to go back to the quaint logic we have heard again and again in this chamber from the Labor benches — the logic employed to justify the government's decision to not take up the offer to provide any stamp duty relief in the face of a booming property market and activity levels which will not have been recorded in the past, particularly in the residential sector. We have had giddy growth across that sector, particularly when we compare median property prices.

No-one can deny that the Labor administration has had a windfall gain of several hundred million dollars. As recently as last week in this chamber Ms Mikakos was pouring scorn on the Liberal Party for making the suggestion that this government should somehow be prepared to even consider a return of the windfall gains to Victorian taxpayers. I want to look at the logic that was involved at that time and at Labor's response. It seems to me to be significant that Labor itself is expecting the property market to go off the boil; and there in my view is the first danger signal for the Labor administration unless the expenditure is carefully controlled. So here comes the real test, and I want to put that to the chamber, but I want more than anything else to go to the logic now being employed that Labor should be returning some of that windfall gain.

What Ms Mikakos was saying on behalf of the Labor administration was that today we cannot provide relief to those taxpayers because we expect prices to go off the boil. What sort of convoluted logic is that? She is saying, 'We have the windfall and we are going to keep it and we are now going back to some sort of baseline'. What she is really admitting is that the windfall gain is there in the Treasury coffers, that it would be available for some sort of return to the taxpayers who paid the incredible premium and that it would not be beyond the wit of mankind to find some way in which to make that relief retrospective. In fact it would make very good sense, because in the way she framed the argument Ms Mikakos herself acknowledged that the windfall revenue is already in the pot.

I, for one, certainly do not accept the Labor logic. The facts are that the Labor administration received a windfall gain as disclosed by its own budget

documents. The government has the revenue from which it could fund the relief that has been called for. In my view the real story is that the revenue has already been spent; and more significantly, it has been spent on unbudgeted items. It has been blown! We would not accept that in a household budget; and here we have the highest prudential manager in the land saying, ‘We cannot provide the relief because we expect the revenue to dry up’. I do not — I cannot — believe that the Honourable John Brumby accepts the rationale for that decision, so I take very little comfort from Labor’s assurance of prudence and responsibility.

Labor has survived thus far more on good fortune than by good management. I suggest that the real test will come should the economy go off the boil. Then we will see whether the leopard has really changed its spots or whether the only real differences between John Brumby and his Labor predecessors are the prevailing economic conditions and the prudential spin doctors to which he has access.

It is the issue of spin that I now want to turn to, because while I admit it is not a new subject for me, it is one that certainly grabs my attention. I admit to being incensed by the extent to which the budget documents have been converted from a clinical blueprint of expected taxation revenue to what these will now be — a glossy public relations exercise.

I rail against that, because it is inappropriate and wrong and does none of us any justice at all. I acknowledge that some of the inappropriate features have been softened. For instance, I note that in the budget documents we no longer have a chapter headed ‘Restoring democracy’, as we did last year!

I take some credit for the fact that that no longer appears, because I threw the greatest bucket I could find at the inference that heading made. But I am very unhappy about the extent to which the Department of Treasury and Finance has been conned into a political agenda, as distinct from an accounting exercise, and the extent to which the influence of the economist has been replaced by that of the spin doctor.

I want to start with the most obvious example. Under Labor, when we get to budget day there is virtually nothing left to report, because it has all been leaked to the media, it has all appeared in other glossy documents and it is all out there in the marketplace. The budget has no credibility at all anymore; it is all part of a public relations blurb.

Last year a document appeared before the release of the budget entitled *Better Business Taxes — Lower, Fewer,*

*Simpler. This year we had a gem — Building Tomorrow’s Businesses Today — with the subheading Competitive, Innovative, Connected!*

I would love to know who thought up the title, and I would be distraught if I learnt it was someone in the Department of Treasury and Finance. I bet there is no-one in the department who is prepared to claim credit for the title.

**An Honourable Member** — It must have been one of the spin doctors!

**Hon. R. M. HALLAM** — Well, both documents contain the so-called business tax cuts, as claimed by the Honourable John Brumby and parroted by every member of the Bracks government, but clearly the documents are nothing more than a device to publicise this particular feature of the budget and get a second bite at the cherry.

I am happy to put on the record that I do not mind the additional information; in fact, I applaud the additional information included in these glossy documents. What I resent is that they are released before the budget — and they replace the budget. If they are going to replace the budget, I want to know that the officers in the Department of Treasury and Finance have vetted them on that basis. If they are a genuine vehicle of information, that is fine, but we should see them released at the same time that the budget is released — or better still, we should see them released afterwards.

I am very cross with the officers in the Department of Treasury and Finance on that score, because they have been run over. However, I am more concerned with the terminology they have used. I refer in particular to the heading ‘Tax cuts delivered’ and the claim, repeated again and again by the Honourable John Brumby and government members in this place that \$1 billion in tax cuts has been delivered in the first term of this government.

When I tackled the Treasurer at the Public Accounts and Estimates Committee on the claim about the tax cuts when the relief clearly went beyond the budget year and even beyond the date of the next election and therefore could at best be described as ‘tax cuts promised’, he was adamant that the tax cuts had been delivered. In fact he was indignant that I should challenge him.

**Hon. W. R. Baxter** interjected.

**Hon. R. M. HALLAM** — I know where the pressure is coming from, Mr Baxter. I know the sort of influence that would be applied to the Department of

Treasury and Finance, but I am still very disappointed that proudly independent public servants have succumbed to the use of doubtful and misleading terminology.

I resent the description of tax cuts delivered when it is applied to tax cuts which may be made available in the future, particularly when the vast bulk of the notional tax savings fall in years beyond the budget year, and when the government's own tax estimates of tax revenue will more than offset any notional savings to be claimed in the interim. The bottom line is that tax revenue is expected to climb. As it happens, it will climb a bit less dramatically as a result of these savings.

I have an even more basic complaint. Now that these public relations blurbs are effectively part of the budget, I want the Department of Treasury and Finance to vouch for their accuracy and their appropriateness. I refer to a classic example — that is, *Building Tomorrow's Businesses Today — Competitive, Innovative, Connected*, which is about Victoria, 'The place to be'. It is a Victorian government business statement dated April 2002. In particular I want to go to page 11 which purports to depict business tax cuts delivered under Labor.

Mr Acting President, I have sought leave to have the chart which appears in that document incorporated in *Hansard*. I seek leave for that approval by the chamber.

*Leave granted; see chart page 2048.*

**Hon. R. M. HALLAM** — Mr Acting President, I have reported my intention to seek incorporation of this chart with the Deputy Leader of the Government, with the Leader of the Opposition, with *Hansard* and with the President, and I now circulate copies so that members of the chamber can take on board the argument I intend to mount.

I want to leave aside the question of the extent to which these purported tax cuts fall beyond the budget year. For those who have a chart in front of them, let me remind them that we are talking about 2002–03. I also want to put on the record that the Labor government and the Treasurer in particular have argued that what this chart depicts is the aggregate of the tax cuts announced last year and those announced this year. Attached to that chart are extracts from the last two budget papers. Honourable members will see page 273 from last year's budget statement and pages 29 and 30 from this year's budget paper 2. I am not trying to sneak up on anybody; I am using the government's own documentation.

I want honourable members to understand that in this document the Treasurer says to the world at large, 'We have offered you \$1000 million of business tax cuts'. You do not have to be a Rhodes scholar to work out that there is something fundamentally wrong with the chart. Just go from the left across to the right and do the sums. It is not \$1000 million; it is almost \$1500 million — almost \$1.5 billion! There has got to be something wrong.

There are two things wrong with this chart. I put the Treasurer on inquiry before the Public Accounts and Estimates Committee and said, 'Treasurer, just a quick glance at the chart indicates that there is something wrong because there is more than \$1000 million in the depiction you have provided for us' — and he dismissed it. That was three weeks ago; he has had three weeks notice. I had not worked out what the problem was at that stage.

Here are the two problems. The first is that he got the dates wrong. Read the date at the top and then the date at the bottom; they do not coincide.

**Hon. W. R. Baxter** — He missed out a year.

**Hon. R. M. HALLAM** — No, he just got it wrong. He did not miss out a year at all.

Then, go to the last year, 2005–06, and look at what is now claimed in the budget documents. It is nothing like the tax cuts that appear in the chart. In fact, the tax cuts in the charts now provided in the budget documents amount to \$62 million. How does that equate with this chart? I would love someone on the Labor side of the chamber to have a go. Who wants to have a shot at the title? Who would like to explain what this Treasurer is on about?

I said to him before the estimates committee that there had been some double-counting, and here is the proof: what has happened in the year 2005–06 is that someone simply added on the tax cuts for the previous year and replicated them in the chart. It is about \$450 million out, which is exactly the amount I put the Treasurer on inquiry about. It is exactly what I told him was wrong. You do not have to be a Rhodes Scholar to work it out.

**Hon. W. R. Baxter** — Has he come clean yet?

**Hon. R. M. HALLAM** — No, he has not. I said, 'I think there has been some double-counting, Treasurer'. 'Oh, no!', he said. 'That could not be the case'. But here is the proof: one whole year of tax savings double-counted in the charts he now invites the Victorian community to take on board. I say to the Treasurer, I will accept his written apology, and be very

pleased to get it. The chart is wrong and quite misleading, and he has been caught out again.

Isn't it interesting that every time there is a mistake discovered in the budget documents it always happens to be in favour of the government? Why would it not — just once! — happen to run in the opposite direction?

**Hon. W. R. Baxter** — If it was a genuine mistake — —

**Hon. R. M. HALLAM** — If it was a genuine mistake we would get a fifty-fifty rule; it would not go one way or the other. Here, in my view, is a deliberate attempt to confuse and mislead. I say to the Treasurer, 'This does not do you any credit and I look forward to your written apology'.

In the same vein I am sick of all the attempts to dress up the trends in gaming revenue — attempts driven by Labor's specific undertaking to reduce its reliance on that source of revenue. I refer the chamber to the contortions of the Treasurer; they are something to behold! He has been effectively reduced to arguing that Labor is meeting its commitment because the rate of growth in gaming revenue is moderating.

I pause there for people to take time to reflect upon that claim. How is that for using the angles? Shane Warne would be very proud again.

#### **The ACTING PRESIDENT**

**(Hon. R. H. Bowden)** — Order! There are two honourable members on their feet in the chamber. One member has been on his feet with his back to the Chair since 8.33 p.m. Another member is in the chamber out his place with his back to the Chair also. I want both those members to sit.

**Hon. R. M. HALLAM** — Thank you for your protection, Mr Acting President.

I am unhappy with the Treasurer's determination to dress up the facts and his attempts to get one past me, but I am actually more unhappy with the Minister for Gaming in that context because he does not even attempt an explanation. He simply washed his hands when he appeared before the estimates committee.

But beyond that I am unhappier still with the Department of Treasury and Finance, from which I expect the facts, warts and all. I do not expect some dodgy chart which records only the rate of growth and then claims some progress.

I am consoled to some degree that at least this year the Treasurer did not rely upon the chart that he produced

before the Public Accounts and Estimates Committee last year. That might be as a direct result of the fact that I poured scorn on it when I brought it before the chamber in the debate last year. He still trots out the argument: he still says we should be impressed because the revenue derived from gaming is in fact growing at a slightly reduced rate. I suggest to the chamber that the fact that the Treasurer is prepared to resort to such shameless trickery highlights even more the need for the Department of Treasury and Finance to be determined in protecting our reporting standards.

I make the point that we have come a long way in the last few years in terms of accounting and reporting standards. I do not want those standards sullied by an embarrassed Treasurer taking short cuts. I call on the Department of Treasury and Finance and the Auditor-General to ensure that the state budget is reported clinically. As an acknowledgment of a commitment to that end I ask that a document be prepared to show the gaming revenue collected from all sources over the period to allow a realistic assessment of the government's reliance on the gaming dollar.

Beyond that I want a correction of the chart which appears in the document that is now being circulated, which purports to illustrate business tax cuts. I want the dates corrected, I want the double counting removed in the years 2005–06, and I want the tax cuts claimed in the out years to be shown differently, to differentiate between those tax cuts which have actually been delivered and those which have simply been promised.

In conclusion, the structure of the budget is good and the fundamentals being pursued are supportable, but the jury is still out on two issues. The first is the real cost underlying Labor's subservience to the union movement, and the second is what happens when the economy goes off the boil, given this Treasurer's propensity to leave no room to manoeuvre at all.

However, my basic message tonight is not addressed to the Treasurer or to members of the Labor Party in government. It is more addressed to the officers of the Department of Treasury and Finance and to the Auditor-General, and it is very simple: I exhort them to keep the spin doctors at bay when it comes to the annual budget. Accounting and reporting standards have been dramatically improved over recent years. Let's not have that hard-won progress turned back by a public relations consultant or a Treasurer determined to highlight the good news and to ignore, or worse still, camouflage the bad news. My message on that basis is very simple: gloss is okay, but only if it is restricted to the budget cover rather than the content. Here endeth the epistle!

**Hon. G. D. ROMANES** (Melbourne) — In the last two budgets the Bracks Labor government has been turning things around by giving priority to the education, health and community safety areas. The government has chosen in this budget to invest the results of the growth in the economy — what Mr Hallam calls a windfall gain — in the future of Victoria. The government has chosen not to return the growth in stamp duty to home buyers. With regard to that decision, the economist Robert Gottliebsen told me at a recent luncheon that the Honourable Bill Forwood and I attended that he was in total agreement with the Premier and the government on this issue.

The top priority for the Bracks Labor government in this budget is an investment in lifelong education by improving access to education for people in Victoria, particularly young people, wherever they live and at whatever stage of life they are — from preschool to post-compulsory levels.

When the Bracks Labor government came to office two and a half years ago Victoria's public education system was struggling. It has taken two and a half years of effort to undo the damage of the Kennett years and to begin the rebuilding.

The 2002–03 budget provides a further \$550 million over the next four years for education and training to boost access, innovation and excellence in schools and TAFE institutes across the state, including funding for 925 additional teachers. That is on top of the \$2.2 billion already invested by the Bracks government in education and training over the past two years. I will draw the attention of honourable members to some of the key areas in which that investment will be made, because the education budget is targeting particular areas, groups and problems.

One of the key areas is a commitment of \$81.6 million to hire 300 additional teachers for approximately 100 secondary schools which have higher than average absentee rates and lower than average rates of year 12 or equivalent completion. The funding is to tackle schools where there are needs over and above those of the general school population — some are in disadvantaged areas and many are in rural and regional areas — for a whole range of reasons. Another important commitment is the \$216.4 million for more than 90 schools and TAFE institutes for new buildings and the modernisation of existing facilities. There will be new science, computer and technology facilities, libraries and classrooms to drive the curriculum and agenda in science, innovation and excellence.

I am pleased that in my electorate of Melbourne Province there is funding for Fitzroy Secondary College to be refurbished and prepared for opening in the near future. There is also funding for a cybercentre at the William Angliss Institute of TAFE and a primary industries production and training facility at the Northern Melbourne Institute of TAFE — three very important initiatives in my electorate. There is provision of \$34.6 million for an additional 150 early years numeracy teachers and to provide additional support for struggling students in the classroom. It will build on the successful literacy and numeracy program initiated by the former Kennett government.

Funding of \$43.3 million will go to meet higher than expected enrolment growth in prep–2 classes in government primary schools and to meet the government's commitment on class sizes in the lower levels of schools. New middle years reform and schools for innovation and excellence programs, representing new directions in education, will receive \$84.3 million to provide innovative ways and extra resources to tackle that thorny issue of how to keep young people in those middle years — the higher primary and lower secondary years — engaged in education and prevent them from dropping out. That is particularly important because it is well known that those who drop out of schooling early will be more likely to end up unemployed or in casual employment and therefore have a lesser start to life.

There is provision of \$47.7 million for the statewide implementation and further trials of the new Victorian certificate of applied learning, providing for education and training at the upper end of secondary schools to encourage young people to stay on and complete their schooling. At the end of it, even if they do not undertake the Victorian certificate of education and apply for university training, it will allow them to come out of the school system with a useful qualification.

There is \$31.1 million for improved statewide access to school transport through increased school bus conveyance allowances and changed car allowance for students who do not have access to school buses. That is part of a whole suite of reforms as an outcome of the school bus review and will deliver fairer outcomes for students, particularly those in rural and regional Victoria.

There is \$33.6 million for an additional 15 Koori educators and six Koori home-school liaison officers to support the Koori community and to assist in improving outcomes for Koori students in our schools. I compare that to the damage that was done to Koori education in Victoria under the former Kennett government when

the battle for survival for Northlands Secondary College was provoked, which was counter to trying to keep students at school. That incident and that battle over the survival of Northlands Secondary College led to many young Kooris and others in the north-east of Melbourne leaving school and never returning.

There is \$8 million to continue the Freeza youth program so that young people can become involved in organising and running gigs and other youth events — that is recurrent funding for the next few years — and \$3.1 million to stage the 2005 Pacific School Games, consistent with the Minister for Sport and Recreation's commitment to encourage young people to stay involved in healthy, physical pursuits, and to prepare for the Commonwealth Games through involvement at community and other levels of sport.

The 2002–03 budget delivers beyond the items of investment in innovation and education that I have outlined. The government has deliberately and proactively made those investments to ensure a successful and innovative economy which is not possible without a world-class education system. That is why education is a top priority for the Bracks Labor government in this budget. Compare that with the Kennett period of the former coalition government when it let down the majority of Victorians with its attack on the public education system by sacking over 9000 teachers, gagging teachers and principals and setting schools against each other in competition for pupils and dollars to run their schools.

During that period over 300 schools were closed. I direct the attention of the house to the matter raised by the Honourable Bill Baxter during question time last Tuesday.

In a follow-up to question on notice 2920 that he had asked of the Minister for Education Services, in question time he drew attention to the closure of 13 schools under the Labor government. He is right, in that, as the answer to his question revealed, the Labor government has presided over the closure of 13 schools in this state in the past two and a half years. There is probably no government that has not closed schools because there are always demographic reasons why people are shifting around and there are different needs.

However, Mr Baxter did not provide information on the second part of the answer the minister gave to his question about the closure of schools. Mr Baxter mentioned a long list of schools, which in fact was only 13 schools, one of which was already signed off by the Kennett government before the Bracks Labor government took office. The other 12 schools were

involved in voluntary mergers or closures over the past two and a half years. But compare that with the answer from the minister, which was that during the period of the previous Kennett government 326 school sites closed. It is very important that we consider the dimensions and scale of what happened in education under the Kennett government: the criteria and the processes were very different.

At the end of 1996 hundreds of schools around Victoria were given three weeks to decide whether to close and amalgamate. They were offered financial incentives if they went early and did not cause too much fuss, but they were still left with the threat of possible forced closure even if they decided to go it alone and not close and amalgamate with one of the other schools. All of that was in the context of an environment where principals were gagged and could not talk openly with their school communities about many of these issues and other pressures like questions relating to which principal would get a job if a school closed and amalgamated with another. So in those years there was massive devastation and an attack on the public school system in this state.

I take the chamber back to the objective of the Bracks Labor government's investment in education in this state — that is, to improve the benchmarks in reading, writing and numeracy as they apply to primary students, to achieve 90 per cent of young people in Victoria completing year 12 or its equivalent by 2010, and by 2005 having young people aged 15 to 19 years in rural and regional Victoria staying on in education and engaging in and increasing their participation by 6 per cent.

These are very important investments that the Bracks Labor government is making. They will provide a better foundation and wider choice of pathways for young people in this state. They acknowledge the value of education as a foundation for democratic values, cooperation and civic life. They stand in the face of the federal budget, where there was no extra funding for TAFE, where there was a blow-out in funding to the wealthiest schools in this country through the new socioeconomic status federal funding model, and where there was a further shift in funding to private schools at the expense of the public education system.

I applaud what the Bracks Labor government is doing in making that decision to invest in the future of young people in this state and to provide for them a solid foundation, not only for their own learning and careers in the future but also for participation and growth in a cooperative society starting with their schools, then

moving on to other institutions they may be involved in and eventually in the broader community.

It is an investment in young people and citizens throughout the state. I commend the budget to the house.

**Hon. W. I. SMITH** (Silvan) — The Bracks government has introduced a budget based on two major financial realities — one has been a surplus passed on by the Kennett government of \$758 million, and the other has been a property boom that has delivered windfall taxes from stamp duty and land tax. In fact, a lot of the budget's income is based on the high taxation levels coming into Victoria. There are record levels of taxes coming into the state government coffers that have not been returned to the community.

Land taxes are up from \$360 million to an estimated \$611 million — a 66 per cent increase; taxes on insurance are up from \$531 million to \$789 million — a 49 per cent increase; motor vehicle taxes are up from \$895 million to \$1 billion — a 17.5 per cent increase; payroll tax is up from \$2131 million to \$2710 million — a 27 per cent increase; police fines are from \$99 million to \$336 million — a 240 per cent increase; and gambling taxes are up from \$1400 million to \$1890 million. It is the first time that gambling revenue from poker machines is over \$1 billion. It is estimated next year that the total gambling revenue will be over \$2 billion. This is the government that talks about reducing gambling and being concerned about the issue. However, it is extremely comfortable taking an estimated \$2 billion from the gambling industry! Stamp duty is up 79 per cent this year.

The Bracks government introduced two budgets. It introduced a business budget before it introduced its state budget. It did that for one major reason: businesses in Victoria do not trust the government and are not comfortable with it. The Bracks government worked out very clearly that there was an issue and it had to do something to try to take some of the business issues out of the budget — to get business back on track. So it introduced a separate budget that picked up some business issues. The government looked at land taxes and payroll taxes. It increased the land tax threshold from \$125 000 to \$150 000 and it reduced payroll tax. The reality was that it did not tackle any of the real issues or any of the hard issues in the budget.

One of those hard issues is Workcover premiums, which the government froze for a second year in a row. Every business complains about Workcover premiums and many businesses have not even had a claim. What is happening is that businesses are trying to make sure

they have safe workplace environments, but they are still being taxed through high Workcover premiums even though they are complying with workplace safety.

The government has done a smoke-and-mirrors job for business. It spoke about the increase in the land tax threshold being increased from \$125 000 to \$150 000. The reality is that in metropolitan Melbourne there are very few commercial land parcels at that level. Land tax revenue is a windfall for the state.

The *Age* of 24 April in a report entitled 'Pain as well as gain in land tax' states:

Land tax revenue would continue to provide a windfall for the state government, despite the threshold increasing to \$150 000 ...

It also reports:

The chief executive officer of the Real Estate Institute of Victoria, Enzo Raimondo, said Melbourne's property boom, in which prices rose by an average of 30 per cent during 18 months, left few properties underneath the threshold.

'There aren't that many left under it! Everyone's being sluggish higher prices in fact because of the property boom ...

The *Age* further states:

Property Council president Bill Russell said price increases reduced the government's move to 'a gesture'.

Recent land revaluations reflecting steep property price increases ... have left Victorian businesses and investors facing land tax increases of up to 1400 per cent.

I will give some examples. David Bradshaw, part owner of Bradshaw Auto Service in Canterbury, last year had a land tax bill of \$780, but last month he received a bill for \$11 480! He said the family-owned business had cancelled plans to hire an apprentice.

Mark Oman, a company managing director in Richmond, faced a bill of \$18 740 on his commercial investment property this year — up from \$1480 the year before!

The increase in the land tax threshold has done nothing for Victorians because of the huge increases in land tax.

The Victorian Automobile Chamber of Commerce (VACC) looked at how it would affect its businesses, and in the May/June 2002 issue of its magazine, *Auto Industry Australia*, it states:

It is costing more and more to run a small business. On top of ... compliance costs, many small businesses have been hit with skyrocketing insurance premiums. Now, it's land tax time, and many small businesses are in for a shock.

Sharp increases in land values across most of Victoria since 1996 will set land tax soaring for many VACC members in their 2002 land tax assessment.

Unfortunately many landowners previously assessed for land tax will see an increase.

The reality is that most businesses have had huge increases in land tax, and the attempt to try to alleviate that has been just smoke and mirrors.

The Bracks government looked at reducing payroll tax, and in its own budget papers it said that 300 small businesses would be impacted by it. The reality is that payroll tax is up. Although payroll tax has been cut by 2 per cent, wages are up by 3 to 4 per cent, so there has been no real benefit for businesses. The reality is that they have been slugged even more.

According to Labor's own budget documents, the income to this government from payroll tax is up by 20 per cent, but the government is saying the real impact is on only a few businesses.

Since the Bracks government has taken office a lot of jobs have been lost in Victoria. Companies have made some global economic readjustments, but there is no doubt that the changes in industrial relations in this state, particularly in the manufacturing industry, have caused a lot of angst. People are looking seriously at whether they should invest in this state. About 19 000 real jobs have been lost because of industrial relations issues and the cost of doing business, particularly with the increases in payroll tax and land tax.

In a comment about the budget Bill Russell from the Property Council of Australia said:

... the tax cut proposals outlined in the government's business statement *Building Tomorrow's Industries* [sic] *Today* will do little to ease the high costs of doing business in Victoria.

'Bringing forward the planned cuts to payroll tax will bring only limited relief to some businesses', Mr Russell said. Lowering property taxes would be far more beneficial to Victorians.

As I said, Victoria has lost investment, companies and a number of jobs. Many businesses — for example, in the aeronautical industry — are moving to Queensland, and already Virgin airlines has moved there. Victoria has lost Bonlac Foods, Kraft Foods, Nestlé, Heinz, Boeing — from Avalon airport — IBM, Oracle, Motorola, Siemens, Goodman Fielder Ltd and Email/Chef — and the list goes on and on. The total loss of jobs from Victoria is about 19 000 since the Bracks government has been in power.

There is no doubt that the Bracks government is reaping a huge income from stamp duty. The government's

expected \$1.8 billion take in stamp duty this year was unprecedented, and it has been a massive burden on Victorian families buying their first homes. The reality is that Victorian families are now paying \$1500 more per year in taxes than they did when the Bracks government first came to government.

This figure includes a massive \$750 million windfall gain from stamp duty on land transfers and mortgages — up by 59 per cent compared with last May's budget. This will be the third consecutive financial year in which the Bracks government has received a massive windfall tax gain from a strong property market, thanks mainly to the Howard government's low interest rates and the first home owners scheme.

In my electorate of Silvan in the outer east home buyers in Ringwood, Bayswater and Croydon have had stamp duty increases of more than 80 per cent since the Bracks government came to power. The government's recent budget has failed to help those home buyers. The high stamp duty is impacting on first home buyers, and it is also a huge burden on growing families looking to move to bigger homes or on older people wanting to move into smaller houses or units.

In Bayswater, for example, stamp duty on the mean average home has increased by 75 per cent; in Croydon it is up by 34 per cent; in Ferntree Gully, 20 per cent; in Kilsyth, 33 per cent; in Montrose, 54 per cent; in Mooroolbark, 29 per cent; in Ringwood, 46 per cent; in Upwey, 34 per cent; and in Warrandyte, 72 per cent.

There has been a huge impact on people in the outer east, and none of that has been given back to families.

If you look at the Victorian Automobile Chamber of Commerce automotive industry economic survey in March you will find members of the VACC say:

Shake-out continues. Big gets bigger. Small will fade away. Electricity cost price is now major factor. Insurance cost increases will be the last straw!

Others say:

Small business urgently requires recognition by all political parties otherwise there will be a backlash ...

at the next state election —

Company insurance policies, Workcare premiums, group tax and income tax level — these are crucifying the small operator.

Industrial relations is a huge issue in this state — we have lost more work days through it than any other state — and if we look at what has just happened,

particularly in regard to Victorian steel plants threatening to paralyse the \$17 billion car industry for the third time this year, if we are not very careful we will find that people in the automotive industry are going to start looking very carefully at taking industry outside Victoria and moving elsewhere.

Already there have been comments around the automotive industry that we are going back to the 1970s and 1980s, and that maybe it is time to look differently at where money is invested.

If we look at the budget in relation to Labor's social agenda we will see that we are the worst off in Australia for foster care — there is no extra money in there for foster care. There is no extra money for early intervention in cases of cerebral palsy or Down syndrome, for instance, and this means some children will go to school without early diagnosis.

What is happening with health? The government has thrown a billion dollars towards health since it was elected, but the current annual *Hospital Services Report* which was released last week shows waiting lists are up and growing; waiting lists for non-elective surgery have grown; the number of patients on trolleys in emergency departments for longer than 12 hours is up; Knox hospital is out — it is not in the budget — there is no way it is going to be built; there is no money for the Berwick hospital; and even though an accident and emergency service at the Werribee hospital was promised, the government has gone back on the promise.

What is happening with public housing? The waiting list is up 15.5 per cent in less than two years — there is a massive increase of numbers and it is growing — and 1500 Victorian families have joined the public housing waiting list. I have to say that in the outer east what is so concerning to the Wesley Crisis Centre is a serious trend where more young families with small children are homeless and are trying to find accommodation. The reason for that is that the price of housing is high and there is less investment in property and therefore fewer houses around for rent. No-one seems to be able to assist a lot of these people who are just caught out.

What is in the budget in the area of infrastructure and major projects? Let's just look at the Attorney-General's report into major projects — he has actually confirmed that the Bracks government cannot deliver on major projects. In fact, if you look at all the major projects initiated by the Kennett government, you see the current government is behind on every single project except the museum, which was basically delivered by the Kennett government. Every single

major project initiated by the Kennett government is over time and out of budget. The dome in the reading room of the State Library is behind time; the National Gallery gets no extra money, so that suggests that is also out; Federation Square is way behind and blown-out in budget; and we now have concerns about the government's preparation for the Commonwealth Games — there is uncertainty about what is happening and there is certainly no interest at this stage in being sensible about the budget. There is uncertainty about the athletes village in Parkville. We have lost the information and communications technology innovation scheme bid — that has gone to New South Wales, and we are going to have serious problems there — and the industry is actually saying that now this state faces a serious potential loss of personnel, projects and investment to Sydney because of it.

We have also lost the 550 jobs for the Qantas maintenance facility that has gone to Queensland. Today the Bracks government announced the fast trains are gone — another commitment gone — from regional Victoria.

In infrastructure spending we are behind the Northern Territory and Tasmania. Very briefly, just to end I want to say that Melbourne also slips behind in the exhibition industry. The latest figures released by the International Congress and Convention Association Melbourne go from no. 3 to no. 8 — and do you know why? Lack of funds, no interest in that.

In conclusion, the government has presented a budget which shows that taxes are too high, infrastructure spending is low, decision making is nonexistent and projects that Labor promised at the last election, particularly major projects, are being pulled. Consultation continues, there are ongoing reviews and smoke and mirrors cover the fact that this government is not delivering. If the government is not careful more and more investment will be lost for this state, and we will fall even further behind the other states.

**Hon. KAYE DARVENIZA** (Melbourne West) — I am pleased to make a contribution to the debate. Given the hour of this last sitting night, and given the number of speakers who wish to contribute to the debate, I intend to keep my contribution short.

This is the Bracks Labor government's third budget. It is another good budget which delivers for all Victorians. The government continues to direct funds to and increase services in those areas that were so hard hit by the opposition when it was in government. This budget delivers dramatic social, economic and environmental benefits for all Victoria. It takes the

proceeds of this state's strong economic performance over the past two years and invests firmly in our future. It is about more jobs and a stronger and caring community. Through the budget we see the government delivering on the promises it has made to Victorians.

For every day we have been in government we have employed three extra nurses, three extra teachers and one extra police officer. The government has invested \$3 million in schools, hospitals, community safety, transport and other essential services. When the Bracks government is contrasted with the previous government it can be seen that it directs funds at those services that are needed in health, education and community safety. The previous government closed schools, sacked nurses, sacked teachers, wound down our important public service, took police off the street and off the beat, and privatised absolutely everything it could get its hands on. We know that if the opposition parties were ever in government again they would do exactly the same thing all over again.

I mention briefly some of the important budget commitments that have been brought down in this budget. In 2002–03 a substantial operating surplus of \$552 million is forecast with surpluses averaging around \$600 million for the following three years. The budget delivers a record \$3 billion investment in infrastructure and \$317 million in net new expenditure to build more caring, educated and safer communities. Business benefits by \$262 million in new tax relief, taking to more than \$1 billion the value of business tax cuts that have been delivered while we have been in government.

I will run through a couple of areas in which I am particularly interested — that is, education, health and community services, and multicultural affairs. In education, the government has committed \$550 million over four years to provide better access to education and to build better schools. This is not just about teacher numbers but is about driving outcomes from the preschool area to the post-compulsory area. Programs funded in the budget are about improving completion rates to year 12, improving literacy as well as numeracy and keeping students engaged. The aim is to build a public education system that is the best in this country, and among the very best in the world.

Some \$7 million has been allocated for an immediate start to capital works and modernisation programs from kindergartens right through to secondary schools. In my electorate of Melbourne West schools such as Wembley Primary School, Bayside Secondary College, Laverton Secondary College and Maidstone North Preschool Centre were delighted to receive some of that

funding, as was Scienceworks, which is also located in the electorate of Melbourne West.

I will not go through all the details of the budget allocations and what they will be used for as I want to keep my contribution brief. Suffice to say how delighted we are in Melbourne West Province to receive those budget allocations for those schools and education facilities.

Spending on health and community services is an area where this government contrasts starkly with the previous government which, as I said, closed many hospitals and a lot of our community service facilities, sacked nurses and got rid of a whole range of other health professionals. In this budget our government continues to rebuild Victoria's public health system — which was basically left bankrupt by the previous government — with funding of \$960 million over four years to treat more patients, employ 700 more nurses and reduce hospital waiting lists; \$100 million for medical equipment and infrastructure upgrades, which is again an area that suffered greatly from the budget cuts imposed on our hospitals during the Kennett years; \$45 million for intensive care, ventilators and mobile X-ray units as well as a whole range of other equipment; \$20 million to upgrade hospital plants such as emergency backup systems, which are so important when you are running a health care facility; \$35 million for medical research institutes to maintain Victoria's leading role in medical research; \$36 million over four years to expand our community mental health services, including crisis response teams, which are so vital and important to our community; \$25 million to open up mental health hospital beds which were closed during the Kennett years; \$29 million over four years for home and community care services to support people, in particular the frail and elderly, to enable them to continue to live in their own homes and be as active as possible with support coming into the home; and \$20 million over four years to boost ambulance services and to employ 43 additional paramedics. They are just some of the areas of health and community services that received funding.

Health in Melbourne's west has certainly been one of the winners in this year's budget, and hospitals throughout the west will immediately receive nearly \$2 million this year and a similar sum next year specifically for the purchase of new equipment. During the Kennett years it was in some of our hospitals that we saw a real degrading of equipment, which I witnessed myself, so I am delighted to see that our health facilities, which service the people of the west, have received their fair share. The funding was made available as part of the millions of dollars that I have

already outlined, together with other moneys to modernise hospitals and health care services.

As a former nurse, I know how vital it is that we have good hospital services and that everybody has access to lifesaving equipment for intensive care units (ICUs) and emergency departments, as well as X-ray facilities and those sorts of things. We want to stay abreast of the latest developments in medical science and technology and ensure that we continue to provide the best possible service to patients in Victoria.

In Melbourne West specifically — again I will not go into the details — Williamstown Hospital received funding for an upgrade of a sterilisation unit; the Western Hospital received funding to purchase four ICU beds as well as a range of other associated equipment; and the Sunshine Hospital received funding for purchase of a pneumatic chute system and an ICU ventilator as well as some other important equipment.

I want to talk briefly about community services and the funding that has been allocated to the important areas that look after our disabled people. Over \$16 million has been allocated over four years to meet the increased demand for community and home-based disability support services and supported accommodation; \$10 million has been allocated for infrastructure investment to assist people with a disability to live in the community and become more involved in their local community by increasing access to a range of facilities as well as upgrades for existing services; and \$25.4 million has been allocated over four years for the first stage of the Kew Residential Services development. The first stage of the Kew Residential Services development will see 100 people from Kew relocated into purpose-built homes and will also see other clients being housed in improved accommodation on the site. This represents a new future for the residents at Kew as they move into more appropriate accommodation.

The funding that this government is putting into these important services contrasts starkly with what the opposition did when it was in government. What it did was close one intellectual disability service after another, and it did it without any consultation. It did it without putting proper processes in place and without giving appropriate funding. You just have to look at places like Aradale in Ararat, Pleasant Creek in Stawell, Janefield Training Centre, the Kingsbury Training Centre and Mayday Hills Hospital, Beechworth — all of these facilities housed intellectually disabled people. There was no proper consultation with clients and parents or the staff. No proper arrangements for funding

were put in place and the facilities were closed and people moved out.

This again contrasts very starkly with the extensive consultation process that has been put in place by our government. I have spoken on a number of occasions to the minister and the minister's staff about what sort of activities our government is involved in with this redevelopment. Regular monthly meetings — in fact there was one today — are held between the parents association and the department. The minister has made it very clear that she is available to meet with parents and the association. She has corresponded directly with parents about the redevelopment, as well as the minister visiting Kew cottages and meeting with parents and representatives of the parents through the association.

The way we have approached the redevelopment of disability services is in sharp contrast with the previous government. Not only is this government consulting, listening and talking to people — and people are happy and pleased with the process and participating in that process — but it has put the funds where they are needed.

I cannot let this opportunity go, even though I am keeping it as brief as I can, without saying something about the commitment this government has made to multicultural affairs. As the parliamentary secretary to the Premier and assisting him with multicultural affairs, I have to say that this government has done an excellent job in the area of multicultural affairs. It has a terrific record since coming to office. In less than three years this government has introduced the Racial and Religious Tolerance Act, implemented an extensive community education campaign and established and enhanced the Victorian Office of Multicultural Affairs, and expanded the Victorian Multicultural Commission community grants program. It has also established a whole-of-government approach to multicultural affairs as well as establishing the Ethnic Enterprise Advisory Council and the ministerial advisory council on cultural and linguistic diversity, and I am pleased to say I have the privilege of chairing both of those committees.

The government has increased funding to peak multicultural bodies, such as the Ethnic Communities Council of Victoria, Multicultural Arts Victoria and the Centre for Multicultural Youth Issues. Again significant funds have been allocated from the budget this time around. An extra \$2 million will go to the Victorian Office of Multicultural Affairs for language services, which is about supplying and improving the skills of interpreters, particularly in regional areas. An extra \$2.5 million over four years has been committed to the Victorian Multicultural Commission grants program,

thereby increasing its funding to \$1.5 million a year. I point out that that is double what it was when the Bracks government came to office. As honourable members can see, we are really committed to our multicultural and diverse community.

This is a budget that delivers for all Victoria. We are turning things around and cleaning up the mess that was left by the previous government. We are undoing the damage done by the opposition when in government. This budget delivers fairly and squarely on our promises and puts our Growing Victoria plan to work.

**Hon. E. J. POWELL** (North Eastern) — As a country member of Parliament I have to say that I am very disappointed with this budget. It seems such a long time since the budget was released just over one month ago.

This is a budget for the suburbs and for Melbourne. There are no major infrastructure projects in country Victoria. The Treasurer has reaffirmed this by stating in his 2002–03 speech that a major focus of this budget is the expanding suburbs and growth corridors of Melbourne. In its former budgets the Bracks Labor government committed to two major projects. One was the \$810 million fast rail links project, which was supposed to benefit Ballarat, Bendigo, Geelong and the Latrobe Valley by providing a fast rail service to Melbourne. The \$810 million was comprised of \$250 million private sector investment and \$550 million government commitment. As honourable members would have heard on ABC radio today, the private sector no longer wants to invest in the project, probably because it is not sufficiently confident to form a partnership with the government. So when and if the project is finished it will now be of less value to the communities of Ballarat, Bendigo, Geelong and the Latrobe Valley. At this time, even though there has been a commitment to it over a number of budgets, not one sleeper has been laid, and not one nail has been used on this project.

The other major commitment of the Bracks government, one that gave great delight to a number of people, was to increase the flows of the Snowy River by 28 per cent. The government later changed that to 21 per cent, and it continues to diminish the rate while we are still trying to find out where the flows will come from. Millions of dollars have been committed in previous budgets to this project and yet there has not been one drop of water down the Snowy River during the two and a half years that Labor has been in government.

A project which has sounded a positive note in the country is the Wimmera–Mallee pipeline, and I congratulate the government for its \$77 million budget commitment. This is a significant water infrastructure project for which I thank the government. However, I must also congratulate the National Party local members who lobbied a number of governments over many years to get this pipeline. The honourable members for Wimmera and Swan Hill in another place, the Leader of the National Party in the other place, the Honourable Barry Bishop and the federal member for Mallee, John Forrest, all urged the government to look at this project and led deputations over many years to try to get this project onto the government's agenda, and it has finally happened.

Another program that this government has committed to is the Freeza program. Over the past year and a half a number of members have lobbied in this house to reinstate the Freeza funding. The government has finally said that it will give \$2 million for four years, which is terrific because Freeza is a great program. When in government we initiated that program so we know what a great program it is, and had we been returned to government we would have increased the program's funding. I guess when in government we did not understand how successful that program was or how needy it was. We have seen it grow over the years, and we are delighted that it will finally receive that funding. But it is not increased funding, it is just a reinstatement of the \$300 000 that the government cut not so long ago.

Another upgrade that country members of Parliament are quite happy about, even though it is infrastructure in Melbourne, is the \$101 million budget commitment for the Royal Agricultural Society's showgrounds.

**Hon. W. R. Baxter** — They started today.

**Hon. E. J. POWELL** — They started today, Mr Baxter? That's great, because I understand that the showgrounds is an icon, particularly for country Victoria, and it is great to see that it is to be upgraded and will be of benefit to country people.

But there are no funds in this budget for rural and regional agricultural showgrounds, which also have ageing infrastructure that needs to be upgraded. It would have been nice to see some money committed for showgrounds in rural Victoria, because they are the training grounds for what happens in Melbourne. They allow young people or young farmers coming into the industry to train and get the confidence to show some of their cattle. It is important that they can do that in the environment of their own home towns, where they can

also learn the best types of cattle to exhibit. Then they can upgrade to exhibiting their animals at the Royal Melbourne Show and gain the accolades they deserve, so that when they sell their cattle and sheep they have the prizes and prestige that go with having exhibition-standard stock.

One of the other issues I want to raise has also been raised by Mr Baxter in this house a number of times — that is, the need for a dedicated bridge fund. I notice the budget has no funding for that. Some rural councils are absolutely desperate. Their wooden bridges are collapsing around their ears and they are not able to repair them. In the last year a decision by the High Court abolished the non-feasance defence for councils. This means that if an accident is not the council's fault it cannot be sued, but if it is the council's fault it can. As a result councils now spend a huge part of their budgets on inspecting, monitoring and repairing their bridges, and if the bridges do not come up to standard the councils are obliged to close them, to diminish the load limits on them or to repair them — and some councils do not have the funds to do repairs.

This is a huge issue for country Victoria, and it will only escalate, particularly with the cost of public liability insurance premiums. Councils are finding it very difficult, because when they cannot repair their roads or bridges they need to either cut back on services or increase their rates. Bridges are a huge concern for local councils because they do not have the funds available to maintain them.

The National Party is urging the government to establish a dedicated fund, which councils could access to repair their bridges. Then the travelling public could use the bridges and their repair would not be a burden on current ratepayers.

This is something that the future of country Victoria relies on, because you have to get milk tankers, school buses, emergency vehicles, grain trucks, and tomato trucks, all of which are so important to country Victoria, across those bridges. They are particularly necessary so produce can be transported to the ports. Although it is not provided for in this budget, I urge the government to look at a setting up a dedicated fund for bridges for rural councils.

Another issue which the Honourable Bill Baxter has raised in this house, and which I notice is also not provided for in the budget, is funds for Goulburn-Murray Water and other rural water authorities. They all have ageing infrastructure and it is not fair that we should ask the current irrigators to pay for upgrades. Infrastructure has been deteriorating year

after year, and the irrigators do not have the money to be able to put in the millions of dollars needed to look after it. With water being not always available, it is important to make sure we have the best practice in water delivery. That is important and I urge the government to look at it. Unfortunately it is not in this budget.

On the issue of health I will be fairly brief. A number of honourable members have talked about the government commitments to health. When Labor was in opposition it bagged our government. But we still have patients on trolleys waiting for admission to hospitals. We still have waiting lists for people awaiting surgery. We still have ambulances bypassing hospitals because the hospitals cannot take patients. Rural and regional hospitals are having trouble meeting the nurse-to-patient ratio brought in by this government, the 1 to 4 ratio that regional health councils have to meet.

In some regional hospitals it is very difficult to meet this ratio. If they cannot, they have to use staff from nursing agencies. It is difficult for rural hospitals to be able to get nurses from the agencies because they have to pay higher costs than hospitals in metropolitan areas. There are accommodation and travelling costs for agency staff, so the cost of having access to nurses from agencies is much higher in country Victoria. The government needs to look at the implications of the nurse-to-patient ratio it has put on country Victoria.

A lot has been said about education and how this government is doing wonderful things, but schools are still closing under this government for the very same reasons they closed under our government: demographic changes and not having enough kids attending the schools. These schools close because it is in the best interests of the children. Nothing has changed; the formula is still the same. It is hypocritical for this government to say to us, 'You closed schools', but we did so for the same reason: there were not enough children in those schools to warrant them being kept open. We have to look at the best interests of our young people. Class sizes are still not meeting this government's criteria.

On issues of grants to local government, no extra funds are being given to local government for the increased responsibilities that this government is putting on them. There is no increase in library funding. Local councils are screaming for extra library funding.

The cost of providing home and community care services is well above what they are being paid or the money they are receiving from the state. In country Victoria the cost to provide a service to some of their

home-care patients or service recipients are much greater than in Melbourne because of the large geographic areas, the small rate bases and the travelling times. It is much more expensive. I would be looking for the government to reassess the formula for such funding.

I thank the government for providing some upgrades in the north-east. There was the upgrade to the courthouse at Wangaratta, an upgrade to a TAFE facility at Wodonga, a replacement police station at Whitfield and an upgrade to the hospital and aged care facilities at Beechworth. Yet for all the money the Labor government has and its increase in revenue which has come from the stamp duty taxes, from gambling taxes and from payroll taxes — all of those increases in taxes and the budget surplus it inherited from the former government — what I can find in the north-east in this budget I can do on one hand. This Labor government has not spent enough money on country Victoria. So much for a government that said it would govern for all Victorians! If you live in Melbourne and its suburbs, you have done very nicely, thank you. Country Victoria has not been the beneficiary of this budget.

**Hon. ANDREW BRIDSON** (Waverley) — In the short time allotted to me I want to skate across a few issues in the budget and comment on how it affects my electorate. When the former coalition came to office in October 1992 it inherited a \$670 million backlog in government school repairs and maintenance. This is an issue that the other side tends to overlook. I guess Labor members want to overlook it because it hurts them to remember it, but I want to put a bit of equality into this debate. Many schools in my electorate were falling apart in 1992. Between 1992 and 1999 the Kennett government spent in excess of \$11 million in bringing the schools in my electorate up to scratch. That was done, essentially, by vigorous representations made by the Liberal members of the Kennett government across Waverley Province to make sure that our schools were brought up to scratch.

It is no surprise that in the current budget only two schools in the whole province received funding for major capital works and maintenance. Wheelers Hill Secondary College is getting an administration, library and technology-science wing worth over \$2 million in total, but the budget papers do not tell us when that is going to happen. There are no specific details in the budget. Any details we have on school projects were obtained by the shadow minister for education in the other place through some sources that he had. The other school, Murrumbeena Primary School, received a magnificent amount of well over \$1 million for a well-deserved staffroom and administration area

upgrade. That school also enjoyed very good representation from Waverley Province members.

Reading the budget speeches of the honourable members for Clayton and Oakleigh, two of the lower house seats covering parts of my electorate, you would think that we are living on different planets. They failed to acknowledge the good work the former Kennett government did towards rebuilding the school system.

In previous budget papers we find that in 1995–96 the former Kennett government spent \$250 million on statewide capital works; and in 1996–97 it was about \$229 million. The program was reduced in 1997–98 because a lot of the works had been done, but \$58.1 million was spent in that year. In 1998–99 two grants were made, one of about \$78 million in the budget and another \$70 million in November of that year. Then in the 1999–2000 budget the then Kennett government spent \$97 million on statewide capital works. All of that gives the lie to the assertion coming from the other side continually that the former Kennett government did nothing. That is absolute rubbish and I am putting the facts on the record. We did an enormous amount.

The budget papers show that in 2002–03 the Bracks government will spend \$216 million on capital works. However, page 174 of budget paper 2 shows that the Bracks government is going to spend only \$82.1 million in the current financial year. That shows you the kind of spin that is being put on the budget, and many other speakers have alluded to that fact.

In the past couple of weeks, knowing that the budget debate was coming along, I asked some of my constituents what they could remember of the state budget. Would you believe that they cannot really remember all that much? Most of the budget, as other speakers have shown, was released well before budget day, and the budget has failed to have a long-lasting impression on the community at large.

The real challenge for this government in the area of capital works is to demonstrate how it will allocate money for cyclic maintenance in ensuring years. When you refurbish a new building, particularly a school building, the weather starts to have an effect immediately, as the Honourable Justin Madden, an architect in a previous life, would know. After 12 or 13 years things have to have maintenance work done and be upgraded. The real challenge for this government is to continue to maintain its properties. If it does not start making allowances for such maintenance, in another few years we will be back where we were prior to 1992.

On the matter of staff-student ratios in my electorate, 66 per cent of prep-grade 2 classes are above the target size of 21 students. I find that absolutely incredible. Roughly 20 per cent of classes have 30 or more students in them; and 16 per cent of classes have an average of 25 or more students in them.

I thought it would be worth going back to 1999 primary class size data just to see how the Kennett government fared in relation to average class sizes. I noticed that six schools had average class sizes below the current averages. I thought that was a fairly interesting statistic, and it is important to have that on the record.

One of the good things in the budget that affects my electorate is the building of the synchrotron at the Monash University site. I am very pleased that is going ahead, but at page 195 of budget paper 2 only \$55.8 million is allocated in the current financial year for that project. I also refer quickly to what the Auditor-General had to say in his warning on major projects. He is quite concerned about the synchrotron facility and the government's assumption of \$57 million in funding from the private sector for that. He is concerned that consultants to the synchrotron facility have raised concern about the lack of funds committed to it over the medium to long term and there is great concern that a funding shortfall could bring the whole operation to a halt. There is evidence that with a number of new synchrotron facilities operating outside Australia it has been found that the initial expected level of commercial use and revenue will not be achieved, so this government has a challenge ahead of it. However, it is a project I welcome in my electorate because the long-term effect will be to advance science in Australia.

I will briefly mention crime. The Honourable Wendy Smith and other speakers before me have said there has been an increase in the crime figures. I would have liked the government to do a little more for the police in Waverley Province. In my contribution to last year's budget debate I mentioned the Clayton police station but nothing has occurred about its redevelopment. Mount Waverley police station is run down, Glen Waverley police station at Brandon Park needs urgent repairs and maintenance, and the Springvale police station could also do with a major upgrade. In relation to police numbers, we hear a lot from the government about how it has increased the police force by some 800 officers, but I always read very closely the Victoria Police Association journal when it arrives in our offices. The May edition states:

... the Police Association will not allow any politician or the force to forget that even with the additional 800 police we are still not up to the established strength of 1997 and 1998.

That statement speaks for itself.

I want to talk a little about transport and how that will affect Waverley Province. Municipal councils in my area are certainly not happy with proposed changes to the plans for the Scoresby freeway, and I mentioned that in a matter I raised on the adjournment debate a couple of weeks ago. It has been redesigned and there is a limited number of ramps where the Scoresby freeway meets the Monash Freeway.

Of major concern to constituents in the south-western end of my electorate is the fact that the Dingley bypass is not going to proceed. Residents are extremely concerned, and again that is an issue I raised on the adjournment debate. What is of even more concern to my constituents, and it concerns the lower house seat of Clayton, is that many of the constituents of that electorate have written to their local member of Parliament in another place, Hong Lim, but three or four have not yet received a reply from him. It is just as well that they have a Liberal politician who cares for and looks after the electorate.

A tram extension is going in to the north of my electorate. I think the Honourable Bruce Atkinson mentioned that it is going to be an absolute waste of money. It would be have been much better to put that money into upgrading roads such as Ferntree Gully Road and High Street Road. I must mention that the High Street Road extension, which was a project announced by the Kennett government, still has not been delivered by the current government. Last year in relation to black spot funding I also mentioned that spaghetti junction, as the Princes Highway-Springvale Road intersection is known, has still not been addressed.

In relation to Monash Medical Centre, which is in the centre of the electorate, I note that the March 2002 *Hospital Services Report* states that waiting lists for elective surgery have blown out substantially in the last 12 months — by 340.

The number of people on longer than ideal waiting lists has also increased drastically between March of last year and this year. When you compare the figures in March 1999, which was the last year of the Kennett government, with March of this year, all areas have blown out astronomically. Patients in emergency departments are waiting longer than 12 hours and people are still waiting on trolleys. While I note there was a decrease in ambulance bypasses from March 2001 to this year, it is still way up on March 1999. School education is the last thing I want to mention and

education funding this year had the lowest increase of any government department.

It would appear that my time is up. This is a pretty mediocre budget. It certainly has not grabbed the attention of the constituents in Waverley Province. The Leader of the Government is laughing. We will see if she is still laughing after the next election!

**Hon. JENNY MIKAKOS** (Jika Jika) — It is with great pleasure that I rise to speak in support of the Bracks Labor government's third budget which is turning things around in many areas. It seeks to put the proceeds of Victoria's strong economic performance over the past few years into turning around neglected areas in health, education and community safety.

I am particularly proud that while the government has put a great deal of energy and expenditure into areas such as health, education and community safety, it has also taken time to develop appropriate public policy responses in other areas such as social housing, homelessness and mental health that were sorely neglected in the Kennett years. I want to focus solely on the area of health and in particular mental health. The budget will see many improvements in the health area for people in my electorate of Jika Jika Province. They include \$1.2 million for a new 24-hour ambulance service for the Bundoora and Reservoir areas which will see the equivalent of 11 full-time paramedics recruited and trained for the new service to be up and running by the 2003–04 financial year, and the purchase of two new ambulances.

Other major health initiatives for the northern suburbs of Melbourne include a \$2 million boost to purchase medical equipment for the Austin and Repatriation Medical Centre, including new epilepsy monitoring equipment, transportable health monitors, lung functioning and blood filtration systems for intensive care; \$700 000 for day procedure equipment for the new Preston integrated care centre that is now under construction and due to open in early 2003. There is \$500 000 for the Northern Hospital to purchase six new operating tables, a new equipment steriliser and other theatre equipment, and \$720 000 for 18 new patient monitoring systems in the intensive care unit at the Northern Hospital.

The northern suburbs will also share in a statewide boost to employ a further 700 nurses and other health workers to reduce emergency delays and surgery waiting lists. Dental Health Service Victoria will receive almost \$2 million extra to upgrade dental equipment and \$4 million to treat more patients. My constituents will benefit from that funding increase as

many of them are aged people and people on fixed social security incomes who rely on the dental health service for their dental needs.

I also want to talk about the expansion of mental health services in the budget because I am particularly proud of the initiative to increase by \$61 million over four years services for people with a mental illness.

Mental illness continues to be a hidden problem in our society. I know anecdotally that, particularly when they come from an ethnic background, constituent parents who have children suffering mental illness experience many difficulties accessing appropriate services. An element of social stigma applies in those communities. Often they are reluctant to discuss particular family problems openly.

I am proud that the budget is significantly increasing funding for mental health services. It will provide for additional acute inpatient services; assist people being treated in the community through better diversion, prevention and early intervention programs; and will also provide new services addressing the underlying causes of increased demand for mental health services, including the increasing the prevalence of coexisting mental illness and drug and alcohol substance abuse.

The increases in the mental health budget will see up to 30 additional acute inpatient beds opened by the 2002–03 financial year to address the growth in demand for such services as well as many additional services for community-based mental health programs, such as prevention and early intervention services and a rural work force initiative.

These issues are particularly important in my electorate of Jika Jika Province because I have been quite concerned about this issue for some time and looked at it in depth. The Burden of Disease study undertaken by the Department of Human Services shows that the municipalities of Darebin and Whittlesea in particular, which are in my province, have an above-average prevalence of mental health problems based on the disability adjusted life year. I am very proud that the budget has done a lot to address the mental health problems in my electorate. I commend this budget to the house.

**Hon. G. R. CRAIGE** (Central Highlands) — I wish to raise only one area of concern about the budget papers. There is no doubt that the Bracks Labor government will be known in history as a high-taxing, high-spending government.

Certainly the Premier reminds me of a Shirley Bassey song:

The minute you walked in the joint  
I could see you were a man of distinction  
A real big spender ...

That will be the theme of my contribution to the debate tonight. I shall concentrate on the obscene tax that the government has put on motorcyclists.

Prior to its election in 1999 Labor said that it would develop a new partnership with the Victorian community and with motorcycle riders. It promised so much, and said as part of its pre-election policy:

We are committed to working with motorcycle riders and their organisations to improve rider safety and increase the opportunities for recreational riding.

...

We will also fund motorcycle organisations to provide support and advice to riders that have been injured in road accidents.

...

Labor will ensure that the motorcycle community gets a say on road safety and traffic management issues.

...

Labor will introduce a grant scheme to encourage the development of off-road facilities.

Under the heading of 'Education and safety programs' it said that Labor will implement new grant schemes. It went on to say that there would be no wire rope safety barriers. Have a look along Geelong Road: it has new wire rope safety barriers. Have a look along the Eastern Freeway: it has new wire rope safety barriers. Leading into the election we heard Labor promising so much. The pre-election policy goes on to say that

Labor will work with the motorcycle community to ensure that the paints used in line marking do not present a slippery hazard in wet weather.

It has not happened! Consultation is a very good word that this government uses. It says:

Labor is concerned that the interests of motorcycle riders are not given enough consideration ...

What about the way it put the \$50 tax on motorcycle riders? There was no consultation; the government merely introduced it. Labor's promises and commitments just go on and on.

The Minister for Sport and Recreation recently made a comment in this house in response to a question I asked about off-road fatalities. He said it was a cross-portfolio matter. He said, 'I will seek clarification and get back to you'. Which part is across portfolios — sport or recreation? There certainly do not seem to be any others involved in this, and we need an answer!

That reminds me of an apt song for the Minister for Sport and Recreation: the Beatles song 'Fool on the Hill', which goes like this:

Day after day, alone on a hill

The man with the foolish grin is keeping perfectly still

But nobody wants to know him, they can see that he's just a fool

And he never gives an answer ...

Isn't that so true? The Beatles knew who they were talking about when they wrote that song — the Minister for Sport and Recreation! He never gives an answer and he stands like the fool on a hill.

The government has introduced this \$50 tax on motorcycle riders to fund safety programs. Let me put the government on notice. It is a hypothecated fund — one of the few it has. The motorcycle riders and I will be watching every cent that this government raises through this tax to make sure it is spent on motorcycle safety. Don't siphon it off; don't spend it on administration: spend it on safety for motorcycle riders.

One cannot help but believe there is an unholy crusade by this government against a legitimate form of transport. I cannot help but support Ian Munro from the *Age* who wrote an article headed 'Blaming the road victim is no basis for public policy'. I agree, Ian, it is not. He says:

John Brumby's \$50 motorbike surcharge to fund a safety program is outrageous.

I agree with you, Ian Munro; you have made very relevant points about how unjust and unfair this tax is.

The state government introduced a draft *Motorcycle Safety Strategy Action Plan 2002–2007* in which it lays out a set of criteria and actions. It talks about target areas being the lack of skill and experience in coping with traffic, road design, difficult enforcement and the inherent vulnerability of motorcyclists. We all agree with that. It lists as a target area drivers failing to give way to motorcyclists. It says:

Studies of the accident risks associated with motorcycling show that the major difference between the risk for motorcyclists and car occupants is on urban arterial roads ... Many of these collisions involve a car driver failing to give way to a motorcyclist at an intersection.

This is a Vicroads document presented by the government. It clearly says that the target area is drivers failing to give way to motorcyclists. Yet the government goes and introduces a \$50 tax on motorcyclists when it admits in its own documentation

that the majority of accidents and collisions that occur on urban arterial roads occur because of car drivers failing to give way to motorcycle riders at intersections.

I think this is a crude and obscene tax. It is a tax on a group of people in our community who have the legal right to be on the roads. They pay their registration and they pay their Transport Accident Commission third-party insurance levy. Yes, there may be a higher incidence of accidents, as occurs among road users in many other areas in the community, but why tax motorcycle riders? I cannot understand it.

I certainly support the Victorian Motorcycle Advisory Committee — the committee that the former Liberal government established, but the committee that Labor has failed to appoint new members to. It has commented on numerous occasions about road users, but it has not discriminated against one over another. This government is clearly discriminating against motorcycle riders.

No consultation, no open or transparent government was involved in respect of the introduction of this obscene tax on motorcycle riders. It is an unfair tax.

I have a good friend Colin Waddell, who is a solid citizen and a good man, who works hard and contributes to the community. He owns a Honda Valkyrie 1533 cubic capacity 1998 and a Norton 850 cubic capacity Commander MK II Interstate 1974. The Honda is sitting in pieces in his garage, but it is registered and he keeps it registered. He will have to pay a \$50 tax on a motorcycle that sits in his garage and which he does not use but keeps registered. I think that is obscene, and I think any member of the public would think that is obscene.

In conclusion, I want to give the motorcycling community some hope, because the Liberal Party has said it will get rid of that tax. I want to give that community an opportunity to hear what we have to say. The Little River Band sang a song 'Help is on its way'; I want to say to them, 'Hang on, help is on its way, and we will be there as fast as we can!'. Bring on the election, because we will overturn this tax!

**Hon. K. M. SMITH** (South Eastern) — I will start the same way as Mr Craige started his contribution. This is a high-taxing and high-spending government that is costing each household in Victoria an additional \$1500 per year more than households in any other state in Australia. The Minister for Sport and Recreation is a bit stiff being present in the chamber, because he got Mr Craige and now he has got me. If I had my way I would have sung the songs to the minister, serenaded

him into a false sense of security and then gone whack and fixed him up properly!

This budget did not fool me or the people in my electorate, because they have been totally ignored by the government on their needs, wants and the infrastructure development that should have been carried out by the government — or at least committed to. What was shown in the budget as contributing to the area around Wonthaggi and stretching up to the new area of Bass? There is very little — one police station at Bunyip! I do not say we do not need that police station, because we certainly do, but we also need a new police station at Pakenham, which now has a very old police station — two buildings that have been connected with a fence still running between them. The police are trying to operate it as a police presence to look after a huge and rapidly growing area, yet they are in a police station that is not up to scratch. When it is in government the opposition will do something about that — it will ensure that the new police station at Pakenham will be a high priority on the Napthine government's priority list.

I have spoken a lot about the Pakenham bypass that should be in place — and the minister has probably been along that road. We now have bumper-to-bumper traffic with people in their cars for an hour and a half each morning and each evening. That is not just the people of Pakenham who are trying to get home but the people of Gippsland. I can only believe that the Minister for Agriculture in the other place, the Honourable Keith Hamilton, who travels through Gippsland to Morwell, must have found some secret bypass, otherwise he would be pushing his fellow ministers as hard as he could to get a commitment.

Another road which worries me and which was not even mentioned in the budget documents but was committed to by my colleague the Honourable Geoff Craige when he was the Minister for Roads and Ports in the former Kennett government is the duplication of the Bass Highway between Lang Lang and the top of the hill at Anderson. That is an extremely dangerous bit of road. It goes from being a duplicated road to a single lane in either direction back to a duplicated road and then a single lane road again. It is a death trap for people who do not know that road well and who face difficulties when trying to overtake.

The government should be doing something about it. Is the Minister for Sport and Recreation listening, or reading the paperwork in front of him? He is supposed to be taking this on board and reflecting our views back to his Premier and the Treasurer because he has neglected us and our electorates. He is sitting there and

reading some stupid speech he made earlier. It is not good enough! Listen to what opposition members have to say! We want our roads brought up to a standard that people will not kill themselves on. The minister does not care!

What about the pollution in Western Port Bay? What has the minister done about that apart from being part of the pollution? What has been done to the Western Port Bay area is a disgrace. It is a disgrace that the government has allowed the pollution to go ahead. Government ministers have some control over the Environment Protection Authority and one day ought to go and look at the way the pollution runs into the bay. Look at the seagrass off the top end of French Island; look at the way the area is denuded. What has the minister done about it? Nothing! The only thing is, being as tall as he is, if he walked into the water he would not drown in the pollution as quickly as I would because I am a bit shorter.

What about schools? The government does not care about education. We believe in the education of the masses but the government does not. It has elitist schools. We are the ones that did something about replacing the decrepit schools that were left when the Australian Labor Party was previously in government.

We want something done about our schools. I want something done about the San Remo school. I want it brought up to a standard that I will be proud to represent after the next election. I want it done and I want a commitment from the minister. Get back to your education minister and let her know we want that school brought up to a reasonable standard!

It is not good enough for the minister to ignore what is going on. The Minister for Sport and Recreation drifted off to sleep at one stage. He will not sleep when I am on my feet, I can tell you that.

What about yesterday when I brought out that the government had spent \$77 million to look after its union mates? The government has got them down at the Melbourne Cricket Ground and will give them a job for life. It was not prepared to stand up to them and say, 'Listen, we want to have our employee advocate allowed on site'.

The minister stands up here at question time and goes on about Tony Abbott. Government members ought to have a look at its own industrial area because that will be one of the problems the government will have to face before the next election. It will be tarred with being part of the union movement because it comes from it. Look at Mr Bob Smith sitting behind the minister!

I can't believe the unionists. They come in here and reckon they can run the country. They have absolutely no idea, and the budget that was brought down this year is only lies. It is nothing that will benefit the people of Victoria. The government will only build up debt for the future. Where is the money going? It is not going into infrastructure or planning for the future. It is not doing anything for the people of Victoria. It might be paying off the government's union mates. It might be paying off the troglodytes from Trades Hall, their mates in Lygon Street, but I can say — —

**Hon. R. F. Smith** interjected.

**Hon. K. M. SMITH** — Don't get involved in this industrial relations dispute I am having with the minister!

I am very disappointed with the minister and the government.

What about what has happened at Federation Square? It was supposed to be finished for the celebration of Federation. What happened to it? The Labor government took over; sacked the bloke who was running it; got rid of the foreman; installed its union mates and put its other friends in charge, who have totally lost control of the whole building site down there.

The government talks about projects coming in on time and on budget. That project has blown out the budget and is so far overdue that it is a disgrace. People will be able to point out as they pass it that it will be the death knell of the government. How much additional money has been paid at Federation Square for the government's union mates and the lurks and perks and side allowances they have? They are ripping off the people of Victoria, and it would not have happened under us. It never did, and all of the major projects we had in place were finished on time, on budget, and were done properly, and that is something we could be proud of. What have you lot done? Nothing!

Whereabouts is the very first and biggest development the government has done? What about the National Gallery of Victoria? What about Able Demolitions and Excavations and what the government's union mates did to it — not awarding it any contracts even though it was the best for the job? The government's union mates said, 'We don't want them on site; they won't join the union — no ticket, no start'.

**Hon. R. F. Smith** interjected.

**Hon. K. M. SMITH** — You, Bob, are part of the problem. You're part of the union movement; you're one of the people who organised this sort of stuff.

The Minister for Sport and Recreation has to understand that the government has a responsibility to the people of Victoria to deliver a budget that will benefit them. What has it done? Nothing. The people of Victoria will realise what the government has done when the minister and the Premier decide to go to an election. They will remember the damage it has done to Victoria in the short time it has been in office. There is not one thing the government can hang anything on that it has contributed to the state of Victoria. The minister should be ashamed of himself; and the budget that we are talking about tonight is a disgrace.

**Hon. C. A. FURLETTI** (Templestowe) — Let me indicate that I intend neither to match the penultimate speaker nor the ultimate speaker. I think it is time for the matter to be brought back to the issue at hand — that is, this year's state budget. It is a pleasure to speak on this budget because it gives the opposition the opportunity to put on record the shortcomings, deficiencies and deception this government presents to this house.

I have a great deal of concern for Victoria and its future under this Bracks Labor government. I am concerned because this is a government which did not expect to be in government but managed to make it to government through a flaw — through deceiving the people of Victoria and making deals with the Independents that have not been kept.

The government inherited the results of the efforts of a partnership between the Kennett government and the people of Victoria which saw, after five years, a dramatic reduction of debt of \$32 billion. I take every opportunity to try to remind the people of Victoria of the condition they were in in 1992, when the years of the Cain–Kirner government saw Victoria driven into a rust-bucket state. To hear honourable members on the other side say that the Kennett government caused damage to this state, in comparison to the condition the state was left in in 1992, makes me almost want to leave.

The group of representatives of the Bracks Labor government in this place use axioms in pretending to prove themselves. To turn the state around is an axiom they use and obviously intend to take into the state election. And they are turning the state around — there is no doubt about it. They have turned it around about 100 degrees at this point in time, and I suspect that over the next year or so and leading up to the next election it

will be 180 degrees, because we will see that this is a guilty government that will be no different to the Cain–Kirner government.

I point out that over the last two and a half years this government on my estimate has blown about \$2.5 billion: \$1.2 billion which it inherited from the previous government; about \$500 million in windfall last year and the year before last; and, over this current year, some \$760 million to \$770 million in stamp duty windfall.

What do we see for that expenditure of \$2.5 billion? Victorians cannot point to any assets and say, 'There is something to show for \$2.5 billion'. There is no lasting infrastructure from which Victorians can benefit. There has been no investment of value from the expenditure of \$2.5 billion which generates a return for the next generation.

I recall saying in my first budget speech in this place that when the Cain and Kirner governments left this state in debt to the tune of \$32 billion, what there was to show was a tennis centre and a freeway with traffic lights. That was the inheritance for the people of Victoria from the Cain–Kirner years — nothing!

The concerns that we are obliged to consider — and they are staring us squarely in the face at the moment — are of the larger picture for Victoria. Because of the industrial relations scenario with the unions taking a grasp not only of manufacturing and development in this state but also of the government, prospective investors and entrants into the Victorian market are seriously reconsidering their positions. The situation in Hastings at the BHP Steel plant over the last almost 30 days certainly casts a dark shadow over the attraction of future investment to Victoria.

I am proud to be able to specifically comment on areas of my shadow portfolio which I inherited in the last six months and to draw the attention of the house to the areas in the budget which are impacted. This will be very brief because there was very little attributed to those areas of my portfolio.

In terms of energy responsibilities, the government has indicated an initiative of \$12 million over three years for a centre for energy and greenhouse technologies in Gippsland as part of the redevelopment of the Latrobe Valley. But guess what? It is conditional on the federal government matching it dollar for dollar. Given the relationship at the moment between the state and federal governments, I suspect that the prospect of the government having to spend that \$12 million is fairly minimal. Instead of committing it to expenditure on the

never-never, I suggest that \$12 million could be committed genuinely to sustainable and renewable energy. This government, with smoke and mirrors, tells us that it is progressive and expansive. In real terms there is nothing left.

Forests is a sensitive issue because the government has been found out in this area. The government announced that \$80 million over four years has been allocated under the Our Forests, Our Future program, which is a result of the government's inappropriate and inefficient dealing with the problems associated with the sustainable yield assessments that it discovered. Instead of seeking to phase out, the government chopped off the forestry industry at the knees leading to the need to compensate dramatically and insufficiently.

That money will be totally inadequate over four years, and we look forward to seeing how the people who are so dramatically and devastatingly affected by the government's actions will be dealt with. The area of mining and minerals received absolutely nothing from this budget. There are no new initiatives in that area.

The government has allocated \$5.1 million in this budget to conduct a further inquiry into the possible expenditure of \$100 million in the ports portfolio — that is, \$5 million for an investigation into the possible and prospective expenditure of \$100 million on deepening the channel in Port Philip Bay. What a farce! Spending 5 per cent of possible expenditure to determine how much you are going to spend is absolute nonsense.

The area that concerns me gravely is that of energy and electricity generation, and it is an area about which we all have great concern. Everybody who has the slightest interest in Victoria and its future is aware that by 2007–08 we will have dramatic shortfalls in base-load generation capacity, yet this government is doing nothing at all about attracting investment in that area. The problem is not only that we will have difficulty attracting investment but that we will also find ourselves without energy for the purposes of our manufacturing and our base needs, so Victoria will fall behind the eight ball and fall back into the condition it was in during the late 1980s and early 1990s. So it is that we have the term that has been referred to by the Honourable Geoff Craige, in the words of the Shirley Bassey song, 'Big Spender'. That theme is taken up in the *Herald Sun*, where the budget is described as a 'Big spend' budget.

An article on the budget by John Ferguson in the *Herald Sun* of 8 May concludes:

The only thing that's missing is a ringmaster to announce the election date.

It is a big-spending budget but with nothing to show for it.

With the indulgence of the house I will take just a minute to comment on the aspects of the budget that affect my electorate of Templestowe Province and, in particular, the seat of Ivanhoe. The honourable member for Ivanhoe — the local buffoon — refers in his budget speech in the other place to what the government budget has done for the seat of Ivanhoe. When a member attacks a member of the opposite party in his budget speech, you know that budget is pretty poor. The honourable member said that the government had introduced a number of Labor government initiatives, and I will correct the record in relation to that.

This government said it allocated some \$700 000 to Rosanna Primary School; in fact, in 1999 the previous Kennett government had allocated \$421 000 to that school, and I was pleased when I was out there a month or so ago to see where a lot of the money the Kennett government had allocated had been applied. I had a great morning presenting medals to the house captains in the new multipurpose room, and yet the honourable member for Ivanhoe suggested that that was a Labor government initiative.

Also, Ivanhoe East Primary School was a school which in 1999 had outgrown itself and at that time the Kennett government was very pleased to allocate \$500 000 to alleviate the pressure on that school. The honourable member for Ivanhoe actually wrote a letter to his constituents saying that my colleague the Honourable Bill Forwood and I had made hollow promises during that time but had never delivered. Of course we did not deliver because we were not re-elected. He says it was never anything more than a stunt because it was a pre-election promise that would not have been honoured. If that is the case, then one can only assume that the promises made by this government will likewise not be honoured.

A number of roads in my electorate, particularly in Ivanhoe and Templestowe, could have done with some attention from this government, but that has not happened. I put on record that this government has spent a lot of money and has nothing to show for it. It has done very little in my electorate of Templestowe Province, and that is a disgrace.

**Hon. BILL FORWOOD** (Templestowe) — I wish to make a brief contribution to the debate on the budget. Let me start by commenting on the contribution by the Honourable Kaye Darveniza, particularly in relation to

her remarks about intellectual disability services. The cant and hypocrisy that she displayed tonight were appalling.

On 23 May last year, after a contribution from my colleague the Honourable Andrew Brideson on Kew Residential Services I wrote to Ms Darveniza and suggested that if she wanted to understand what was happening there she could contact Rosalie Trower — and I make the point that Rosalie Trower was the recipient of an Order of Australia in the Queen's Birthday honours this week. The Honourable Kaye Darveniza replied that that she was prepared to meet with Rosalie Trower. I regret to inform the house that one year later she still has not done so.

On 30 May Rosalie wrote to me saying:

I am enclosing for your information and interest a copy of an article on Kew Cottages which was printed in the Kew Cottages newsletter for May.

The article is titled 'Redevelopment?'. She wrote:

My purpose in writing this article was to review the 12 months since the Premier announced the 'redevelopment' (also known as closing) of Kew Residential Services. Naturally it is written from the parents' point of view; the shock, the anguish, the anger and the continuing concerns for our loved ones as they leave the only home they know and move into today's difficult society. Many parents have called for a cluster housing precinct on portion of the site for those residents who most need this accommodation, but apparently this is not 'government policy'.

The majority of Kew residents are extremely disabled and many have multi-handicaps and challenging behaviours. Surely they, in line with all other citizens, have the right to enjoy ageing in [a] place on their own lovely land with their peers and friends and to receive the same services as provided to people in CRUs —

that is, Kew Residential Services.

**Hon. R. F. Smith** interjected.

**Hon. BILL FORWOOD** — Let me pick up the interjection from the Honourable Bob Smith. It is appalling that he comes in here and mocks the attempts of the parents of intellectual disability clients at Kew — —

**Hon. R. F. Smith** interjected.

**Hon. BILL FORWOOD** — He mocks the attempts of parents to look after their own children. Let me continue with Rosalie's letter.

**Hon. R. F. Smith** — Since when did you care? Don't come in here with that hypocrisy. It's a joke.

**Hon. BILL FORWOOD** — You are ignorant.

**Hon. R. F. Smith** interjected.

**Hon. BILL FORWOOD** — Rosalie says, in relation to the waiting list figures for intellectual disability services:

For the first time we now know the number of intellectually disabled people on the 'urgent' and 'high' lists for accommodation. We knew they would be bad, but they are far worse than we could have anticipated and are little short of shameful and inhumane ...

The dreadful waiting list figures make the closing of Kew Residential Service not only highly unnecessary but very ill-conceived. The 462 residents at Kew all have clean warm beds, good meals, excellent facilities and amenities, and dedicated staff. All this in a glorious and peaceful environment which apparently is now too valuable for intellectually disabled people. We know only too well the problems of Kew, but these could be easily overcome at minuscule expense and the waiting list halved. The closing of Kew means the 462 residents immediately leapfrog over the unfortunate 861 urgent waiting list people and their desperate parents as they endure their 116 weeks waiting for some relief.

**Hon. R. F. Smith** interjected.

**Hon. BILL FORWOOD** — That is a letter from Rosalie Trower, recipient of the Order of Australia — last weekend — mother of a Kew intellectually disabled person, talking about your government and talking about the betrayal and hypocrisy of the government that mouths the words but does not deliver. I invite honourable members to read her paper. She states:

Dictionaries give the true meaning of 'redevelopment' as 'to rebuild or replace, to develop anew' and so on, but never to 'close' or to 'demolish'. But that is what is happening to Kew so why not truthfully say that up front? Kennett did. We hated it, but at least we were never fooled and we knew where we stood. We never felt betrayed but we do now.

**Hon. R. F. Smith** interjected.

**Hon. BILL FORWOOD** — A mother talking about you and your hypocrisy! Let me finish on another issue I wish to deal with in my brief contribution tonight. It goes to the issue of the constitution commission established by Mr Bracks in an attempt to do away with the Victorian upper house.

**Hon. W. I. Smith** — Shame!

**Hon. BILL FORWOOD** — Shame! Thank you very much. It became apparent recently that the \$2 million that was allocated for the constitution commission is not being very well spent. Honourable members would be aware of the recent article in the newspaper which pointed out that \$400 000 had been

wasted on advertising and conducting meetings that were not attended by many people.

I am advised that 11 adults and 1 child attended in Mildura. In Horsham about 20 attended, including the mayor and the chief executive officer. In Warrnambool there were 3 teachers, 3 students, 1 other person and the mayor. In Bairnsdale 8 people attended, and about 20 attended in Shepparton, including a couple of known Libs. In Warrnambool, in front of the three teachers and three students, Mr Hampel said that they had not had great interest shown during their visits and the feedback they had to date was 'to retain what we have'. But that is not what we hear from this commission. In Wangaratta there were 13 in attendance, including David Evans. In Bendigo there were about 20, including 3 councillors, 2 Liberal staff, 3 Labor staff and 1 National member of Parliament — not much interest.

I make the point that a lot of money is being spent on this, and a fair amount of it is going to Mr Hunt. Mr Hunt was chosen by the Premier because he was of course formerly a Liberal member of Parliament, and it is part of the subterfuge this government is trying to use to pretend that Mr Hunt speaks on behalf of the Liberal Party. I say that if people are interested in some Liberal views they could read Lindsay Thompson's views, which were made available. Lindsay wrote to me on 5 February saying:

My original intention was to ignore the activities of the commission reviewing the powers of the Legislative Council, despite the fact that I am one of the few people alive to have spent a relatively long period in each house (15½ years in the Legislative Council and 12½ years in the Legislative Assembly).

However, when a recent consultation paper was sent to me by the commission, I was rather astounded to read some of the proposals it is apparently considering. Hence, I have forwarded to the commission the enclosed paper, which may be of some interest to you.

I am happy to make this paper available to people who are interested. Lindsay Thompson states in relation to proportional representation:

Proportional representation is a system which I support in theory, but do not favour in practice. As we have seen in recent times at the federal level, it frequently results in a small group of members who have been elected by a small percentage of the population determining which bills of the government become law and which do not. The system also seems to promote delays and uncertainty.

He then gives his views about the appointment of all ministers from the Legislative Assembly:

There was a suggestion that the effectiveness of the Council could be improved by not allowing any ministers to be chosen from the Legislative Council. Such a move I believe would reduce the calibre of people wishing to stand for the Legislative Council. Talented and well-qualified people would be less inclined to stand for the Council if they knew there was never any chance of them becoming ministers of the Crown. Indeed, of all the suggestions for reform that I have read, this one would be the most likely to lead to the gradual demise of our upper house.

I look forward to the views of the Honourable Lindsay Thompson being taken into account by Mr Hampel, Mr Macphee and Mr Hunt.

We know about Mr Hunt's views because they were contained in a paper that was provided to us. He supports proportional representation. I note that in an answer to question 2720 the opposition was advised that since the inception of the commission up until 28 February this year, Commissioner Hampel had worked 43 days, Commissioner Macphee had worked 32 days, totalling 75 days between them, but that Commissioner Hunt had worked 74 days. Commissioner Hunt had worked by himself nearly as much as the other two commissioners together. Up until that date — and we do not know how many days he has worked since then — Commissioner Hunt had earned in excess of \$90 000. I invite the house to consider the inflationary rate of 30 pieces of silver because the measure of what Mr Hunt is getting is just that — the price of betrayal of his Liberal heritage.

But Commissioner Hunt is not the only person at the beck and call of the Premier. Many members would be aware of an extraordinary series of advertisements entitled 'Victorians say upper house not working', which the commission spread around the countryside. I wrote to Professor Hampel on 19 February, and I will read the contents of that letter:

I write to seek your written explanation for the latest partisan exercise by your commission — the series of advertisements claiming that Victorians say that the upper house is not working.

This bald claim — completely unsubstantiated — is just another example of the inappropriate behaviour that your commission has engaged in since its establishment.

It is evident that virtually none of Victoria's 3.15 million voters are the least bit interested in what you are doing. By your own admission, just 7000 copies of your discussion paper were distributed and, again by your own admission, you only received about 150 responses.

I suppose that it is because of your total inability to engender any interest in your work that you have resorted to this tactic which your executive director described to the *Herald Sun* recently as 'provocative'. After all, you do have to try to justify your \$2 million budget.

But your main problem remains, while you may not like it, and the ALP may not like it, the upper house continues to work in the interest of all Victorians.

And that is why there is no interest in what you do.

I look forward to your response.

**An Honourable Member** — A good letter!

**Hon. BILL FORWOOD** — I got a response from Professor George Hampel, QC. We all know why he got the QC title, but I will leave that story for another day. He said in his response:

Thank you for your letter of 19 February 2002.

The commission's report, recommendations and the basis for them will be concluded on the due date.

Bully for him! I said to myself, 'Write another letter'. I was not going to let that go, so I wrote him another letter.

**An Honourable Member** — Is that all it was?

**Hon. BILL FORWOOD** — Yes, that's all it was. Do you want me to read it again, because it won't take long? I will read my next letter to him, dated 7 March:

Dear Professor Hampel

I refer to your letter of 21 February 2002 and admit that I am astonished by its contents.

You have avoided the major issues raised in my letter ... The constitutional commission by widely placing advertisements in daily newspapers stating that 'Victorians say upper house not working' is, in my view, taking a line unsustainable on the evidence.

However, the real vice with the advertisement is that the commission, while advertising for community consultation and informed public debate, actually promotes its own conclusions on upper house reform. I would like you to explain why the commission placed such misleading, if not mischievous, advertisements in Victorian newspapers.

Let me read his response to the house:

I refer to your letter — —

**An Honourable Member** — Is this longer than the last one?

**Hon. BILL FORWOOD** — Yes, two paragraphs:

The way the commission performs its task is not a matter I am prepared to discuss.

Let me say that again:

... is not a matter I am prepared to discuss.

Our methodology will be fully outlined in our final report.

**An honourable member interjected.**

**Hon. BILL FORWOOD** — Thank you very much! He goes on:

... the commission is happy to receive any submissions of substance which address the issues outlined in our terms of reference.

Let me make the point that the commission, which is about to report soon, has spent nearly \$2 million — —

**Hon. I. J. Cover** — Will the report be any longer than that?

**Hon. BILL FORWOOD** — I hope so! The commission has spent nearly \$2 million of Victorian taxpayers' funds on an effort by the Labor government to justify its long-held attempts to destroy the Victorian upper house.

**Hon. R. M. Hallam** — Tortuous!

**Hon. BILL FORWOOD** — I say, 'Bring it on!' We know what is going to be in it, because the Premier has already told us that he has told them that he wants them to recommend proportional representation.

Despite the evidence given to it and despite the fact that there is absolutely no interest from anybody in Victoria about it, we are fully expecting the commissioners will produce a report to justify the huge amount of money — —

**Hon. I. J. Cover** — A predictable report.

**Hon. BILL FORWOOD** — A predictable report to justify the huge amount of money the commissioners have been taking from the trough in which their snouts are deeply laid.

**Hon. I. J. Cover** — Taxpayer funded.

**Hon. BILL FORWOOD** — Taxpayer funded! The report will justify the position that the Premier asked them to produce — that is, that this house move towards proportional representation. I look forward — —

**Hon. R. M. Hallam** — No, you don't.

**Hon. BILL FORWOOD** — Yes, I do, Mr Hallam! I look forward to the debate.

**Hon. I. J. COVER** (Geelong) — It gives me great pleasure to follow the Leader of the Opposition in this place and to make a contribution which might conclude the budget debate. I find myself in an interesting position because, although time is limited, at the same time there are things I would like to say about the

budget in respect of Geelong Province, which I represent, and also in respect of the areas of sport, recreation and the Commonwealth Games, areas for which I have responsibility as a Liberal Party spokesman.

I will start with Geelong Province. I am happy to do that and acknowledge that the other member for Geelong Province is in the chamber, having made her contribution to the debate some time ago, since the budget was handed down on 7 May, just on five weeks ago. This might also give time for the Minister for Sport and Recreation to hear my concluding remarks as they pertain to his areas of responsibility.

First and foremost, in respect of the budget for Geelong, there has been a degree of excitement recorded by the other member for Geelong Province, and indeed by all Labor members in Geelong, about the fact that the budget delivered some \$38 million worth of goodies for the people of Geelong. Obviously, all parts of the state receive some goodies when a budget is delivered and on this occasion Geelong's handout was toted up to equate \$38 million.

It is a good thing that we were able to contain our excitement when we were in government in 1999. On that occasion the last of the Kennett government budgets saw some \$200 million worth of goodies handed out to Geelong. That was six times the benefits to the people of Geelong that this budget delivers. If we look three years down the track from then, today we have a budget in which Labor members for Geelong will get great excitement out of \$38 million, and it makes you wonder just what their reaction would be if they were able to match the sorts of benefits that flowed during the time of the Kennett government.

Let us trawl through the budget papers: the *2002–03 Victorian Budget Overview*; the *2002–03 Treasurer's Speech*, otherwise known as budget paper 1; the *2002–03 Budget Statement*, which is budget paper 2; and this other large volume called the *2002–03 Budget Estimates*, or budget paper 3. Then, as we have learnt in the last couple of days, perhaps the government should produce budget paper 4 — who knows whether it will be published — to be known as the supplementation budget to include the Commonwealth Games budget, but I will get to that in a minute.

Perhaps if the supplementation budget is published in the same manner as the other three documents we will find the things for Geelong that are missing from the first three documents I just referred to — that is, budget papers 1, 2 and 3.

A short list of 10 such items that are not in the budget papers or anywhere else would be easy to build. The first would be funding for the Grovedale railway station — a promise from the ALP during the 1999 election campaign. The government has had three years to deliver on that promise, but it is not in this budget.

**Hon. C. A. Strong** — The minister might know about it.

**Hon. I. J. COVER** — The minister might know, and he has just come into the chamber, which means he might be interested in some of the other comments I have about sport, recreation and the Commonwealth Games.

**An honourable member** interjected.

**Hon. I. J. COVER** — He has entered from one side of the ground and exited by the interchange gate on the other!

Next might be the much-awaited and long-talked-about rail projects. Geelong was to have benefited from one of those rail projects, like Bendigo, Ballarat and Gippsland. The Geelong project was to have included a tender for the electrification of the rail line, but that has been rejected. We acknowledge that the highway from Melbourne to Geelong is being upgraded, and I am sure many honourable members on both sides of the house, including the other member for Geelong Province and me, would have traversed the road recently and watched the works with great interest.

Let's not forget that that road upgrade was initiated by the former Kennett government under the auspices of that very fine former Minister for Roads and Ports, the Honourable Geoff Craigie. Now we hear on an annual basis, as the Labor Party and its members who represent Geelong rewrite history, that it is all their work. Let me remind them that we started it, and the Honourable Geoff Craigie, as the minister, was a driving force behind that project.

Once that road upgrade is delivered, there will be a need for a ring-road around Geelong to handle the increasing traffic volumes, but there is no mention in this budget of money for that. There is no money for the upgrade of the Geelong arts precinct, either — even though it is a very important requirement for the central area of Geelong. No money has been provided for the extension of national gas to Barwon Heads, nor is there money to assist the Barwon Heads Football and Netball Club in its ongoing battle to stay on the foreshore reserve. I acknowledge that the club is now able to stay at its home ground but note that there is no money available to assist it to stay there.

The budget does not contain money for the upgrade of the Barwon River to assist with the rowing program, although it was talked about by the ALP, and there is no money for the Geelong-Colac highway duplication — a very important project for Geelong and the Western District. There is no money for the upgrade of the Clifton Springs foreshore, and the crane on the pier at Portarlington is not mentioned either. The former Minister for Roads and Ports would be well aware from his time in that portfolio of the very important role the Portarlington pier plays in the life of that community and the importance of the crane to activities at that location.

That is just a grab bag of some of the things that are not included in the budget for Geelong. The ALP members in Geelong electorates get very excited about what the budget has delivered.

**Hon. R. M. Hallam** — They need some excitement!

**Hon. I. J. COVER** — Well, they have had a bit of excitement about some aspects of the budget for Geelong, but it still falls a long way short of what could be delivered for the Geelong people.

Indeed, I said the same thing at this time last year, about the excitement that was generated about contributions by the government to education facilities in Geelong. I repeat that the same thing was happening when we were in government. You cannot deny the facts and you cannot rewrite history. Under the previous government between 1992 and 1999 more than \$40 million was applied to capital works and maintenance upgrades at schools, without mentioning the \$25 million that went into the Gordon Institute of TAFE manufacturing centre of excellence in East Geelong — that gets me up to \$65 million — and \$10 million on the Fenwick Street campus. We welcome ongoing spending on education but people should not deny that it was happening before then and that it will always happen — because that is a prime responsibility of government.

In respect of the areas for which I have responsibility as spokesman for sport, recreation and the Commonwealth Games, it would be tremendous to talk about the budget in those areas. But of course we have learnt in the last two weeks that the budget needs to be totally rewritten in those areas.

**Hon. K. M. Smith** interjected.

**Hon. I. J. COVER** — Mr Smith, I point out that that is only indicative.

The minister has put his name to a budget that includes various contributions for sport and recreation. On

page 310 of budget paper 3 there is an interesting indication that sport, recreation and racing will receive \$48.4 million in this budget and another \$13 million for the Melbourne 2006 Commonwealth Games, a large percentage of which is basically for the running of the office and the preparations for the games.

**Hon. R. A. Best** — Does it include the Better Pools program?

**Hon. I. J. COVER** — That is a very good question, Mr Best, because whilst \$48 million is mentioned there, a media release from the minister is headed '\$84 million extra for 2006 games and Victorian sport'. This is a prime example of this government putting spin in the best traditions of Shane Warne, Mr Hallam, on anything to do with announcements that it makes. It has \$48 million in the budget but it puts out a press release saying \$84 million because it cobbled together \$48 million from here and then a bundle of other money over the next three or four years to get to a figure of \$84 million to make it seem as if it is all being spent this year. The press release, when you get to the bottom of it, says that \$50 million of this \$84 million is being spent over three years to design and develop the Melbourne Sports and Aquatic Centre. So you just see the way the government puts the spin on these matters.

If you then look deeper into these press releases and fact sheets one reveals facts about community facility funding. In respect of the Better Pools program — on which questions have been asked here and to which Mr Best alluded just a few moments ago — under a subheading of 'Benefits' it states:

Announcing this commitment to increase funding for 2003-04 will enable councils to submit applications and plan within their budget cycle.

Here is an announcement about Better Pools funding for 2003-04, but no mention is made in this budget of Better Pools funding for 2002-03. So the question has to be asked: if the fact sheet refers to the fact that the Better Pools program — in the case of the minister Better Pools program is probably more apt — will receive funding in 2003-04, how much has been allocated for the Better Pools program in the 2002-03 budget? Well, I do not know and close examination of the budget documents does not tell us, either. I reckon, because we were asking the government and the minister these questions a few weeks back, they hurriedly — again — cobbled together some figures for 2003-04 because they did not have any for the next 12 months.

It has been embarrassed into it. It has been forced into putting something together 12 months out, but it is now

trying to put it into this year's budget spin document. It is not in the budget papers stacked on my desk. But in the spin document the government can go on about what is happening in 2003–04.

Government ministers go to the Public Accounts and Estimates Committee, where the self-professed lead minister from the newly proclaimed Department of Tourism, Sport and the Commonwealth Games, which was created on 5 March, mentioned that the government will be adding \$600 000 to the Commonwealth Games budget during the course of the year. In the last two weeks we have actually learnt that we can add another \$77 million to that.

The Public Accounts and Estimates Committee was told \$600 000 in May, but in June another \$77 million was whacked in to pay for the state government's contribution to the redevelopment of the Melbourne Cricket Ground (MCG) because it rejected the \$90 million from the federal government. The whole process has been an absolute disgrace. Actually it is a disgrace to call it a process because it is not a process; the government just made it up over the last two weeks. It made it up as it went along. If Austin Powers was here, he would say to the minister, 'Oh, behave!'. It has been a disgrace.

It is a shame that the minister is not here. No doubt he is in his office reading Andrew Bolt's column on page 19 of today's *Herald Sun*. Among other things Andrew Bolt exposed what the Bracks government is on about as far as the \$77 million for the MCG redevelopment is concerned. He said that the Bracks government has fallen into the old Labor trap of pandering to the unions. This time it is the MCG redevelopment. Andrew Bolt says:

The Bracks government has been sneaking and weak. And stupid.

I gather he got that last bit by just looking at the minister. He further says:

So who will stump up the cash for the MCG instead?

You got it. Victorian taxpayers will have to pay an extra \$77 million, and the MCG Trust the rest, just so the CFMEU stays happy.

And we're still to learn whether the Bracks government will also reject federal funding for projects such as the Scoresby freeway, rather than agree to let in the federal inspectors.

This disgrace is only the latest sign that this government may go the way of the Cain and Kirner Labor governments ...

Let's hope it does! Let's hope it goes the way of the Cain and Kirner governments and straight out of office at the next election. Andrew Bolt continues:

... which were eaten alive by unions.

Bracks has already given the most bolshie public sector unions — the teachers, nurses and police — big pay rises from the surplus he inherited from Kennett.

In fact — —

**An honourable member interjected.**

**Hon. I. J. COVER** — I am only quoting from Andrew Bolt. He continues:

In fact, we found out from the Auditor-General this month that the police pay rise will cost us a fat \$610 million over five years — or three times what the government told us at the time.

How can you believe anything the government tells us about financial responsibility and its activities in this state? The article continues:

Sneaky, just as I said.

I will look forward to Andrew Bolt's column with great interest when the supplementation of the Commonwealth Games budget is eventually organised.

I conclude for the third and final time because this is — what is the word Mr Hallam; it is like a lesson or salutary or one of those words that you use so eloquently?

**Hon. R. M. Hallam** — Give me some more clues.

**Hon. I. J. COVER** — Yesterday on page 4 of the *Daily Hansard* when the Minister for Commonwealth Games in question time — —

**An Honourable Member** — You can't quote!

**Hon. I. J. COVER** — One thing I have learnt is that you can quote answers in question time from *Hansard*. The minister replied to a question from Mr Hallam about the Commonwealth Games MCG redevelopment, and I will read it slowly because it will take some time to comprehend. In fact we might come back in the spring having worked out what the minister meant.

In response to the question from Mr Hallam — this might not only be the way they do things with the Commonwealth Games budget; it might tell you how they do things with the entire state budget — the minister said:

As I have mentioned in relation to the Commonwealth Games budget in previous question times, and as honourable members would be aware, in terms of the budget estimates, figures have been nominated in relation to next year's budget. I have also mentioned that the long-term budget for the Commonwealth Games will be finalised later this year after

the Manchester games have been assessed and the issues that need to be addressed have been addressed in relation to the delivery of the games. I look forward to seeing those additional sums required highlighted in future budget estimates and projections for future years.

I could not be any clearer in my reading of the minister's answer. I ask honourable members on both sides of the house between now and the spring sitting to put their minds to assessing what the minister was talking about, and what the Bracks government and the Treasurer are doing so far as the state budget of Victoria is concerned if that is the way in which they describe it to the people of Victoria.

## APPROPRIATION (2002/2003) BILL

*Second reading*

**Motion agreed to.**

**Read second time.**

*Remaining stages*

**Passed remaining stages.**

## BUDGET PAPERS, 2002–03

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

That the Council take note of the budget papers, 2002–03.

**Motion agreed to.**

## RULINGS BY THE CHAIR

### Questions on notice: reinstatement

**The PRESIDENT — Order! The Honourable Ian Cover** has written to me seeking my ruling in relation to the answer to question on notice 2818 concerning the Better Pools and minor facilities grants.

The minister's answer states that:

... an opposition member of Parliament has sought similar information through the freedom of information process.

On a number of occasions in the past President Hunt ruled that such a response was inappropriate and that the house was entitled to receive answers to questions on notice, regardless of whether freedom of information requests had been lodged. One of those rulings was on 4 September 1990. On each such occasion President Hunt ruled that the questions be reinstated on the notice paper.

Consistent with those rulings, I therefore direct that question on notice 2818 be reinstated on the notice paper.

The Honourable David Davis has written to me seeking my ruling in relation to answers to questions on notice 2383 to 2400 inclusive, relating to staff employed by the Premier.

I am of the opinion that the first part of each of those questions has been answered. I am of the opinion, however, that parts (i) and (ii) of each of those questions have not been answered, and I therefore direct that each of those parts of those questions be reinstated on the notice paper.

## BUSINESS OF THE HOUSE

### Adjournment

**Hon. M. M. GOULD (Minister for Education Services) — I move:**

That the Council, at its rising, adjourn until a day and hour to be fixed by the President, which time of meeting shall be notified in writing to each honourable member.

**Motion agreed to.**

## ADJOURNMENT

**Hon. M. M. GOULD (Minister for Education Services) — I move:**

That the house do now adjourn.

### State Baseball and Softball Centre

**Hon. N. B. LUCAS (Eumemmerring) — I direct a matter to the attention of the Minister for Sport and Recreation.** Sue Jones of Berwick has written to me in relation to softball, in particular the State Baseball and Softball Centre at Altona, a wonderful facility that is rarely used.

The fact of the matter is that one has to pay a very heavy fee to use this facility for championships. The Australian championships run for over a week. To run them at Altona at this wonderful facility would cost \$6000. Recently a decision was taken by the Australian Softball Federation to hold national championships in Victoria. That was very well received by the wider softball community, but the problem was that it was just too expensive to hold it at Altona.

Mrs Jones has pointed out to me that although the championships which her son is involved in are held at

Sunshine and there is a good facility and good people out there, it really was like the difference between chalk and cheese. The kids missed out on playing at a really good facility. It is interesting to note that the championships will be held in Sydney in this coming year and that they will be held at no other place than the Olympic stadium. So the young people can use a facility of high quality up in Sydney, New South Wales, but down in Melbourne they cannot afford to use the State Baseball and Softball Centre at Altona. To me that is a great shame.

Many young and not-so-young people are involved with softball in my electorate. The Berwick Casey Softball Association has a huge following and it plays at the Sweeney Reserve — something I was involved in establishing. I would want those people to have an opportunity when they get into Victorian teams to be able to play at the best facilities. Unfortunately they are just unable to do that.

I ask the minister to review the funding arrangements for the State Baseball and Softball Centre in order that it can be made affordable for use by those softball and baseball sporting associations and accordingly be available for all age groups for Victorian and Australian championships.

### **Meals on Wheels: funding**

**Hon. E. J. POWELL** (North Eastern) — I raise a matter for the Minister for Senior Victorians in another place. It is about increased funding for aged care packages. I have received a letter from Stan Fuller, who is a member of the Tongala Senior Citizens Club Victoria. He asks for some assistance in getting increased Meals on Wheels funding. He says in his letter:

As you probably know only too well the funding has been at \$1.10 per meal for perhaps 10 years.

The Campaspe shire in our case are having continuing difficulty in keeping the services they give to aged and disabled persons ...

And often the shire is expected to use its resources for many other human services and its funds are extended to the limit. Mr Fuller goes on to say:

We therefore have decided to lobby to the best of our ability for a reassessment of the funding, for not only the Meals on Wheels, but also aged and disability funding as a whole.

We also feel it would be far more cost effective to keep aged and disabled persons in their own homes for longer with these services being given some more finance from the federal government.

As we know, the funds are from the federal government but they are disbursed by the state government. The councils have told me that the cost to provide aged care services has increased rapidly over the years, but the funds from the state government have been quite static and have not been increased at all. These are causing decreased services in our rural councils, but worse still they are causing waiting lists for many of the aged care services.

I ask the minister to reassess how the aged care funds are distributed to rural councils and to ensure that councils are properly funded to provide appropriate services to their communities.

### **Vicroads: registration transfers**

**Hon. PHILIP DAVIS** (Gippsland) — I raise a matter of concern for the Minister for Transport in the other place. It concerns the ineffective administration of registration of motor vehicles which is effectively leading to the facilitation of theft of motor vehicles by the transference of registration between parties who may not in fact be authorised owners. I will give the house a case study. A constituent, Ms Carol Glover of Sale, has described a situation in respect of her family where as a result of the Vicroads processes she and her sister lost effective control and ownership of a car left to them by their mother in her will.

Her mother died in 1998 and left her estate to her children. After their mother's death, the Glovers agreed that their father, who was estranged from their mother, could use the car, but they did not agree to the transfer of ownership. Before they gave consent for their father to use the car, Ms Glover inquired of Vicroads about protecting right of ownership. She was advised that this was not an issue because Vicroads did not deal in legal ownership. Frederick Glover was permitted by Vicroads to register the car in his name without the owner's authority, apparently by the provision of a marriage certificate. Given that the parties had not lived together for 20 years, the marriage certificate was not relevant to the current circumstances.

When Mr Glover died he left his estate to his son. As a result, the son moved the vehicle to Queensland and Ms Glover was advised that she was unable to recover the property. Ms Glover therefore states that the reliance on proof of marriage alone is inadequate and has resulted in Vicroads playing a part in dispossession of property from its rightful owners. Accordingly, she believes she is due some compensation as a consequence of the ineffective administration of this issue by Vicroads.

I seek that the minister investigate this matter and provide some financial relief as a consequence of the failure of Vicroads to protect the property rights of the rightful owner in this case.

### **Commonwealth Games: MCG redevelopment**

**Hon. R. M. HALLAM** (Western) — I raise an issue through the Leader of the Government for the attention of the Minister for Commonwealth Games. I am genuinely sorry that the minister has decided not to grace us tonight with his presence in the chamber. I would like to look him in the eye when I raise this question.

I refer to the \$77 million of additional funding located at incredibly short notice by the Bracks government to prop up the Melbourne Cricket Ground (MCG) redevelopment and the extraordinary coincidence that this just happens to be precisely the same figure previously promised for the Wimmera–Mallee pipeline.

I also refer to the alarming fact that the minister directly responsible for the Commonwealth Games has been unable to cite the source of this eleventh-hour MCG funding. While I regret his inability to be with us tonight, I ask that the Leader of the Government pass on this issue to him. Will the government at least put to rest the terrible conclusion that may be drawn from the identical offerings?

### **Minister for Education Services: staff**

**Hon. P. A. KATSAMBANIS** (Monash) — I raise an issue for the Leader of the Government in her personal capacity regarding serious allegations about the misuse of her ministerial office for party political purposes.

Recently we all became aware that there has been a split in various factions of the Labor Party, and it does make for salacious and interesting reading. A lot of that information has appeared on a web site called [www.crikey.com.au](http://www.crikey.com.au). Although it makes interesting reading, information that has come to me in the last few days contains serious allegations about the use of the minister's office in the preparation of this material. In particular, I refer to information that appears under the pseudonym Delia Delegate. I have received information to the effect that material has been prepared by staff members of the minister in her ministerial office during office hours. Rather than the minister dismissing this out of hand, I ask her to investigate these serious allegations properly and make sure that such things are not happening in her office.

The public expects a minister to execute his or her job faithfully on behalf of the people of Victoria. They do not expect ministerial officers to be used for the furtherance of factional, party political issues. I call on the minister to investigate this serious allegation and clear up once and for all whether her staff are producing this information on ministerial office computers during office hours and furthering factional issues at the expense of the Victorian taxpayer.

### **Responses**

**Hon. M. M. GOULD** (Minister for Education Services) — The Honourable Neil Lucas raised a matter for the Minister for Sport and Recreation about the sport centre in Altona and I will pass that on to the minister for a response.

The Honourable Jeanette Powell raised a matter with respect to Meals on Wheels and I will pass that on to the Minister for Senior Victorians and ask her to respond in the usual manner.

The Honourable Philip Davis raised a matter for the Minister for Transport about registration of motor vehicles and I will pass that on to the minister and ask him to respond in the usual manner.

The Honourable Roger Hallam raised a matter for the Minister for Commonwealth Games about the Melbourne Cricket Ground and I will pass that on to the minister and ask him to respond in the usual manner.

The Honourable Peter Katsambanis raised a matter with me and the answer is that none of my staff has been involved.

**Hon. P. A. Katsambanis** — On a point of order, Mr President, I was unable to hear the minister's answer and I would like her to repeat it.

**The PRESIDENT** — Order! There were four words I think but I did not quite hear it myself.

**Hon. M. M. GOULD** — There is no-one in my office associated with it.

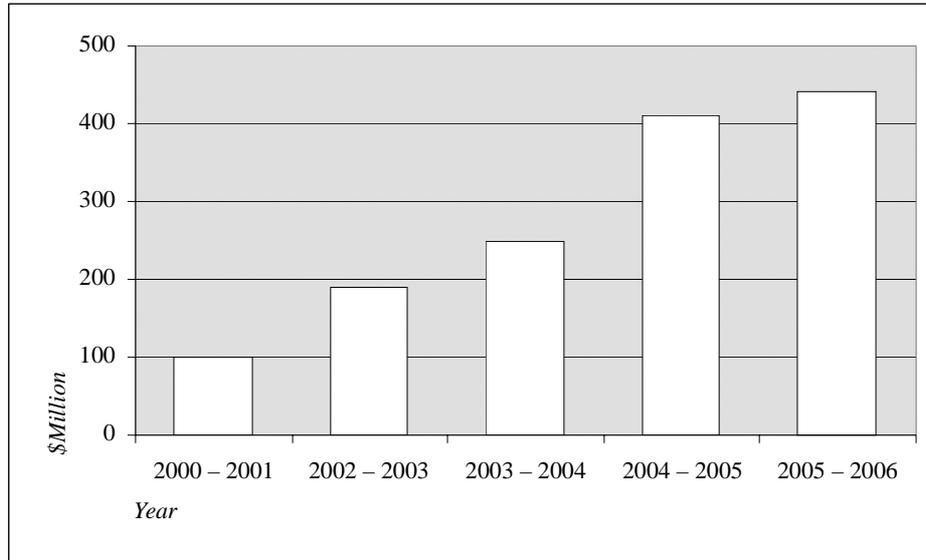
**Motion agreed to.**

**House adjourned 11.31 p.m.**

[CHART — *Building Tomorrow's Businesses Today*]

### Creating a Competitive Business Environment

Victoria's tax cuts: 2001-02 to 2005-06



Source: *Victorian Government Business Statement, April 2002*

## QUESTIONS ON NOTICE

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**Tuesday, 11 June 2002**

**Sport and recreation: government policy**

**2819. THE HON. I. J. COVER** — To ask the Honourable the Minister for Sport and Recreation: In relation to the Labor Party's 1999 Sport and Recreation Policy:

- (a) What has the Government done to increase the quality and level of sport in schools and to encourage greater sporting links between schools and local clubs.
- (b) How many jobs in the sport and recreation industries have been created by the Government.

**ANSWER:**

I am informed as follows:

- (a) Funding of State Sporting Associations for junior sport programs increased from 13 programs granted \$134,000 in 1999–00 to 20 programs totalling \$223,500 in 2000–01. At least half of the 20 funded programs were conducted in school settings.

The 2000–01 programs encompassed a wide variety of sports from traditional activities such as cricket, football, golf and soccer to the less profiled sports of fencing, lacrosse and modern pentathlon. A significant emphasis was placed on encouraging girls to be involved, so that all the sports, including football, cricket and soccer, offered a program for girls.

In 2001–02, a further 19 programs have been funded totalling \$185,000. New sports have been introduced, including handball, dancesport and water polo, and there is a considerable rural focus with ten sports working specifically in rural Victorian schools.

The issue of school club links is being addressed and improved upon, not only through the increased number of sports involved in schools, but also by the School Sport Linkages Project, which supports schools in linking with sporting clubs, associations and regional assemblies. In addition, Government support of Sports Development Officers, who play a vital role in linking schools and clubs, has increased from 28 assisted in 1999–00 to 35 in 2001–02.

The recent Bracks Government announcement of an \$8 million package to school sport will see Melbourne host the 2005 Pacific School Games. Every government school will share in \$5 million worth of sporting equipment, which represents a doubling of most annual sport equipment budgets of most schools.

The Department of Education and Training continues to promote and develop the Fundamental Motor Skills Project, which supports current research into the process and importance of learning physical skills and the development of innovative resources and support materials to assist with the teaching of these critical motor skills to students.

The Physical and Sport Education (PASE) Professional Development Program for teachers continues to be supported by the Bracks Government and over the past two and a half years over 4,000 teachers have participated.

These initiatives support the policy of timetabled physical and sport education in Victorian schools, which mandates that all students from Prep to Year 10 participate in weekly timetabled sport and physical education classes.

- (b) Data from the Australian Bureau of Statistics survey of the Labour Force show that in February 2002 there were 31,000 Victorians employed in the sport and recreation industry. This was 3,000 jobs or 11 per cent higher than the 28,000 employed in February 1999. Over the same period the total number of Victorians with jobs grew seven per cent from 2.16 million to 2.32 million. The sport and recreation industry significantly outperformed other industries as a generator of job growth.

The Government fosters an atmosphere in Victoria that maximises the growth potential of the sport and recreation industry in this State.

**Environment and conservation: Bunyip State Forest — operator fees for land use**

- 2882. THE HON. B. C. BOARDMAN** — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Minister for Environment and Conservation): Further to the answer to Question No. 2606, given in this House on 19 March 2002, has the Department of Natural Resources and Environment and/or the Minister for Environment and Conservation been made aware of any failure by any companies, private operators or any other organisations to pay any or full operator fees for use of, or access to, the Bunyip State Park, in the years since 1995–1996; if so — (i) what are the names of these companies, private operators or other organisations; (ii) how much revenue has been lost or foregone; (iii) who made the decisions that resulted in revenue lost or foregone; (iv) when were the decisions made; and (v) has there been any discussions of, and subsequent decision to recover moneys through, legal action from any companies, private operators or organisations; if not, why and who was involved in the decision making process.

**ANSWER:**

I am informed that:

Neither the Department nor the Minister is aware of the failure by any companies, private operators or any other organisations to pay any or full operator fees for use of, or access to, the Bunyip State Park in the years since 1995–1996.

**Energy and resources: natural gas — North Bellarine**

- 2919. THE HON. I. J. COVER** — To ask the Honourable the Minister for Energy and Resources: What is the timetable for the following areas of the North Bellarine to be connected to natural gas — (i) the lower bluff area of St Leonards, including houses on the southern end of Bluff Road; (ii) Sproat Street North, Turner Court, and Franzel Avenue, Portarlinton; (iii) Point Richards area of Portarlinton, including Ramblers Road and Point Richards Road North; (iv) North end of Grassy Point Road, Indented Head; and (v) Church Road, Indented Head.

**ANSWER:**

I am informed that:

In relation to the streets and areas of the North Bellarine listed in the question, none of them was included in the original proposal by TXU for reticulation.

TXU has advised that following a recent design review and subject to budget estimates, both the Sproat Street North, Turner Court and Franzel Avenue localities of Portarlinton and the north end of Grassy Point Road, Indented Head may be included at a later stage.

TXU has also advised that at this stage the difficulty with reticulating the Point Richards area of Portarlinton and Church Road, Indented Head is that they have a relatively low housing density or are some distance from the planned network. Reticulation in these areas would not be viable for TXU, although I understand that the company is considering an option to seek contributions from residents to make up any shortfall that would otherwise occur. The current project by TXU is scheduled for completion during 2004.

**QUESTIONS ON NOTICE**

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**Wednesday, 12 June 2002**

**Education and training: extension education program**

**2431. THE HON. ANDREA COOTE** — To ask the Honourable the Minister for Sport and Recreation (for the Honourable the Minister for Education and Training): What are the recommendations of the review of the Extension Education Program.

**ANSWER**

I am informed as follows:

The review of the Extension Education Program has been completed. The review contains a series of recommendations relating to the following areas:

- Funding models
- Communication strategies
- Accounting criteria
- Auditing of Non-extension Education Services within the Department
- Future strategic directions.

Changes to the program will be implemented during 2002 for full operation from 1 January 2003.

**Education and training: technical schools**

**2680. THE HON. ANDREA COOTE** — To ask the Honourable the Minister for Sport and Recreation (for the Honourable the Minister for Education and Training): Are there any technical schools operating outside the TAFE system in Victoria; if so, where are they located.

**ANSWER:**

I am informed as follows:

No.

**Police and emergency services: public transport — crime**

**2811. THE HON. G. B. ASHMAN** — To ask the Honourable the Minister for Sport and Recreation (for the Honourable the Minister for Police and Emergency Services):

- (a) How many incidents have been reported to police regarding crime on public transport for each year since 1985.
- (b) How many of the reported incidents regarding crime on public transport have resulted in fines or other penalties each year since 1985.
- (c) Of the reported incidents regarding crime on public transport which have resulted in fines or other penalties since 1985, what is the total penalty both financial and non-financial for each year.

**ANSWER:**

- (a) Preparing an answer to this question would require a substantial and unreasonable diversion of Victoria Police time and resources. I refer the Honourable Member to the publication titled 'Victoria Police Crime Statistics' which is published annually. Alternatively, crime statistics can be accessed via the Victoria Police web site at [www.police.vic.gov.au](http://www.police.vic.gov.au).
- (b) The matter falls outside my Portfolio.
- (c) The matter falls outside my Portfolio.

**Police and emergency services: railway stations — crime**

**2812. THE HON. G. B. ASHMAN** — To ask the Honourable the Minister for Sport and Recreation (for the Honourable the Minister for Police and Emergency Services):

- (a) Which are the ten railway stations within metropolitan Melbourne with the highest crime rate for the period 1994 to 2001.
- (b) For each of the ten railway stations in Melbourne with the highest crime rate, what were the reported crimes and how many crimes were committed at each station for the period from 1994 to 2001.

**ANSWER:**

I am advised that:

Preparing an answer to these questions would require a substantial and unreasonable diversion of Victoria Police time and resources. I refer the Honourable Member to the publication titled 'Victoria Police Crime Statistics' which is published annually. Alternatively, crime statistics can be accessed via the Victoria Police web site at [www.police.vic.gov.au](http://www.police.vic.gov.au).

**Police and emergency services: public transport — graffiti**

**2813. THE HON. G. B. ASHMAN** — To ask the Honourable the Minister for Sport and Recreation (for the Honourable the Minister for Police and Emergency Services): In each year since 1985:

- (a) How many people have been arrested and charged for graffiti on the public transport system.
- (b) What is the total financial penalty enforced for graffiti offences on public transport.
- (c) What is the total court ordered jail terms for graffiti offences on public transport.
- (d) What has been the financial cost of rectifying graffiti offences on public transport.

**ANSWER:**

- (a) Preparing an answer to this question would require a substantial and unreasonable diversion of Victoria Police time and resources. I refer the Honourable Member to the publication titled 'Victoria Police Crime Statistics' which is published annually. Alternatively, crime statistics can be accessed via the Victoria Police web site at [www.police.vic.gov.au](http://www.police.vic.gov.au).
- (b) The matter falls outside my Portfolio. I note that you have also addressed this question to the Attorney-General, and I would refer you to his response.
- (c) The matter falls outside my Portfolio. I note that you have also addressed this question to the Attorney-General, and I would refer you to his response.
- (d) This matter does not sit within my Portfolio responsibilities.

**Police and emergency services: vehicles — excessive noise penalties**

**2814. THE HON. G. B. ASHMAN** — To ask the Honourable the Minister for Sport and Recreation (for the Honourable the Minister for Police and Emergency Services): In each year since 1985:

- (a) What is the total financial penalty enforced for excessive car sound system offences.
- (b) What are the total court ordered jail terms imposed for excessive car sound system offences.
- (c) What other non-financial penalties have been imposed in regard to excessive car sound system offences.
- (d) How many people have been arrested and charged for excessive car engine noise (e.g. revving of engines).
- (e) What is the total annual financial penalty enforced for excessive car engine noise offences.
- (f) How many court ordered jail terms have been imposed annually for excessive car engine noise offences.
- (g) How many people have been arrested and charged for doing burnouts on public roads.
- (h) How many court ordered jail terms have been imposed for offences involving burnouts.
- (i) What other non-financial penalties have been issued in regard to offences involving burnouts.

**ANSWER:**

I am advised that:

- (a) This matter does not sit within my Portfolio responsibilities.
- (b) This matter does not sit within my Portfolio responsibilities.
- (c) This matter does not sit within my Portfolio responsibilities.
- (d) Preparing an answer to this question would require a substantial and unreasonable diversion of Victoria Police time and resources. I refer the Honourable Member to the publication titled 'Victoria Police Crime Statistics' which is published annually. Alternatively, crime statistics can be accessed via the Victoria Police web site at [www.police.vic.gov.au](http://www.police.vic.gov.au).
- (e) This matter does not sit within my Portfolio responsibilities.
- (f) This matter does not sit within my Portfolio responsibilities.
- (g) Preparing an answer to this question would require a substantial and unreasonable diversion of Victoria Police time and resources. I refer the Honourable Member to the publication titled 'Victoria Police Crime Statistics' which is published annually. Alternatively, crime statistics can be accessed via the Victoria Police web site at [www.police.vic.gov.au](http://www.police.vic.gov.au).
- (h) This matter does not sit within my Portfolio responsibilities.
- (i) This matter does not sit within my Portfolio responsibilities.

**Police and emergency services: vehicles — street racing penalties**

**2815. THE HON. G. B. ASHMAN** — To ask the Minister for Sport and Recreation (for the Honourable the Minister for Police and Emergency Services): In each year since 1985:

- (a) What is the total financial penalty per year enforced for offences involving street racing on public roads.

- (b) How many people have been arrested and charged for offences involving street racing on public roads.
- (c) How many court ordered jail terms have been imposed relating to offences involving street racing.
- (d) What other non-financial penalties have been issued in regard to offences involving street racing.

**ANSWER:**

I am advised that:

- (a) The issue of financial penalties is a matter that belongs within the Portfolio responsibilities of the Attorney-General.
- (b) Preparing an answer to this question would require a substantial and unreasonable diversion of Victoria Police time and resources. I refer the Honourable Member to the publication titled 'Victoria Police Crime Statistics' which is published annually. Alternatively, crime statistics can be accessed via the Victoria Police web site at [www.police.vic.gov.au](http://www.police.vic.gov.au).
- (c) The matter falls outside my Portfolio.
- (d) The matter falls outside my Portfolio.

**Police and emergency services: penalties for modified vehicles**

**2816. THE HON. G. B. ASHMAN** — To ask the Minister for Sport and Recreation (for the Honourable the Minister for Police and Emergency Services): In each year since 1985:

- (a) What is the total number of people arrested and charged for operating modified cars.
- (b) What is the annual financial penalty enforced for offences involving the operation of modified cars.
- (c) How many court ordered jail terms have been imposed for offences involving the operation of modified cars.
- (d) What other non-financial penalties have been issued regarding offences involving the operation of modified cars.

**ANSWER:**

I am advised that:

- (a) Preparing an answer to this question would require a substantial and unreasonable diversion of Victoria Police time and resources. I refer the Honourable Member to the publication titled 'Victoria Police Crime Statistics' which is published annually. Alternatively, crime statistics can be accessed via the Victoria Police web site at [www.police.vic.gov.au](http://www.police.vic.gov.au).
- (b) The matter falls outside my Portfolio.
- (c) The matter falls outside my Portfolio.
- (d) The matter falls outside my Portfolio.

**Police and emergency services: public transport crime — incidence**

**2924. THE HON. W. I. SMITH** — To ask the Honourable the Minister for Sport and Recreation (for the Honourable the Minister for Police and Emergency Services): How many incidents have been reported to police regarding crime on public transport in each year since 1985.

**ANSWER:**

Preparing an answer to this question would require a substantial and unreasonable diversion of Victoria Police time and resources. I refer the Honourable Member to the publication titled 'Victoria Police Crime Statistics' which is published annually. Alternatively, crime statistics can be accessed via the Victoria Police web site at [www.police.vic.gov.au](http://www.police.vic.gov.au).

**Police and emergency services: railway station crime — incidence**

**2932. THE HON. W. I. SMITH** — To ask the Honourable the Minister for Sport and Recreation (for the Honourable the Minister for Police and Emergency Services): What are the top ten railway stations with the highest crime rates in metropolitan Melbourne for — (i) 2001; (ii) 2000; (iii) 1999; (iv) 1998; (v) 1997; (vi) 1996; (vii) 1995; and (viii) 1994.

**ANSWER:**

Preparing an answer to this question would require a substantial and unreasonable diversion of Victoria Police time and resources. I refer the Honourable Member to the publication titled 'Victoria Police Crime Statistics' which is published annually. Alternatively, crime statistics can be accessed via the Victoria Police web site at [www.police.vic.gov.au](http://www.police.vic.gov.au).

**Police and emergency services: railway station crime — incidence**

**2933. THE HON. W. I. SMITH** — To ask the Honourable the Minister for Sport and Recreation (for the Honourable the Minister for Police and Emergency Services): For each of the top ten train stations in Melbourne with the highest crime figures, what were the reported crimes, and how many crimes were committed, at each station in — (i) 2001; (ii) 2000; (iii) 1999; (iv) 1998; (v) 1997; (vi) 1996; (vii) 1995; and (viii) 1994.

**ANSWER:**

Preparing an answer to this question would require a substantial and unreasonable diversion of Victoria Police time and resources. I refer the Honourable Member to the publication titled 'Victoria Police Crime Statistics' which is published annually. Alternatively, crime statistics can be accessed via the Victoria Police web site at [www.police.vic.gov.au](http://www.police.vic.gov.au).

**Police and emergency services: public transport graffiti — arrests**

**2939. THE HON. W. I. SMITH** — To ask the Honourable the Minister for Sport and Recreation (for the Honourable the Minister for Police and Emergency Services): How many people have been arrested and charged for graffiti on the public transport system in each year since 1985.

**ANSWER:**

Preparing an answer to this question would require a substantial and unreasonable diversion of Victoria Police time and resources. I refer the Honourable Member to the publication titled 'Victoria Police Crime Statistics' which is published annually. Alternatively, crime statistics can be accessed via the Victoria Police web site at [www.police.vic.gov.au](http://www.police.vic.gov.au).

**Police and emergency services: public transport graffiti — penalties**

**2940. THE HON. W. I. SMITH** — To ask the Honourable the Minister for Sport and Recreation (for the Honourable the Minister for Police and Emergency Services): What is the total financial penalty enforced for graffiti offences on public transport in each year since 1985.

**ANSWER:**

The collection of financial penalties is a matter that belongs within the Portfolio responsibilities of the Attorney-General.

**Police and emergency services: car sound systems — arrests**

**2948. THE HON. W. I. SMITH** — To ask the Honourable the Minister for Sport and Recreation (for the Honourable the Minister for Police and Emergency Services): How many people have been arrested and charged for excessive car sound systems in each year since 1985.

**ANSWER:**

Preparing an answer to this question would require a substantial and unreasonable diversion of Victoria Police time and resources. I refer the Honourable Member to the publication titled 'Victoria Police Crime Statistics' which is published annually. Alternatively, crime statistics can be accessed via the Victoria Police web site at [www.police.vic.gov.au](http://www.police.vic.gov.au).

QUESTIONS ON NOTICE

*Answers to the following questions on notice were circulated on the date shown.  
Questions have been incorporated from the notice paper of the Legislative Council.  
Answers have been incorporated in the form supplied by the departments on behalf of the appropriate ministers.  
The portfolio of the minister answering the question on notice starts each heading.*

**Thursday, 13 June 2002**

**Education and training: physical resource management system**

**2153. THE HON. ANDREW BRIDESON** — To ask the Honourable the Minister for Sport and Recreation (for the Honourable the Minister for Education and Training): In relation to the Physical Resource Management System (PRMS) maintenance program funding:

- (a) Will the Minister provide a list of the schools allocated funding in the \$51 million PRMS maintenance announcement in July 2001, detailing the amount allocated to each school.
- (b) How much was spent in 2000–2001 by the Government on the program.

**ANSWER:**

I am informed as follows:

- (a) This question would be best directed to the Minister for Education Services for a response as this matter falls within her responsibilities.

**Treasurer: government buildings — legionella**

**2343. THE HON. D. McL. DAVIS** — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Treasurer): What buildings owned, leased and/or used by the Department of Treasury and Finance have had works undertaken on inspecting, upgrading or otherwise modifying airconditioning systems to meet guidelines to minimise the risk of legionnaires' disease otherwise known as legionella indicating — (i) the cost of each inspection, upgrade, modification or other work; (ii) the date each inspection, upgrade, modification or other work commenced or is scheduled to commence; (iii) the date each inspection, upgrade, modification or other work was completed or is scheduled to be completed; (iv) the name of the company or organisation that did, is doing, or is commissioned to do the work in each case; (v) the buildings yet to be inspected; and (vi) what plans (if any) the Department of Treasury and Finance has to undertake further inspections.

**ANSWER:**

I am informed that:

The Government's strategy to reduce the incidence of Legionnaires' disease involves a comprehensive risk management approach to improve the standards and controls relating to the use of water-based cooling tower systems in both airconditioning systems and industrial processes. The strategy specifically includes legislative reform with the Building (Legionella) Act 2000 and the new Health (Legionella) Regulations 2001, and building and plumbing regulations.

The Act requires landowners to register sites with cooling towers with the Building Control Commission, ensure that risk management plans are prepared to address critical risks outlined in regulation and ensure that there is an annual audit of risk management plans.

The Health Regulations set out the maintenance and testing requirements to be undertaken where *Legionella* is identified. This includes formal reporting to the Department of Human Services where three concurrent *Legionella* tests show positive results.

The Government's strategy also includes random inspections of cooling towers to be undertaken by the Department of Human Services and technical support and advice to be provided to industry by the Department of Human Services.

Capital works on buildings occupied but not owned by the Government are generally the responsibility of the owner. Specific capital improvements to reduce *Legionella* risks, as distinct from general plant improvements, are also generally expected to occur under the legislative provisions, once risk assessments are completed and Legionella Risk Management Plans are in place, i.e. by mid 2002 in most cases. Public records are not kept that specifically identify airconditioning capital works and maintenance. Considerable and unreasonable expense would be incurred to elicit the specific information requested.

It is estimated that the Department of Treasury and Finance owns, leases and/or uses 7 buildings that may fit within the Member's question. The information requested cannot be provided as the costs of compiling, verifying and ensuring the accuracy of the data cannot be justified. The Member may wish to identify particular buildings in which he has an interest.

**State and regional development: government buildings — legionella**

**2344. THE HON. D. McL. DAVIS** — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Minister for State and Regional Development): What buildings owned, leased and/or used by the Department of State and Regional Development have had works undertaken on inspecting, upgrading or otherwise modifying airconditioning systems to meet guidelines to minimise the risk of legionnaires' disease otherwise known as legionella indicating — (i) the cost of each inspection, upgrade, modification or other work; (ii) the date each inspection, upgrade, modification or other work commenced or is scheduled to commence; (iii) the date each inspection, upgrade, modification or other work was completed or is scheduled to be completed; (iv) the name of the company or organisation that did, is doing, or is commissioned to do the work in each case; (v) the buildings yet to be inspected; and (vi) what plans (if any) the Department of State and Regional Development has to undertake further inspections.

**ANSWER:**

I am informed that:

The Government's strategy to reduce the incidence of Legionnaires' disease involves a comprehensive risk management approach to improve the standards and controls relating to the use of water-based cooling tower systems in both airconditioning systems and industrial processes.

The strategy specifically includes legislative reform with the Building (Legionella) Act 2000 and the new Health (Legionella) Regulations 2001, and building and plumbing regulations.

The Act requires land owners to:

- register sites with cooling towers with the Building Control Commission;
- ensure that risk management plans are prepared to address critical risks – outlined in regulation; and
- ensure that there is an annual audit of risk management plans.

The Health Regulations set out the maintenance and testing requirements to be undertaken where *Legionella* is identified. This includes:

- formal reporting to the Department of Human Services where three concurrent *Legionella* tests show positive results.

The Government's strategy also includes:

- random inspections of cooling towers to be undertaken by the Department of Human Services; and
- technical support and advice to be provided to industry by the Department of Human Services.

Capital works on buildings occupied but not owned by the Government are generally the responsibility of the owner.

Specific capital improvements to reduce *Legionella* risks, as distinct from general plant improvements, are also generally expected to occur under the legislative provisions, once risk assessments are completed and Legionella Risk Management Plans are in place, i.e. by mid 2002 in most cases.

Public records are not kept that specifically identify airconditioning capital works and maintenance. Considerable and unreasonable expense would be incurred to elicit the specific information requested.

It is estimated that the Department of State and Regional Development leases 15 buildings that may fit within the Member's question.

The information requested cannot be provided as the costs of compiling, verifying and ensuring the accuracy of the data cannot be justified. The Member may wish to identify particular buildings in which he has an interest.

**Premier: government buildings — legionella**

**2345. THE HON. D. McL. DAVIS** — To ask the Honourable the Minister for Industrial Relations (for the Honourable the Premier): What buildings owned, leased and/or used by the Department of Premier and Cabinet have had works undertaken on inspecting, upgrading or otherwise modifying airconditioning systems to meet guidelines to minimise the risk of legionnaires' disease otherwise known as legionella indicating — (i) the cost of each inspection, upgrade, modification or other work; (ii) the date each inspection, upgrade, modification or other work commenced or is scheduled to commence; (iii) the date each inspection, upgrade, modification or other work was completed or is scheduled to be completed; (iv) the name of the company or organisation that did, is doing, or is commissioned to do the work in each case; (v) the buildings yet to be inspected; and (vi) what plans (if any) the Department of Premier and Cabinet has to undertake further inspections.

**ANSWER:**

I am informed that:

The Government's strategy to reduce the incidence of Legionnaires' disease involves a comprehensive risk management approach to improve the standards and controls relating to the use of water-based cooling tower systems in both airconditioning systems and industrial processes.

The strategy specifically includes legislative reform with the Building (Legionella) Act 2000 and the new Health (Legionella) Regulations 2001, and building and plumbing regulations.

The Act requires land owners to:

- register sites with cooling towers with the Building Control Commission
- ensure that risk management plans are prepared to address critical risks – outlined in regulation
- ensure that there is an annual audit of risk management plans.

The Health Regulations set out the maintenance and testing requirements to be undertaken where *Legionella* is identified. This includes:

- formal reporting to the Department of Human Services where three concurrent *Legionella* tests show positive results

The Government's strategy also includes:

- random inspections of cooling towers to be undertaken by the Department of Human Services
- technical support and advice to be provided to industry by the Department of Human Services.

Capital works on buildings occupied but not owned by the Government are generally the responsibility of the owner.

Specific capital improvements to reduce *Legionella* risks, as distinct from general plant improvements, are also generally expected to occur under the legislative provisions, once risk assessments are completed and Legionella Risk Management Plans are in place, i.e. by mid 2002 in most cases.

Public records are not kept that specifically identify airconditioning capital works and maintenance. Considerable and unreasonable expense would be incurred to elicit the specific information requested.

It is estimated that the Department of Premier and Cabinet owns, leases and/or uses 22 buildings that may fit within the Member's question.

The information requested cannot be provided as the costs of compiling, verifying and ensuring the accuracy of the data cannot be justified. The Member may wish to identify particular buildings in which he has an interest.

### **Environment and conservation: government buildings — legionella**

**2346. THE HON. D. McL. DAVIS** — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Minister for Environment and Conservation): What buildings owned, leased and/or used by the Department of Natural Resources and Environment that have had works undertaken on inspecting, upgrading or otherwise modifying airconditioning systems to meet guidelines to minimise the risk of legionnaires disease otherwise known as legionella indicating — (i) the cost of each inspection, upgrade, modification or other work; (ii) the date each inspection, upgrade, modification or other work commenced or is scheduled to commence; (iii) the date each inspection, upgrade, modification or other work was completed or is scheduled to be completed; (iv) the name of the company or organisation that did, is doing, or is commissioned to do the work in each case; (v) the buildings yet to be inspected; and (vi) what plans (if any) the Department of Natural Resources and Environment has to undertake further inspections.

#### **ANSWER:**

I am informed that:

The Government's strategy to reduce the incidence of Legionnaires' disease involves a comprehensive risk management approach to improve the standards and controls relating to the use of water-based cooling tower systems in both airconditioning systems and industrial processes.

The strategy specifically includes legislative reform with the *Building (Legionella) Act 2000* and the new *Health (Legionella) Regulations 2001*, and building and plumbing regulations.

The Act requires land owners to:

- register sites with cooling towers with the Building Control Commission;
- ensure that risk management plans are prepared to address critical risks – outlined in regulation; and
- ensure that there is an annual audit of risk management plans.

The Health Regulations set out the maintenance and testing requirements to be undertaken where *Legionella* is identified. This includes:

- formal reporting to the Department of Human Services (DHS) where three concurrent *Legionella* tests show positive results.

The Government's strategy also includes:

- random inspections of cooling towers to be undertaken by DHS; and
- technical support and advice to be provided to industry by DHS.

Capital works on buildings occupied but not owned by the Government are generally the responsibility of the owner.

Specific capital improvements to reduce *Legionella* risks, as distinct from general plant improvements, are also generally expected to occur under the legislative provisions, once risk assessments are completed and Legionella Risk Management Plans are in place, i.e. by mid 2002 in most cases.

Public records are not kept that specifically identify airconditioning capital works and maintenance. Considerable and unreasonable expense would be incurred to elicit the specific information requested.

It is estimated that the Department of Natural Resources and Environment owns or leases 180 buildings that may fit within the Member's question.

The information requested cannot be provided as the costs of compiling, verifying and ensuring the accuracy of the data cannot be justified. The Member may wish to identify particular buildings in which he has an interest.

**Attorney-General: government buildings — legionella**

**2347. THE HON. D. McL. DAVIS** — To ask the Honourable the Minister for Small Business (for the Honourable the Attorney-General): What buildings owned, leased and/or used by the Department of Justice have had works undertaken on inspecting, upgrading or otherwise modifying airconditioning systems to meet guidelines to minimise the risk of legionnaires' disease otherwise known as legionella indicating — (i) the cost of each inspection, upgrade, modification or other work; (ii) the date each inspection, upgrade, modification or other work commenced or is scheduled to commence; (iii) the date each inspection, upgrade, modification or other work was completed or is scheduled to be completed; (iv) the name of the company or organisation that did, is doing, or is commissioned to do the work in each case; (v) the buildings yet to be inspected; and (vi) what plans (if any) the Department of Justice has to undertake further inspections.

**ANSWER:**

The Government's strategy to reduce the incidence of Legionnaires' disease involves a comprehensive risk management approach to improve the standards and controls relating to the use of water-based cooling tower systems in both airconditioning systems and industrial processes.

The strategy specifically includes legislative reform with the *Building (Legionella) Act 2000* and the new Health (Legionella) Regulations 2001, and building and plumbing regulations.

The Act requires land owners to:

- register sites with cooling towers with the Building Control Commission
- ensure that risk management plans are prepared to address critical risks – outlined in regulation
- ensure that there is an annual audit of risk management plans.

The Health Regulations set out the maintenance and testing requirements to be undertaken where *Legionella* is identified. This includes:

- formal reporting to the Department of Human Services where three concurrent *Legionella* tests show positive results
- technical support and advice to be provided to industry by the Department of Human Services.

Capital works on buildings relating to air conditioning plant, which are occupied but not owned by the Government, are generally the responsibility of the owner.

Specific capital improvements to reduce *Legionella* risks, as distinct from general plant improvements, are also generally expected to occur under the legislative provisions, once risk assessments are completed and Legionella Risk Management Plans are in place, i.e. by mid 2002 in most cases.

The Department of Justice holds a range of data pertaining to airconditioning systems used in buildings occupied by Departmental staff across all of Victoria. Given that there are a number of such regional and metropolitan locations, I ask that the Member nominates particular buildings in which he has an interest.

**Ports: government buildings — legionella**

**2348. THE HON. D. McL. DAVIS** — To ask the Honourable the Minister for Ports: What buildings owned, leased and/or used by the Department of Infrastructure have had works undertaken on inspecting, upgrading or otherwise modifying airconditioning systems to meet guidelines to minimise the risk of legionnaires' disease otherwise known as legionella indicating — (i) the cost of each inspection, upgrade, modification or other work; (ii) the date each inspection, upgrade, modification or other work commenced or is scheduled to commence; (iii) the date each inspection, upgrade, modification or other work was completed or is scheduled to be completed; (iv) the name of the company or organisation that did, is doing, or is commissioned to do the work in each case; (v) the buildings yet to be inspected; and (vi) what plans (if any) the Department of Infrastructure has to undertake further inspections.

**ANSWER:**

The Government's strategy to reduce the incidence of Legionnaires' disease involves a comprehensive risk management approach to improve the standards and controls relating to the use of water-based cooling tower systems in both airconditioning systems and industrial processes.

The strategy specifically includes legislative reform with the Building (Legionella) Act 2000 and the new Health (Legionella) Regulations 2001, and building and plumbing regulations.

The Act requires land owners to:

- register sites with cooling towers with the Building Control Commission;
- ensure that risk management plans are prepared to address critical risks – outlined in regulation; and
- ensure that there is an annual audit of risk management plans.

The Health Regulations set out the maintenance and testing requirements to be undertaken where *Legionella* is identified. This includes:

- formal reporting to the Department of Human Services where three concurrent *Legionella* tests show positive results.

The Government's strategy also includes:

- random inspections of cooling towers to be undertaken by the Department of Human Services; and
- technical support and advice to be provided to industry by the Department of Human Services.

Capital works on buildings occupied but not owned by the Government are generally the responsibility of the owner.

Specific capital improvements to reduce *Legionella* risks, as distinct from general plant improvements, are also generally expected to occur under the legislative provisions, once risk assessments are completed and Legionella Risk Management Plans are in place, i.e. by mid 2002 in most cases.

Public records are not kept that specifically identify airconditioning capital works and maintenance. Considerable and unreasonable expense would be incurred to elicit the specific information requested.

It is estimated that the Department of Infrastructure owns, leases and/or uses five buildings that may fit within the Member's question.

The information requested cannot be provided as the costs of compiling, verifying and ensuring the accuracy of the data cannot be justified. The Member may wish to identify particular buildings in which he has an interest.

**Health: government buildings — legionella**

**2349. THE HON. D. McL. DAVIS** — To ask the Honourable the Minister for Industrial Relations (for the Honourable the Minister for Health): What buildings owned, leased and/or used by the Department of Human Services have had works undertaken on inspecting, upgrading or otherwise modifying airconditioning systems to meet guidelines to minimise the risk of legionnaires' disease otherwise known as legionella indicating — (i) the cost of each inspection, upgrade, modification or other work; (ii) the date each inspection, upgrade, modification or other work commenced or is scheduled to commence; (iii) the date each inspection, upgrade, modification or other work was completed or is scheduled to be completed; (iv) the name of the company or organisation that did, is doing, or is commissioned to do the work in each case; (v) the buildings yet to be inspected; and (vi) what plans (if any) the Department of Human Services has to undertake further inspections.

**ANSWER:**

The Government's strategy to reduce the incidence of Legionnaires' disease involves a comprehensive risk management approach to improve the standards and controls relating to the use of water-based cooling tower systems in both airconditioning systems and industrial processes.

The strategy specifically includes Legislative reform with the Building (Legionella) Act 2000 and the new Health (Legionella) Regulations 2001, and building and plumbing regulations.

The Act requires land owners to:

- register sites with cooling towers with the Building Control Commission
- ensure that risk management plans are prepared to address critical risks – outlined in regulation
- ensure that there is an annual audit of risk management plans.

The Health Regulations set out the maintenance and testing requirements to be undertaken where *Legionella* is identified. This includes:

- formal reporting to the Department of Human Services where three concurrent *Legionella* tests show positive results.

The Government's strategy also includes:

- random inspections of cooling towers to be undertaken by the Department of Human Services; and
- technical support and advice to be provided to industry by the Department of Human Services

Capital works on buildings occupied but not owned by the Government are generally the responsibility of the owner.

Specific capital improvements to reduce *Legionella* risks, as distinct from general plant improvements, are also generally expected to occur under the legislative provisions, once risk assessments are completed and Legionella Risk Management Plans are in place, i.e. by mid 2002 in most cases.

Public records are not kept that specifically identify airconditioning capital works and maintenance. Considerable and unreasonable expense would be incurred to elicit the specific information requested.

It is estimated that the Department of Human Services leases and/or uses 10 office buildings that may fit within the Member's question.

The information requested cannot be provided as the costs of compiling, verifying and ensuring the accuracy of the data cannot be justified. The member may wish to identify particular buildings in which he has an interest.

**Education and training: government buildings — legionella**

**2350. THE HON. D. McL. DAVIS** — To ask the Honourable the Minister for Sport and Recreation (for the Honourable the Minister for Education and Training): What buildings owned, leased and/or used by the Department of Education, Employment and Training have had works undertaken on inspecting, upgrading or otherwise modifying airconditioning systems to meet guidelines to minimise the risk of legionnaires' disease otherwise known as legionella indicating — (i) the cost of each inspection, upgrade, modification or other work; (ii) the date each inspection, upgrade, modification or other work commenced or is scheduled to commence; (iii) the date each inspection, upgrade, modification or other work was completed or is scheduled to be completed; (iv) the name of the company or organisation that did, is doing, or is commissioned to do the work in each case; (v) the buildings yet to be inspected; and (vi) what plans (if any) the Department of Education, Employment and Training has to undertake further inspections.

**ANSWER:**

I am informed as follows:

The Government's strategy to reduce the incidence of Legionnaires' disease involves a comprehensive risk management approach to improve the standards and controls relating to the use of water-based cooling tower systems in both airconditioning systems and industrial processes.

The strategy specifically includes legislative reform with the Building (Legionella) Act 2000 and the new Health (Legionella) Regulations 2001, and building and plumbing regulations.

The Act requires land owners to:

- register sites with cooling towers with the Building Control Commission;
- ensure that risk management plans are prepared to address critical risks – outlined in regulation; and
- ensure that there is an annual audit of risk management plans.

The Health Regulations set out the maintenance and testing requirements to be undertaken where *Legionella* is identified. This includes:

- formal reporting to the Department of Human Services where three concurrent *Legionella* tests show positive results.

The Government's strategy also includes:

- random inspections of cooling towers to be undertaken by the Department of Human Services; and
- technical support and advice to be provided to industry by the Department of Human Services.

Capital works on buildings occupied but not owned by the Government are generally the responsibility of the owner.

Specific capital improvements to reduce *Legionella* risks, as distinct from general plant improvements, are also generally expected to occur under the legislative provisions, once risk assessments are completed and Legionella Risk Management Plans are in place, i.e. by mid 2002 in most cases.

Public records are not kept that specifically identify airconditioning capital works and maintenance. Considerable and unreasonable expense would be incurred to elicit the specific information requested.

It is estimated that the Department of Education, Employment and Training owns, leases and/or uses seven buildings that may fit within the Member's question.

The information requested cannot be provided as the costs of compiling, verifying and ensuring the accuracy of the data cannot be justified. The Member may wish to identify particular buildings in which he has an interest.

**Sport: Better Pools program**

**2818. THE HON. I. J. COVER** — To ask the Honourable the Minister for Sport and Recreation: Which communities and/or local governments have current applications for Better Pools and Minor Facilities grants for 2002–2003.

**ANSWER:**

I am informed that an Opposition member of Parliament has sought similar information through the Freedom of Information process

**Community services: accommodation — disability service needs register**

**2899. THE HON. BILL FORWOOD** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Community Services): For each Department of Human Services region, as at the 30 December 2001:

- (a) How many individuals on the Disability Service Needs Register were waiting for — (i) Shared Supported Accommodation (SSA); (ii) Day Programs; and (iii) In-Home Accommodation Support (IHAS) or Home Support.
- (b) For each category, how many were classified as urgent priority and high priority, respectively.
- (c) For each category, how many clients were assessed as eligible to receive services under the *Intellectually Disabled Persons' Services Act 1986*.
- (d) For what length of time have clients been waiting for a shared supported accommodation place.

**ANSWER:**

The number of people on waiting lists for December 2001 is not comparable to the number of people on the waiting list as of April 2002. The Service Needs Register is now a more integrated list and the April 2002 data is considered to be a more reasonable reflection of demand data.

The average period of time clients wait for services as of April 2002 has been provided in answer to a previous question from the Honourable Member (number 2736).

**Environment and conservation: Cheltenham Park**

**2918. THE HON. G. K. RICH-PHILLIPS** — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Minister for Environment and Conservation): In relation to the Order giving approval to the grant of a lease under Sections 17D and 17DA of the *Crown Land (Reserves) Act 1978* of 18 March 2002 relating to the Cheltenham Park, what were the special reasons pursuant to the Act which made the granting of a lease reasonable and appropriate.

**ANSWER:**

I am informed that:

The special reasons which make the granting of a lease reasonable and appropriate in accordance with section 17D(3)(a) of the *Crown Land (Reserves) Act 1978* follow:

- The Cheltenham Golf Club has occupied the site for about 70 years and requires a lease in order to formalise its occupation;
- The grant of a lease will replace the inappropriate Permissive Occupancy agreement last issued in 1970;
- The grant of a lease will improve the management controls and other arrangements for the reserve;
- The Club is one of a number of golfing venues in Melbourne's 'sand belt'. A lease will provide the Club with long term security and enable it to attract private investment.

The Order has since undergone the necessary tabling in Parliament with no motions to disallow. The Department of Natural Resources and Environment is in the process of advising the Bayside City Council that it can now proceed with its negotiations with the Cheltenham Golf Club regarding the lease.

### **Ports: stevedoring**

**2921. THE HON. ANDREA COOTE** — To ask the Honourable the Minister for Ports: In relation to the development of a third stevedore at the Port of Melbourne, what inquiries has the Government undertaken which indicate that the new competition in the Port of Melbourne is commercially viable and supported by the market.

#### **ANSWER:**

The Government provided an opportunity for a third container stevedoring operation to enter the Port of Melbourne by undertaking an EOI process. After assessing the commercial viability of introducing a third operator, the market has now determined that it is not ready for a third container stevedoring operation.

The Government has maintained from the beginning that any move to deliver new competition in the Port of Melbourne must therefore be commercially viable and involve strong market support.

Following the announcement of the outcome of the Westgate project, the Government remains committed to ensuring that the Port of Melbourne continues to be the largest and pre-eminent container port in Australia. This will be achieved by facilitating an economic and commercial environment conducive to investment by existing port operators.

### **Ports: environmental management plan**

**2922. THE HON. ANDREA COOTE** — To ask the Honourable the Minister for Ports: In relation to the Whole of Port Environmental Management Plan, has the Implementation Program been completed.

#### **ANSWER:**

The Implementation Program for the Whole of Port Environmental Management Plan (WPEMP) has been developed and will be further refined by the ongoing input from representatives of the Reference Committee that guided development of the WPEMP.

Representatives include the Environment Protection Authority, Victorian Channels Authority, Department of Natural Resources and Environment and Department of Infrastructure.

Actions contained within this Implementation Program are based on the priorities identified in the WPEMP.

This Program will be an ongoing and collaborative one to ensure its success.

**Ports: environmental management plan**

**2923. THE HON. ANDREA COOTE** — To ask the Honourable the Minister for Ports: In relation to the Whole of Port Environmental Management Plan, what consultation mechanisms have been established.

**ANSWER:**

The Whole of Port Environmental Management Plan (WPEMP) sets an overall environmental management framework for the Port to manage the interface between the Port and other sensitive areas of environmental value. The WPEMP was launched on the 10th April 2002 following a 15 month process.

It was developed cooperatively with the Port community through an extensive consultation process.

Consultation was carried out with a variety of government organisations at the federal, state and local levels, port operators and service providers, business and industry groups and local community groups. Consultation activities included local media, letter drops, face to face meetings, workshops and community meetings throughout the development of the WPEMP.

The input and feedback received as a result of the consultation process provided valuable information for the identification of environmental aspects, issues and risks and the development of the management strategies contained within the WPEMP.

Additionally, the WPEMP has been developed under the guidance of a reference committee including representatives from the Environment Protection Agency (EPA), the Victorian Channels Authority (VCA), the Department of Natural Resources and Environment (DNRE) and the Department of Infrastructure (DOI). It is intended that representatives of these agencies will continue to contribute to the implementation of the WPEMP.

The WPEMP will be regularly reviewed and updated.

**Police and emergency services: public transport crime — penalties**

**2925. THE HON. W. I. SMITH** — To ask the Honourable the Minister for Sport and Recreation (for the Honourable the Minister for Police and Emergency Services): Of the reported incidents regarding crime on public transport, how many have resulted in fines or other penalties in each year since 1985.

**ANSWER:**

I am advised that:

This matter falls within the Portfolio responsibilities of the Attorney-General.

**Police and emergency services: public transport crime — penalties**

**2926. THE HON. W. I. SMITH** — To ask the Honourable the Minister for Sport and Recreation (for the Honourable the Minister for Police and Emergency Services): Of the reported incidents regarding crime on public transport which have resulted in fines or other penalties in each year since 1985, what is the total penalty issued (both financial and non-financial) for each year since 1985.

**ANSWER:**

The issue of penalties, both financial and non-financial, is a matter that belongs within the Portfolio responsibilities of the Attorney-General.

**Police and emergency services: public transport graffiti — jail terms**

**2941. THE HON. W. I. SMITH** — To ask the Honourable the Minister for Sport and Recreation (for the Honourable the Minister for Police and Emergency Services): What is the total court ordered jail terms for graffiti offences on public transport in each year since 1985.

**ANSWER:**

The issue of penalties, including court ordered jail terms is a matter that belongs within the Portfolio responsibilities of the Attorney-General.

**Police and emergency services: public transport graffiti — rectification**

**2942. THE HON. W. I. SMITH** — To ask the Honourable the Minister for Sport and Recreation (for the Honourable the Minister for Police and Emergency Services): What has been the financial cost of rectifying graffiti offences on public transport in each year since 1985.

**ANSWER:**

This matter does not sit within my Portfolio responsibilities.

**Police and emergency services: public transport graffiti — penalties**

**2943. THE HON. W. I. SMITH** — To ask the Honourable the Minister for Sport and Recreation (for the Honourable the Minister for Police and Emergency Services): What other non-financial penalties have been issued for graffiti offences on public transport in each year since 1985.

**ANSWER:**

The issue of non-financial penalties is a matter that belongs within the Portfolio responsibilities of the Attorney-General.

**Police and emergency services: car sound systems — penalties**

**2949. THE HON. W. I. SMITH** — To ask the Honourable the Minister for Sport and Recreation (for the Honourable the Minister for Police and Emergency Services): What is the total financial penalty enforced for excessive car sound system offences in each year since 1985.

**ANSWER:**

This matter does not sit within my Portfolio responsibilities.

**Police and emergency services: car sound systems — jail terms**

**2950. THE HON. W. I. SMITH** — To ask the Honourable the Minister for Sport and Recreation (for the Honourable the Minister for Police and Emergency Services): What is the total court ordered jail terms for excessive car sound system offences in each year since 1985.

**ANSWER:**

This matter does not sit within my Portfolio responsibilities.

**Police and emergency services: car sound systems — penalties**

**2951. THE HON. W. I. SMITH** — To ask the Honourable the Minister for Sport and Recreation (for the Honourable the Minister for Police and Emergency Services): What other non-financial penalties have been issued in regard to excessive car sound system offences in each year since 1985.

**ANSWER:**

This matter does not sit within my Portfolio responsibilities.

**Police and emergency services: car engine noise — arrests**

**2956. THE HON. W. I. SMITH** — To ask the Honourable the Minister for Sport and Recreation (for the Honourable the Minister for Police and Emergency Services): How many people have been arrested and charged for excessive car engine noise (e.g. revving of engines) in each year since 1985.

**ANSWER:**

I am advised that:

Preparing an answer to this question would require a substantial and unreasonable diversion of Victoria Police time and resources. I refer the Honourable Member to the publication titled 'Victoria Police Crime Statistics' which is published annually. Alternatively, crime statistics can be accessed via the Victoria Police web site at [www.police.vic.gov.au](http://www.police.vic.gov.au).

**Police and emergency services: car engine noise — penalties**

**2957. THE HON. W. I. SMITH** — To ask the Honourable the Minister for Sport and Recreation (for the Honourable the Minister for Police and Emergency Services): What is the total financial penalty enforced for excessive car engine noise offences in each year since 1985.

**ANSWER:**

This matter does not sit within my Portfolio responsibilities.

**Housing: public and community housing**

**2958. THE HON. ANDREA COOTE** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Housing): In relation to the \$210 million in 2002–03 budget for the construction and acquisition of public and community housing, including joint ventures, redevelopments and leasing:

- (a) What is the total amount allocated for the construction of public and community housing.
- (b) What is the total amount allocated for the acquisition of public and community housing.
- (c) What is the total amount allocated for joint ventures of public and community housing.
- (d) What is the total amount allocated for the redevelopment of public and community housing.
- (e) What is the total amount allocated for leasing of public and community housing.

**ANSWER:**

- (a) Of the \$210 million, \$131 million has been allocated for the construction of public and community housing (including Aboriginal Housing).

- (b) Of the \$ 210 million, \$77 million has been allocated for the acquisition of public and community housing (including Aboriginal housing) through spot purchase of existing properties.

Please note that the balance between construction and purchase can be affected by market conditions within the financial year of allocation.

- (c) Of the \$131 million for construction, in (a) above, \$36 million has been allocated for joint ventures of public and community housing.
- (d) Of the \$131 million for construction, in (a) above, \$28 million has been allocated for the redevelopment of public and community housing.
- (e) Of the \$210 million, \$2 million has been allocated for leasing of additional public and community housing.

**Housing: Victory Boulevard housing estate, Ashburton**

**2959. THE HON. ANDREA COOTE** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Housing): In relation to the redevelopment of the Victory Boulevard Housing Estate in Ashburton:

- (a) What is the total amount allocated in the 2002–03 budget for its redevelopment.
- (b) What is the total amount allocated for its physical improvement.
- (c) Does the redevelopment include contributions from the private sector.
- (d) Does the redevelopment include contributions from the ‘not-for-profit’ sector.

**ANSWER:**

- (a) \$1.5 million has been allocated in the 2002–03 budget for the Victory Boulevard, Ashburton redevelopment.
- (b) Existing properties at the Victory Boulevard site have been demolished.
- (c) No.
- (d) No.

**Housing: Long Gully estate, Bendigo**

**2960. THE HON. ANDREA COOTE** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Housing): In relation to the redevelopment of the Long Gully Estate in Bendigo:

- (a) What is the total amount allocated in the 2002–03 budget for its redevelopment.
- (b) What is the total amount allocated for its physical improvement.
- (c) Does the redevelopment include contributions from the private sector.
- (d) Does the redevelopment include contributions from the ‘not-for-profit’ sector.

**ANSWER:**

- (a) \$3 million has been allocated in the 2002–03 budget for the Long Gully Estate redevelopment. This redevelopment has also been identified as a Neighbourhood Renewal project.
- (b) Physical improvements for this redevelopment are included in the overall plan for the redevelopment and not budgeted for separately.

- (c) Some of the sites at Long Gully will be sold to the private sector for development.
- (d) The redevelopment does not include plans for contributions from the 'not-for-profit' sector at this stage.

**Housing: Rathdowne Street housing estate, Carlton**

**2961. THE HON. ANDREA COOTE** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Housing): In relation to the redevelopment of the Rathdowne Street Housing Estate in Carlton:

- (a) What is the total amount allocated in the 2002–03 budget for its redevelopment.
- (b) What is the total amount allocated for its physical improvement.
- (c) Does the redevelopment include contributions from the private sector.
- (d) Does the redevelopment include contributions from the 'not-for-profit' sector.

**ANSWER:**

- (a) As the project is still in the process of development, \$100,000 has initially been allocated in the 2002–03 budget to commence planning and demolition works.
- (b) Physical improvement works will be incorporated in the overall plan for the redevelopment and have therefore not been budgeted for separately.
- (c) The redevelopment does not include specific plans for contributions from the private sector at this stage.
- (d) The redevelopment does not include specific plans for contributions from the 'not-for-profit' sector at this stage.

**Housing: Peace Court housing estate, Doveton**

**2962. THE HON. ANDREA COOTE** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Housing): In relation to the redevelopment of the Peace Court Housing Estate in Doveton:

- (a) What is the total amount allocated in the 2002–03 budget for its redevelopment.
- (b) What is the total amount allocated for its physical improvement.
- (c) Does the redevelopment include contributions from the private sector.
- (d) Does the redevelopment include contributions from the 'not-for-profit' sector.

**ANSWER:**

- (a) The Community Advisory Committee report on the Doveton redevelopment identifies various options ranging from selling part of the site for private housing and construction of a small number of social housing units to selling the whole site to private developers. Future budget allocations will be subject to consideration of these options.
- (b) The buildings on this site have been demolished and consequently there will be no provision for physical improvements for this redevelopment.
- (c) The redevelopment does not include plans for contributions from the private sector at this stage.
- (d) The redevelopment does not include plans for contributions from the 'not-for-profit' sector at this stage.

**Housing: Thomson housing estate, East Geelong**

**2963. THE HON. ANDREA COOTE** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Housing): In relation to the redevelopment of the Thomson Housing Estate in East Geelong:

- (a) What is the total amount allocated in the 2002–03 budget for its redevelopment.
- (b) What is the total amount allocated for its physical improvement.
- (c) Does the redevelopment include contributions from the private sector.
- (d) Does the redevelopment include contributions from the ‘not-for-profit’ sector.

**ANSWER:**

- (a) The first stage of the Geelong East redevelopment involved the upgrade or demolition of selected units. This work has been completed and the project is now in the construction phase. \$4 million has been allocated in the 2002–03 budget for this construction work.
- (b) The cost of physical improvement work has been included in the overall redevelopment budget for this project.
- (c) Part of the Geelong East site has been sold for private sector housing. There are no plans for contributions from the private sector for the public housing redevelopment at this stage.
- (d) The redevelopment does not include plans for contributions from the ‘not-for-profit’ sector at this stage.

**Housing: Kensington housing estate, Kensington**

**2964. THE HON. ANDREA COOTE** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Housing): In relation to the redevelopment of the Kensington Housing Estate in Kensington:

- (a) What is the total amount allocated in the 2002–03 budget for its redevelopment.
- (b) What is the total amount allocated for its physical improvement.
- (c) Does the redevelopment include contributions from the private sector.
- (d) Does the redevelopment include contributions from the ‘not-for-profit’ sector.

**ANSWER:**

- (a) \$10.3 million has been allocated in the 2002–03 budget for the Kensington redevelopment.
- (b) The cost of physical improvement work has been included in the overall redevelopment budget for this project.
- (c) The private sector will purchase some of the land and this will be developed for private housing.
- (d) The redevelopment does not include plans for contributions from the ‘not-for-profit’ sector at this stage.

**Housing: Maidstone/Braybrook estate**

**2965. THE HON. ANDREA COOTE** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Housing): In relation to the redevelopment of the Maidstone/Braybrook Estate:

- (a) What is the total amount allocated in the 2002–03 budget for its redevelopment.

- (b) What is the total amount allocated for its physical improvement.
- (c) Does the redevelopment include contributions from the private sector.
- (d) Does the redevelopment include contributions from the 'not-for-profit' sector.

**ANSWER:**

- (a) Funding of \$5m has been allocated in the 2002–03 budget for the Maidstone/Braybrook redevelopment.
- (b) Physical improvements for this redevelopment are included in the overall plan for the project and not budgeted for separately.
- (c) The redevelopment does not include plans for contributions from the private sector at this stage.
- (d) The redevelopment does not include plans for contributions from the 'not-for-profit' sector at this stage.

**Housing: Raglan/Ingles housing estate, Port Melbourne**

**2966. THE HON. ANDREA COOTE** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Housing): In relation to the redevelopment of the Raglan/Ingles Housing Estate in Port Melbourne:

- (a) What is the total amount allocated in the 2002–03 budget for its redevelopment.
- (b) What is the total amount allocated for its physical improvement.
- (c) Does the redevelopment include contributions from the private sector.
- (d) Does the redevelopment include contributions from the 'not-for-profit' sector.

**ANSWER:**

- (a) \$2.4 million has been allocated in the 2002–03 budget for Raglan/Ingles redevelopment.
- (b) As the buildings on this site have been demolished, there is no provision for physical improvements for this project.
- (c) The redevelopment is seeking to introduce a different mix of public/private tenancy to the site and will involve the sale of part of the site for private housing development. The redevelopment does not include plans for contributions from the private sector at this stage.
- (d) The redevelopment does not include plans for contributions from the 'not-for-profit' sector at this stage.

**Housing: Elizabeth Street housing estate, Richmond**

**2967. THE HON. ANDREA COOTE** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Housing): In relation to the redevelopment of the Elizabeth Street Housing Estate in Richmond:

- (a) What is the total amount allocated in the 2002–03 budget for its redevelopment.
- (b) What is the total amount allocated for its physical improvement.
- (c) Does the redevelopment include contributions from the private sector.
- (d) Does the redevelopment include contributions from the 'not-for-profit' sector.

**ANSWER:**

- (a) The report from the Community Advisory Committee has recommended the demolition of the walk-up flats on the Elizabeth Street Housing Estate in Richmond and the redevelopment of the site. \$200,000 has been allocated in the 2002–03 budget for the initial stage of this project.
- (b) As the proposal for this project involves the demolition of the walk-up units, there has been no provision for physical improvements in the budget for this redevelopment.
- (c) The redevelopment does not include plans for contributions from the private sector at this stage. The Government will be exploring options to encourage a mix of public/private housing development on the site.
- (d) The redevelopment does not include plans for contributions from the ‘not-for-profit’ sector at this stage.

**Housing: Parkside housing estate, Shepparton**

**2968. THE HON. ANDREA COOTE** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Housing): In relation to the redevelopment of the Parkside Housing Estate in Shepparton:

- (a) What is the total amount allocated in the 2002–03 budget for its redevelopment.
- (b) What is the total amount allocated for its physical improvement.
- (c) Does the redevelopment include contributions from the private sector.
- (d) Does the redevelopment include contributions from the ‘not-for-profit’ sector.

**ANSWER:**

- (a) \$900,000 has been allocated in the 2002–03 budget for the Parkside Estate redevelopment.
- (b) The total amount allocated in the 2002–03 budget for this redevelopment is for physical improvements.
- (c) The redevelopment includes a proposal to sell some properties for use as private housing. The redevelopment does not include plans for contributions from the private sector at this stage.
- (d) The redevelopment does not include plans for contributions from the ‘not-for-profit’ sector at this stage.

**Housing: Mark/Rundle housing estate, Wodonga**

**2969. THE HON. ANDREA COOTE** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Housing): In relation to the redevelopment of the Mark/Rundle Housing Estate in Wodonga:

- (a) What is the total amount allocated in the 2002–03 budget for its redevelopment.
- (b) What is the total amount allocated for its physical improvement.
- (c) Does the redevelopment include contributions from the private sector.
- (d) Does the redevelopment include contributions from the ‘not-for-profit’ sector.

**ANSWER:**

- (a) \$1.5 million has been allocated in the 2002–03 budget for the Wodonga redevelopment.

- (b) Physical improvements for this redevelopment are included in the overall plan for the redevelopment and not budgeted for separately.
- (c) A Development Plan has been approved by Council and tenders are to be called for an older persons public/private redevelopment on the site.
- (d) The redevelopment does not include plans for contributions from the 'not-for-profit' sector at this stage.

**Housing: Housing Establishment Fund — Monash Province**

**2970. THE HON. ANDREA COOTE** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Housing):

- (a) How much of the Housing Establishment Fund is available for transitional housing in Monash Province.
- (b) How much of the Fund is available for emergency housing in Monash Province.
- (c) Which agencies have access to housing emergency funds available and how much.

**ANSWER:**

- (a) Housing Establishment Funds are allocated for distribution on a sub regional basis.
- (b) The Housing Establishment Fund guidelines permit discretion in the distribution of HEF for the following purposes: Purchase Emergency Accommodation, Rent in Advance, Rent Arrears, Bond, Storage, Removals and relocation. Across the state, an average of 30% of the funds are used to purchase emergency housing.
- (c) The Salvation Army Social Housing Service (SASHS) administers HEF in Monash Province. All SAAP funded and any other homelessness assistance services can approach SASHS for access to these funds.

**Housing: supported adult accommodation program**

**2971. THE HON. ANDREA COOTE** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Housing): What is the breakdown of Supported Adult Accommodation Program funding by region for 2000–2001.

**ANSWER:**

Funding provided under the Supported Accommodation Assistance Program for 2000–2001 by Department of Human Services Region was as follows:

<b>Region</b>	<b>Amount of Funding*</b>
Barwon South-West Region	\$ 3,465,404
Central Services (Centrally Managed)	\$ 5,539,755
Eastern Metropolitan Region	\$ 8,605,563
Gippsland Region	\$ 3,431,178
Grampians Region	\$ 2,735,656
Hume Region	\$ 3,029,306
Loddon Mallee Region	\$ 3,548,644
Northern Metropolitan Region	\$10,962,814
Southern Metropolitan Region	\$12,006,605
Western Metropolitan Region	\$ 9,127,471

\*Figures include back payment for award increases (1999/2000) of \$2.174 million

**Housing: Housing Establishment Fund — private sector**

**2972. THE HON. ANDREA COOTE** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Housing): What programs has the Government initiated to assist families in crisis to remain in their homes in the private sector.

**ANSWER:**

The Government provides financial assistance to families through the Housing Establishment Fund to assist households which are in housing crisis as a result of a range of circumstances. Assistance to repay rental arrears, and thereby avert eviction, is provided as part of this program. Assistance is also provided through a broad range of Department of Human Services programs which have a role in assisting families in crisis to remain in their homes in the private sector. These include Family Support Services, Transitional Housing Services, Supported Accommodation Assistance Program services, Citizens Advice Bureaux and the Tenants Union of Victoria.

**Housing: Housing Establishment Fund — private sector**

**2973. THE HON. ANDREA COOTE** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Housing): What funding is available, and under which programs, to assist families in crisis to remain in their homes in the private sector.

**ANSWER:**

The Government provides \$6.1 million annually of financial assistance to families through the Housing Establishment Fund to assist households which are in housing crisis as a result of a range of circumstances. Assistance to repay rental arrears, and thereby avert eviction, is provided as part of this program. Assistance is also provided through a broad range of Department of Human Services programs which have a role in assisting families in crisis to remain in their homes in the private sector. These include Family Support Services, Transitional Housing Services, Supported Accommodation Assistance Program Services, Citizens Advice Bureaux and the Tenants Union of Victoria.

**Housing: Raglan/Ingles housing estate, Port Melbourne**

**2974. THE HON. ANDREA COOTE** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Housing): How does the Government define the proposed arrangement with the private sector for the redevelopment of the Raglan/Ingles Housing Estate.

**ANSWER:**

The current status of the redevelopment of the Raglan Ingles Housing Estate is that a planning application for new public and private housing is currently being considered by the City of Port Phillip. At this stage there is no arrangement with the private sector in relation to this redevelopment. Any possible future arrangements will be determined following final determination of the planning application by the City of Port Phillip.

**Housing: Mark/Rundle estate**

**2975. THE HON. ANDREA COOTE** — To ask the Honourable Minister for Small Business (for the Honourable Minister for Housing): How does the Government define the arrangement with the private sector for the redevelopment of the Mark/Rundle Estate.

**ANSWER:**

A Development Plan for the Mark/Rundle Estate was approved by Council in June 2001, and selected tenders are being called for an older persons public / private redevelopment on this site.

**Housing: Ashburton housing estate**

**2976. THE HON ANDREA COOTE** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Housing): What is the total net loss of units available for public housing as a result of the redevelopment of the Ashburton Housing Estate.

**ANSWER:**

The total net loss of units for public housing as a result of the redevelopment of the Ashburton Housing Estate is NIL. 56 units were demolished on the Victory Boulevard site and these will be replaced with 37 new public housing dwellings. In addition to this, a detached house is being built in Weewak Road, Ashburton, and 18 public housing dwellings are to be 'spot purchased' within the area.

**Housing: Ashburton housing estate**

**2977. THE HON. ANDREA COOTE** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Housing): In relation to the redevelopment of the Ashburton Housing Estate, what percentage of the site has been sold to private developers.

**ANSWER:**

In relation to the redevelopment of the Ashburton Housing Estate, the percentage of the site that has been sold to private developers at this stage is NIL. The subdivision permit application is currently being assessed by City of Boroondara.

**Housing: eastern suburbs**

**2978. THE HON. ANDREA COOTE** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Housing): In relation to the Government's provision of 256 public and social housing properties in Melbourne's eastern suburbs:

- (a) How many properties were completed in 2001.
- (b) What is the location of these properties.
- (c) How many properties are due for completion in 2002.
- (d) What is the location of these properties.
- (e) Do these properties fall under Social Housing Innovation Project programs.

**ANSWER:**

The response provided is based on actual number of properties constructed during the 2000–01 financial year and the total number of properties constructed in the 2001–02 financial year to date. The information provided is based on properties managed by the Eastern Metropolitan Region.

In 2000–01, 85 public housing properties were constructed in the Eastern Metropolitan Region. They are spread across the municipalities in the region as follows:

- Boroondara (24), Knox (6), Maroondah (24), Monash (23), Whitehorse (4) and Yarra Ranges (4).

In 2001–02, 58 public housing properties have been constructed to date in the Eastern Metropolitan Region. They are spread across the municipalities in the region as follows:

- Boroondara (5), Knox (1), Manningham (5), Maroondah (4), Monash (32), Whitehorse (3) and Yarra Ranges (8).

The above information does not include properties leased or acquired by purchase in the Eastern Region.

**Housing: Long Gully housing estate, Bendigo**

**2979. THE HON. ANDREA COOTE** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Housing): What is the turnaround time between tenants in the Long Gully Housing Estate in Bendigo.

**ANSWER:**

Turnaround times vary.

**Housing: Long Gully housing estate, Bendigo**

**2980. THE HON. ANDREA COOTE** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Housing): How many houses are currently vacant in the Long Gully Housing Estate in Bendigo.

**ANSWER:**

At 14/05/2002 there were a total of five vacant properties in the Long Gully Housing Estate.

**Housing: waiting lists — 30 April 2002**

**2981. THE HON. ANDREA COOTE** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Housing). What was the waiting time and the number of people on public housing waiting lists as at 30 April 2002 for each housing type and in each segment (under the segmented waiting list) for each broad banded waiting list area in Victoria.

**ANSWER:**

Waiting times and waiting lists by housing type as you have requested are not produced by the Office of Housing and therefore cannot be provided.

The Bracks Government has established a web page to communicate the latest quarterly waiting list figures, commencing with the March 2002 quarter. The web site address is [www.dhs.vic.gov.au/housing](http://www.dhs.vic.gov.au/housing).

Information is available on the web site and previously provided to the Shadow Minister for Housing.

**Housing: waiting lists — 30 April 2001**

**2982. THE HON. ANDREA COOTE** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Housing): What was the waiting time and the number of people on public housing waiting lists as at 30 April 2001 for each housing type and in each segment (under the segmented waiting list) for each broad banded waiting list area in Victoria.

**ANSWER:**

Waiting times and waiting lists by housing type as you have requested are not produced by the Office of Housing and therefore cannot be provided.

The Bracks Government has established a web page to communicate the latest quarterly waiting list figures, commencing with the March 2002 quarter. The web site address is [www.dhs.vic.gov.au/housing](http://www.dhs.vic.gov.au/housing)

Information is available on the web site and previously provided to the Shadow Minister for Housing.

**Housing: waiting lists — 30 April 2000**

**2983. THE HON. ANDREA COOTE** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Housing): What was the waiting time and the number of people on public housing waiting lists as at 30 April 2000 for each housing type and in each segment (under the segmented waiting list) for each broad banded waiting list area in Victoria.

**ANSWER:**

Waiting times and waiting lists by housing type as you have requested are not produced by the Office of Housing and therefore cannot be provided.

The Bracks Government has established a web page to communicate the latest quarterly waiting list numbers, commencing with the March 2002 quarter. The web site address is [www.dhs.vic.gov.au/housing](http://www.dhs.vic.gov.au/housing).

Information is available on the web site and previously provided to the Shadow Minister for Housing.

**Housing: social housing innovation project**

**2984. THE HON. ANDREA COOTE** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Housing): In relation to the announced Social Housing Innovations Project (SHIP):

- (a) Which of the SHIP projects have been tendered.
- (b) For which of the SHIP projects have contracts been signed.
- (c) What is the expected start date of construction for each of the announced projects.
- (d) When are each of these projects expected to be completed.

**ANSWER:**

(See the table below)

From the First Request for Proposals tender round

(a) The following SHIP projects have been tendered:	(b) Contracts have been signed for the following SHIP projects:	(c) The expected start date of construction for each of the announced projects is as follows:	(d) Each of these projects are expected to be completed as follows:
City of Port Phillip/St Kilda Housing Assoc Inc	Yes	2002–03	2003
City of Wodonga	Project withdrawn by organisation	N/A	N/A
Common Equity Housing Limited	Yes	2002–03	2003
Common Equity Housing Limited	Yes	2002–03	2003
Common Equity Housing Limited	Yes	2002–03	2003
Common Equity Housing Limited	Yes	2002–03	2003

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Thursday, 13 June 2002

(a) The following SHIP projects have been tendered:	(b) Contracts have been signed for the following SHIP projects:	(c) The expected start date of construction for each of the announced projects is as follows:	(d) Each of these projects are expected to be completed as follows:
Common Equity Housing Limited	Yes	2002-03	2003
Common Equity Housing Limited	Yes	2002-3	2003
Common Equity Housing Limited	Yes	2002-03	2003
Common Equity Housing Limited	Yes	2002-03	2003
Common Equity Housing Limited	Yes	2002-03	2003
Common Equity Housing Limited	Yes	Spot purchase	N/A
Common Equity Housing Limited/Community Housing Ltd	Yes	2002-03	2003
Common Equity Housing Limited/Community Housing Ltd	Yes	Jul-02	2003
Common Equity Housing Limited/Community Housing Ltd	Yes	Jun-02	2002-03
Community Housing Limited	Yes	2002-03	2003
Community Housing Limited	No	NYA	NYA
Doutta Galla Aged Services/ Stockbridge Community Housing/Macauley Community Credit	Project withdrawn by organisation	N/A	N/A
Ecumenical Community Housing	Yes	2002-03	2003
Lancefield-Romsey Lions Club & Macedon Ranges Shire Council	Yes	Apr-02	2002-03
Lions Village Anglesea Inc	Yes	Nov-01	Jun-02
Marillac House Ltd	No	NYA	NYA
Moreland City Council	No	NYA	NYA
Otway Health & Community Services	Yes	2002-03	2002-03
Paraquad Victoria	Yes	2002-03	2003
Prahran Mission	Yes	Jun-02	Jun-03

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(a) The following SHIP projects have been tendered:	(b) Contracts have been signed for the following SHIP projects:	(c) The expected start date of construction for each of the announced projects is as follows:	(d) Each of these projects are expected to be completed as follows:
Shire of Campaspe	Yes	2002-03	2003
Southern Cross Victoria Aged Care	Yes	2002-03	2003
Southern Mental Health Assoc Inc	No	NYA	NYA
St Kilda Rooming House Issues Group Inc	Yes	2002-03	2003
Supported Housing Development Foundation Ltd	Yes	Nov-01	Apr-02
Supported Housing Development Foundation Ltd	Yes	Dec-01	Jul-02
Supported Housing Development Foundation Ltd	Yes	2002-03	2003
Supported Housing Development Foundation Ltd	Yes	2002-03	2003
The State Council of the Young Men's Christian Assoc of Vic	Yes	2002-03	2003
Victorian Women's Housing Association Ltd	Yes	Jun-02	2002-03
Windarring Central Highlands Assoc for People with Disabilities	Yes	Feb-02	Sep-02
Common Equity Housing Limited	Yes	2002-03	2003
Common Equity Housing Limited	Yes	2002-03	2003
Common Equity Housing Ltd/Community Housing Ltd	Yes	Apr-02	Sep-02
Ecumenical Community Housing	Yes	2002-03	2003-04
Moreland City Council	No	NYA	NYA
Glen Eira City Council	No	NYA	NYA
Ecumenical Community Housing	Yes	2002-03	2003-04
Supported Housing Development Foundation Ltd	Yes	2002-03	2003

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Thursday, 13 June 2002

(a) The following SHIP projects have been tendered:	(b) Contracts have been signed for the following SHIP projects:	(c) The expected start date of construction for each of the announced projects is as follows:	(d) Each of these projects are expected to be completed as follows:
Loddon Mallee Housing Services Limited	Project withdrawn by organisation	N/A	N/A
Community Housing Ltd	Project withdrawn by organisation	N/A	N/A
Shepparton Multicultural Hostel Inc	Project withdrawn by organisation	N/A	N/A
Ukrainian Elderly People's Home	Project withdrawn by organisation	N/A	N/A
Gunditjmara Aboriginal Co-operative	No	NYA	NYA

**From the Second Request for Proposals tender round**

(a) The following SHIP projects have been tendered;	(b) Contracts have been signed for the following SHIP projects:	(c) The expected start date of construction for each of the announced projects is as follows:	(d) Each of these projects are expected to be completed as follows:
Lionswood Village Inc.	Yes	2002-03	2003
Uniting Care Ballarat Parish Mission	Yes	2002-03	2003-04
Yarra Community Housing Limited	Yes	2002-03	2003-04
Heathcote Lions Estate Inc	Yes	Jul-01	Aug-02
Woodbine Inc.	Yes	Jun-01	Apr-02
Macedon Ranges Health Services	Yes	2002-03	2003-04
Sirovilla Elderly Peoples Home Inc	Yes	2002-03	2003-04
Bairnsdale Regional Health Service	No	NYA	NYA
Macedon Ranges Shire Council	No	NYA	NYA
Salvation Army (Victoria) Property Trust	Yes	2002-03	2003-04
Saint Andrews Anglican Church	No	NYA	NYA
Ecumenical Community Housing	No	NYA	NYA
Supported Housing Development Foundation Ltd	Yes	2002-03	2003

(a) The following SHIP projects have been tendered;	(b) Contracts have been signed for the following SHIP projects:	(c) The expected start date of construction for each of the announced projects is as follows:	(d) Each of these projects are expected to be completed as follows:
City of Port Phillip / St Kilda Housing Association Inc	No	NYA	NYA
Shire of Campaspe	Yes	2002–03	2003
Murray Valley Aboriginal Co-operative Ltd	No	NYA	NYA

N/A – Not applicable

NYA – Not yet available

**Housing: Elizabeth Street estate, Richmond**

**2985. THE HON. ANDREA COOTE** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Housing): In relation to the redevelopment of the Elizabeth Street Estate in Richmond:

- (a) What is the current status of the redevelopment.
- (b) Has a developer been selected for this project; if so, who.
- (c) Has construction commenced; if not, when will it commence.
- (d) How long will this redevelopment take to complete.
- (e) What is the budgeted cost of this redevelopment.
- (f) How many people will the completed redevelopment house.
- (g) When was this redevelopment project first announced by the Government.

**ANSWER:**

- (a) The Community Advisory Committee, chaired by Richard Wynne MP, Member for Richmond, presented their report recommending a strategy for the redevelopment of the estate and demolition of the walk up apartments. Approval has been given to call tenders for the demolition of some of the walk-up blocks which have been vacated.
- (b) A developer has not been selected for this project.
- (c) Construction has not commenced. Work will commence on the site within 2 – 3 months with the letting of the first stage of block demolitions. The timing of major new construction on the site is subject to site preparation and receipt of a planning permit.
- (d) It is anticipated that this redevelopment will take about six years to fully complete.
- (e) The indicative cost of this redevelopment over the life of the project is approximately \$47 million.
- (f) It is anticipated that the completed redevelopment could provide up to 287 dwellings, including 105 existing dwellings to be retained, based on the present recommended strategy.

- (g) The redevelopment has been the subject of announcements at various stages.

**Housing: Victory Boulevard estate, Ashburton**

**2986. THE HON. ANDREA COOTE** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Housing): In relation to the redevelopment of the Victory Boulevard Estate in Ashburton:

- (a) What is the current status of the redevelopment.
- (b) Has a developer been selected for this project; if so, who.
- (c) Has construction commenced; if not, when will it commence.
- (d) How long will this redevelopment take to complete.
- (e) What is the budgeted cost of this redevelopment.
- (f) How many people will the completed redevelopment house.
- (g) When was this redevelopment project first announced by the Government.

**ANSWER:**

- (a) The current status of the redevelopment of the Victory Boulevard, Ashburton estate is that all tenants have been relocated and the concrete walk-up blocks demolished. A planning application for 37 new older-persons units has recently been approved by the City of Boroondara.
- (b) A building contractor will be engaged for construction of the public housing and the balance of the land sold for private development.
- (c) Construction has not commenced. It is anticipated that construction will commence later this year, subject to any planning and tendering processes.
- (d) It is anticipated that this redevelopment will take two years to fully complete.
- (e) The indicative cost of this redevelopment, including the cost of construction and purchase of replacement properties, over the life of the project is approximately \$8.5 m.
- (f) It is anticipated that the completed redevelopment will provide 37 older-persons dwellings for public rental with a potential for at least 10 private dwellings on the adjacent part of the site.
- (g) The redevelopment has been the subject of announcement at various stages.

**Housing: Long Gully estate, Bendigo**

**2987. THE HON. ANDREA COOTE** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Housing): In relation to the redevelopment of the Long Gully Estate in Bendigo:

- (a) What is the current status of the redevelopment.
- (b) Has a developer been selected for this project; and if so, who.
- (c) Has construction commenced; if not, when will it commence.
- (d) How long will this redevelopment take to complete.
- (e) What is the budgeted cost of this redevelopment.

- (f) How many people will the completed redevelopment house.
- (g) When was this redevelopment project first announced by the Government.

**ANSWER:**

- (a) The upgrade of 72 properties has been completed. Tenants from stage 1 have been relocated and houses demolished. A contract to construct 52 new public housing dwellings has been let in April 2002. Other works including landscaping and street tree planting, as well as a new toddler playground in Linear Park have been provided. The OOH with the City of Greater Bendigo are jointly upgrading and extending the former West Bendigo Preschool building to provide a new Long Gully Community house.
- (b) A single developer is not intended to be selected for this project. Big G Trading Pty Ltd was engaged in April 2002 for the construction of the 52 dwellings in stage 1.
- (c) Construction has commenced.
- (d) It is anticipated that this redevelopment will take about 5 years to fully complete.
- (e) The indicative cost of the development over the life of the project is approximately \$7m.
- (f) The number of people the redevelopment will house is subject to the final master plan and receipt of planning approvals from Council.
- (g) The redevelopment has been the subject of announcements at various stages.

**Housing: Rathdowne Street estate, Carlton**

**2988. THE HON. ANDREA COOTE** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Housing): In relation to the redevelopment of the Rathdowne Street Estate in Carlton:

- (a) What is the current status of the redevelopment.
- (b) Has a developer been selected for this project; and if so, who.
- (c) Has construction commenced; if not, when will it commence.
- (d) How long will this redevelopment take to complete.
- (e) What is the budgeted cost of this redevelopment.
- (f) How many people will the completed redevelopment house.
- (g) When was this redevelopment project first announced by the Government.

**ANSWER:**

- (a) The Community Advisory Committee has reviewed redevelopment options for the Rathdowne Street part of the Carlton estate and has recommended demolition of the walk up flats. Further work is being undertaken in conjunction with the City of Melbourne in relation to the broader Carlton estate.
- (b) A developer has not been selected for this project.
- (c) Construction has not commenced and a date for commencement cannot be determined at this stage.
- (d) Commencement is subject to discussion with the City of Melbourne, appropriate planning approvals and relocation of tenants.

- (e) The project is still in the process of development.
- (f) Redevelopment plans are not finalised.
- (g) The redevelopment has been the subject of announcement at various stages.

**Housing: Peace Court estate, Doveton**

**2989. THE HON. ANDREA COOTE** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Housing): In relation to the redevelopment of the Peace Court Estate in Doveton:

- (a) What is the current status of the redevelopment.
- (b) Has a developer been selected for this project; if so, who.
- (c) Has construction commenced; if not, when will it commence.
- (d) How long will this redevelopment take to complete.
- (e) What is the budgeted cost of this redevelopment.
- (f) How many people will the completed redevelopment house.
- (g) When was this redevelopment project first announced by the Government.

**ANSWER:**

- (a) Walk-up blocks were vacated and demolished in mid 2000. New replacement older–persons housing was constructed in the area for the relocation of residents. A working group comprising Office of Housing (OOH), City of Casey and the Urban and Regional Land Corporation (URLC) has reviewed options for the site, including other adjacent Government-owned land. The recommendations are now being considered by the OOH.
- (b) A developer has not been selected for this project.
- (c) Construction has not commenced.
- (d) The replacement of the public housing stock previously located on the Peace Court site was completed by mid 2000.
- (e) As the options recommended by the working party are still being assessed, a budget allocation for this site has not been determined.
- (f) It is not yet possible to anticipate how many people will be housed in the completed development on this site.
- (g) The intention to redevelop this site in conjunction with the City of Casey was announced March 2000.

**Housing: Thomson estate, Geelong East**

**2990. THE HON. ANDREA COOTE** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Housing): In relation to the redevelopment of the Thomson Estate in Geelong East:

- (a) What is the current status of the redevelopment.
- (b) Has a developer been selected for this project; if so, who.

- (c) Has construction commenced; if not, when will it commence.
- (d) How long will this redevelopment take to complete.
- (e) What is the budgeted cost of this redevelopment.
- (f) How many people will the completed redevelopment house.
- (g) When was this redevelopment project first announced by the Government.

**ANSWER:**

- (a) All new public housing for this area has either been completed or is under construction, and the houses to be upgraded have also been completed. The sale of the designated lots for private housing has been contracted recently to the developer.
- (b) A developer, Hamlan Homes, has been selected for this project
- (c) Construction has commenced.
- (d) It is anticipated that this redevelopment will take a further year to complete.
- (e) The indicative cost of this redevelopment over the life of the project is approximately \$8.2 m
- (f) It is anticipated that the completed redevelopment will provide 73 new public housing dwellings and facilitate up to 49 new private sector dwellings.
- (g) This redevelopment has been the subject of announcement at various stages.

**Housing: Kensington estate, Kensington**

**2991. THE HON. ANDREA COOTE** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Housing): In relation to the redevelopment of the Kensington Estate in Kensington:

- (a) What is the current status of the redevelopment.
- (b) Has a developer been selected for this project; if so, who.
- (c) Has construction commenced; if not, when will it commence.
- (d) How long will this redevelopment take to complete.
- (e) What is the budgeted cost of this redevelopment.
- (f) How many people will the completed redevelopment house.
- (g) When was this redevelopment project first announced by the Government.

**ANSWER:**

- (a) A preferred developer was announced in 2001. Tenants are being progressively relocated and the demolition of the walk-up blocks commenced in June 2001. Stage 1 and 2 demolitions have been completed and a major upgrading contract to improve the existing older persons tower in Ormond St was commenced in June 2001.
- (b) A developer, Becton Group, has been selected for this project.
- (c) Construction has commenced.
- (d) It is anticipated that this redevelopment will take several years.

- (e) The indicative cost of this redevelopment over the life of this project is approximately \$140m. (public and private housing)
- (f) It is anticipated that the completed redevelopment may provide accommodation for up to 650 new households (30% public/70% private) in addition to approximately 241 dwellings in the two remaining high-rise towers.
- (g) This redevelopment project was endorsed by this Government in 2000, and a Community Liaison Committee appointed to oversee the project.

**Housing: Maidstone/Braybrook estate**

**2992. THE HON. ANDREA COOTE** — To ask the Honourable the Minister for Small Business (for the Honourable Minister for Housing): In relation to the redevelopment of the Maidstone/Braybrook Estate:

- (a) What is the current status of the redevelopment.
- (b) Has a developer been selected for this project; if so, who.
- (c) Has construction commenced; if not, when will it commence.
- (d) How long will this redevelopment take to complete.
- (e) What is the budgeted cost of this redevelopment.
- (f) How many people will the completed redevelopment house.
- (g) When was this redevelopment project first announced by the Government.

**ANSWER:**

- (a) The Office of Housing (OOH) has been undertaking redevelopment activities in the area over the last 5 – 6 years based on a Master Plan agreed with the City of Maribyrnong in 1995. Works (to May 2002) have included completion of 437 new dwellings, the sale of 166 properties, demolition of walk-up blocks of flats and the maintenance and upgrading of retained brick and weatherboard properties in the area.
- (b) No single overall developer has been selected for this redevelopment. Many building contractors have been engaged for separate contracts throughout the area.
- (c) Construction has commenced.
- (d) It is anticipated that this redevelopment project will continue over the next 4 – 5 years.
- (e) Funding of \$5m has been allowed in the 2002/03 budget for further redevelopment.
- (f) This project involves the steady renewal of part of a suburb of mixed public and private housing rather than the redevelopment of a single estate.
- (g) The Government has affirmed the commitment to the redevelopment works in this area which commenced in 1995.

**Housing: Raglan/Ingles housing estate, Port Melbourne**

**2993. THE HON. ANDREA COOTE** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Housing): In relation to the redevelopment of the Raglan/Ingles Housing Estate:

- (a) What is the current status of the redevelopment.
- (b) Has a developer been selected for this project; if so, who.

- (c) Has construction commenced; if not, when will it commence.
- (d) How long will this redevelopment take to complete.
- (e) What is the budgeted cost of this redevelopment.
- (f) How many people will the completed redevelopment house.
- (g) When was this redevelopment project first announced by the Government.

**ANSWER:**

- (a) A planning application for the new public and private housing at the Raglan, Ingles Streets, Port Melbourne estate is currently being considered by the City of Port Phillip.
- (b) A developer has not been selected for this project
- (c) Construction has not commenced. Subject to receipt of a planning permit, a contract for construction works will be let.
- (d) Subsequent to granting of a planning permit, it is anticipated that this redevelopment will take approximately two years to fully complete.
- (e) The indicative cost of the public housing part of this redevelopment over the life of the project is approximately \$15.5m.
- (f) It is anticipated that the completed redevelopment will provide 64 new public housing dwellings and a possible further 50 private dwellings subject to Council approval.
- (g) The redevelopment has been the subject of announcement at various stages.

**Housing: Parkside estate, Shepparton**

**2994. THE HON. ANDREA COOTE** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Housing): In relation to the redevelopment of the Parkside Estate in Shepparton:

- (a) What is the current status of the redevelopment.
- (b) Has a developer been selected for this project; if so, who.
- (c) Has construction commenced; if not, when will it commence.
- (d) How long will this redevelopment take to complete.
- (e) What is the budgeted cost of this redevelopment.
- (f) How many people will the completed redevelopment house.
- (g) When was this redevelopment project first announced by the Government.

**ANSWER:**

- (a) Renewal works began in 2001. Four display units have been upgraded in 2001 and launched in October 2001, and a Community Liaison Committee has overseen the preparation, with Greater Shepparton City Council, of a concept master plan.
- (b) A single developer has not been selected for this project.

- (c) Upgrade works on demonstration units have been completed. Upgrade works have also commenced on a further 6 houses in Stage 1.
- (d) It is anticipated that this redevelopment would take 2–3 years to complete, subject to the final master plan and receipt of planning approvals from Council.
- (e) \$900,000 has been allowed for this project in the 2002/03 financial year budget.
- (f) The number of people the redevelopment will house is subject to the final master plan and receipt of planning approvals from Council.
- (g) The intention to proceed with redevelopment of this site was first announced in August 2000.

**Housing: Mark/Rundle estate**

**2995. THE HON. ANDREA COOTE** — To ask the Honourable Minister for Small Business (for the Honourable Minister for Housing): In relation to the redevelopment of the Mark/Rundle Estate:

- (a) What is the current status of the redevelopment.
- (b) Has a developer been selected for this project; if so, who.
- (c) Has construction commenced; if not, when will it commence.
- (d) How long will this redevelopment take to complete.
- (e) What is the budgeted cost of this redevelopment.
- (f) How many people will the completed redevelopment house.
- (g) When was this redevelopment project first announced by the Government.

**ANSWER:**

- (a) 34 of the 43 houses have been removed or vacated for removal from the area. A Development Plan was approved by Council in June 2001 and selected tenders are to be called for an older persons public / private redevelopment on this site.
- (b) A developer has not been selected for this project.
- (c) Construction has not commenced. Subject to satisfactory tendering and planning permit endorsements development of the site may commence in 2003.
- (d) It is anticipated that this redevelopment will take 2 – 3 years to complete.
- (e) The indicative cost of the public housing component of this development over the life of the project is approximately \$3.5m.
- (f) It is anticipated that the completed redevelopment will provide up to 78 public and private older persons dwellings, of which approximately 20 could be for public rental.
- (g) This redevelopment project was endorsed by the Government in November 2000 and a Community Liaison Committee appointed to oversee the project.

**Ports: risk and hazardous studies**

**3010. THE HON. ANDREA COOTE** — To ask the Honourable the Minister for Ports: In relation to the completion of Risk and Hazardous studies:

- (a) What were the outcomes of those studies.
- (b) What are the principal/major risks identified and at what docks are they located.

**ANSWER:**

If the Member would like to identify what Risk and Hazardous studies she is referring to, I would be happy to respond.

**Ports: site contamination assessment procedures**

**3011. THE HON. ANDREA COOTE** — To ask the Honourable the Minister for Ports: In relation to the site contamination assessment procedures:

- (a) Where was the identified contamination located.
- (b) What type of contamination has been identified.
- (c) What is the extent of the contamination identified.

**ANSWER:**

If the Member would like to identify what site contamination assessment procedures she is referring to, I would be happy to respond.

**Community services: early intervention services**

**3016. THE HON. D. McL. DAVIS** — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Community Services): In relation to the 2500 children under the age of 6 in Victoria who are waiting for early intervention services, and the Government's promise in last year's Budget of \$1 million to reduce the waiting times of early intervention services for children with a disability under the age of 6, why has it taken 12 months to distribute these funds.

**ANSWER:**

The \$1 million allocated for early childhood intervention services in the 2001/2002 Budget has been distributed following comprehensive Regional consultation and planning involving Department of Human Services staff, families of children with a disability and the early childhood intervention sector.

In the past, funding to the sector has been historically based. The process undertaken in 2001/2002 ensured that allocations to early childhood intervention services were based on needs identified through local planning processes.

The additional funding has provided an opportunity to address unmet service demand at a local level, provide more timely information and assessment of need for families and strengthen partnerships between service providers.

All Regions have now distributed funds and all funds will be expended within the current financial year.

