PARLIAMENT OF VICTORIA

PARLIAMENTARY DEBATES (HANSARD)

LEGISLATIVE COUNCIL

FIFTY-FOURTH PARLIAMENT

FIRST SESSION

5 June 2002

(extract from Book 8)

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By authority of the Victorian Government Printer

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FIFTY-FOURTH PARLIAMENT — FIRST SESSION

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WEDNESDAY, 5 JUNE 2002

Wednesday, 5 June 2002

The PRESIDENT (Hon. B. A. Chamberlain) took the chair at 10.08 a.m. and read the prayer.

GAMING LEGISLATION (AMENDMENT) BILL

Introduction and first reading

Received from Assembly.

Read first time on motion of Hon. J. M. MADDEN (Minister for Sport and Recreation).

QUESTIONS WITHOUT NOTICE

Commonwealth Games: athletes village

Hon. I. J. COVER (Geelong) — I ask the Minister for Commonwealth Games if the government remains committed to Parkville as the site for the Commonwealth Games athletes village in line with the original games bid?

Hon. J. M. MADDEN (Minister for Commonwealth Games) — I welcome the honourable member's question. The honourable member is no doubt aware, as I have mentioned it on a number of occasions, that the preferred site for the Commonwealth Games is the Parkville site, as was nominated in the bid document. The government has entered into a process of allowing other potential sites to be considered. At the moment there is a short list indicating that Parkville is still under consideration as a site, as it is the site determined in the bid document. However, the other site also in contention within that process is the Victoria Harbour site at Docklands. Currently there is a process under way to determine which is the optimum site for the games.

Supplementary question

Hon. I. J. COVER (Geelong) — I have a supplementary question. I raised this matter today because of a press release issued last week by the Minister for Major Projects in which, among other things, the minister referred to the Parkville site as being:

> … an ideal development site for a variety of uses, including social housing …
>
> …
>
> Mr Batchelor said a decision would be made over the coming weeks as to whether or not the Commonwealth Games village would be located at the site.
>
> 'If the site is not chosen as the games village site, the government will need to look at other development options', Mr Batchelor said.
>
> 'Whether or not the games village is located here, it is intended that this 20 hectare site will accommodate no more than 1000 dwellings in the longer term'.

That seems to indicate there is something cooking between the Minister for Major Projects and the Minister for Commonwealth Games. Is the government setting up a process to walk away from the Parkville site as the Commonwealth Games athletes village?

Hon. J. M. MADDEN (Minister for Commonwealth Games) — I am happy to clarify that. No doubt honourable members appreciate that the site sits within the legislative framework of major projects at the moment, but there seems to be some discussion in the community that the former psychiatric site is parkland. It is a matter of clarifying that the site is not parkland and has been the psychiatric centre. It will be a development site, and there is a process under way to determine whether it is the optimum site for the village. Should that not be the case, no doubt it will be developed as another site. I point out that the key to the development of the village is that there will be at least 20 per cent community housing as part of the project.

Education: capital works environmental standards

Hon. E. C. CARBINES (Geelong) — Given that today is World Environment Day, will the Minister for Education Services advise what action the Bracks government is taking to construct environmentally sustainable and energy-efficient schools and TAFE colleges?

Hon. M. M. GOULD (Minister for Education Services) — I am pleased to advise the house that the Department of Education and Training has a number of processes in place to support environmental sustainability, particularly with respect to the implementation of capital works. These initiatives supplement those that have been previously outlined in this house by the Minister for Energy and Resources.

The department has developed two main tools by which environmental standards are encouraged in capital works. These are the 'Building quality standard handbook', which guides the design and construction of schools, and the guidelines for the department with respect to capital works. These documents outline a preferred energy planning process and a number of design measures that can reduce energy consumption. They also address energy sustainability. For example, computer modelling is recommended to determine the

most effective and energy-efficient lighting and natural ventilation systems for schools. All school buildings are required to be designed to account for regional climatic conditions, and particular emphasis is placed on solar heating where that is possible, with the use of appropriate roof overhangs for shading and external glazing to reduce radiant heat gain.

In addition to this, one-off projects are being used to test various environmentally sustainable designs. For example, the Victorian Space Science Education Centre uses environmentally sustainable design principles which aim to reduce reliance on mechanical airconditioning. Another example is the Bendigo Regional Institute of TAFE, which made use of recycled red gum from locally demolished facilities. The facilities division of the department holds regular briefings in conjunction with the Sustainable Energy Authority. Architects registered with the department also have to meet with the department to make sure that they are fully aware of the design requirements.

The Bracks government values our environment. I know the opposition is not interested in the environment, but the Bracks government values it. We are working to ensure that we have environmentally sustainable schools. We are proud to be investing heavily in the implementation and delivery of new schools and TAFE facilities that are environmentally friendly.

Sport: ticket scalping

Hon. ANDREW BRIDESON (Waverley) — My question this morning is for the Minister for Sport and Recreation — and I hope he welcomes my question as he welcomed Mr Cover's. Why is the minister not proceeding with the Sports Ticketing (Fair Access) Bill?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — We are proceeding with the bill; and I welcome Mr Brideson's question, too. I look forward to his supporting the passage of that bill when it comes to this chamber. I also look forward to its implementation and to the support of the opposition, because we have had far-ranging debate in this chamber about the historic lack of support from the opposition for bills about scalping. We think it is an appropriate way to heighten the opposition's anticipation to make sure that it supports the bill, so we look forward to it.

I also reinforce to honourable members that we have been prepared to tackle a hard issue like this. At no time in the seven years the opposition was in government was it prepared to grasp the nettle in relation to ticket scalping. Never! As it shows now, and as we all know and the electorate knows, the opposition does not care!

Four Nations Men's Hockey Tournament

Hon. G. D. ROMANES (Melbourne) — My question is to the Minister for Sport and Recreation.

Honourable members interjecting.

The PRESIDENT — Order! We have finished that one; I am interested to hear this one.

Hon. G. D. ROMANES — What steps has the minister taken to ensure that Victoria continues as Australia's foremost major events capital?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I welcome the honourable member's question, and I welcome the interjections. I have always been happy to take big steps — always! They have not necessarily historically been rapid, but they have always been big.

Again I am happy to announce, as members of the chamber may be aware from some extensive media coverage in recent evenings, that over the next few days and the Queen's Birthday weekend Melbourne will be hosting the 2002 Four Nations Men's Hockey Tournament at the State Netball and Hockey Centre. This is a particularly important event involving four countries: India, Korea, Malaysia and of course Australia. The event will be held today, on Thursday and on Saturday, with the final to be played on Sunday. It will attract in the order of 60 international players and their accompanying officials.

As honourable members will appreciate, often events like this place a degree of strain on the limited resources of state sporting associations, so I am pleased and privileged to inform the house that the government has allocated $5000 to the Victorian Hockey Association to assist in the promotion and presentation of the event. This has assisted the VHA to advertise in ethnic newspapers, send mail-outs to local schools and upgrade its signage in and around the centre. In return Sport and Recreation Victoria has been offered the opportunity to position 'Victoria — The place to be' and 'Melbourne' signage at the venue.

I also highlight to the chamber that one of the great things about attracting events like this is that not only do we receive additional support for sport in the state and additional economic benefits but it also gives us an opportunity as a state to promote Melbourne's Royal Park hockey centre as a hockey training venue for the 2006 Commonwealth Games. It will also assist the

Australian hockey team in its preparation in the lead-up to this year's Manchester games.

Snowy River

Hon. P. R. HALL (Gippsland) — My question is to the Minister for Energy and Resources. In October 2000 the Victorian government announced a 10-year plan to restore 21 per cent of original flows to the Snowy River. As it is more than 18 months since that announcement, will the minister advise the house how much of that extra 21 per cent is now flowing down the river?

Hon. C. C. BROAD (Minister for Energy and Resources) — I welcome the opportunity to again refer to the historic agreement between the commonwealth, Victorian and New South Wales governments to restore environmental flows to the Snowy River. I am pleased to say that those governments have recently completed all of the necessary signatures to allow corporatisation to proceed. This project has been many years in the making, and the Victorian government is pleased that it has been able to deliver not only corporatisation of the Snowy hydro scheme but also, as a result of the conditions placed on corporatisation by the Bracks Labor government, to deliver the restoration of environmental flows to the river.

It has always been clearly indicated that until corporatisation was able to proceed it was not possible to release any environmental flows to the Snowy River. Now that the commonwealth, New South Wales and Victorian governments have agreed on a date for corporatisation, which is proceeding through our respective executive council processes, I am confident that shortly thereafter at a highly publicised event the first environmental flows will be released to the Snowy River.

Supplementary question

Hon. P. R. HALL (Gippsland) — Notwithstanding the minister's answer that there are zero extra water flows down the Snowy River to this time, I further ask her if it is a fact that the 21 per cent target has now been reduced to a guaranteed 15 per cent, with the remaining 6 per cent only being made available in wet years?

Hon. C. C. BROAD (Minister for Energy and Resources) — The answer to that question is no. Details of the water arrangements are clearly set out in the agreements, which are available and which set out the release of flows over the next 10 years. It has always been clearly indicated that in years where the whole state would be affected by drought, environmental flows to the Snowy River would also be affected. That is a consequence of matters which are somewhat beyond the control of the Bracks government in terms of what years we may have greater or lesser precipitation from rain. The agreement stands, and the honourable member is not correct in his assertion.

Electricity: market review

Hon. JENNY MIKAKOS (Jika Jika) — Will the Minister for Energy and Resources advise the house how the Bracks government is providing leadership to advance a national approach to energy issues?

Hon. C. C. BROAD (Minister for Energy and Resources) — I thank the honourable member for her question — —

Honourable members interjecting.

The PRESIDENT — Order! This is not a question about presidential aspirations! It is a question about energy. I ask the house to settle down.

Hon. C. C. BROAD — The Bracks government believes there must be a national approach on many of the key issues related to energy, and particularly energy markets. The government takes every opportunity to provide leadership on these important issues. I can advise the house that I recently met with members of the panel appointed by the Council of Australian Governments to conduct a review of energy markets. COAG established this panel to identify the strategic issues for Australian energy markets and the policies required from commonwealth, state and territory governments to allow further market development to focus on areas likely to generate the most significant benefits.

At that meeting I had the opportunity to report to the panel on the measures put in place in Victoria which are contributing to effective market development and providing benefits to consumers. These measures include the introduction of choice of retailer for small consumers; a robust consumer protection framework to encourage confidence in the markets; and a program to encourage a greater use of demand management in the market. The Bracks government is confident that these measures are contributing to market development in Victoria and provide the basis for a secure and affordable supply of energy for all Victorians.

I also took the opportunity to discuss with the panel the government's proposals to reform the national electricity market and in particular the proposal to establish a single national regulator in the national electricity market to replace the dual roles of the national electricity code administrator and the

Australian Competition and Consumer Commission. This reform proposal is another example of the initiatives needed and being actively driven by the Bracks government to make Australia's energy markets function more effectively. As the energy sector is a major source of greenhouse gas emissions, the government is seeking to have this issue also fully explored by the panel as part of the government's commitment to build sustainability into everything it does within the Victorian government.

I informed the panel members that the Bracks government believes it is important for the issue of greenhouse emissions to be addressed on a national level, along with many other submissions to the panel. Of course a uniform approach by all governments would provide leadership and certainty for businesses and consumers. However, in the absence of any leadership from the commonwealth at a national level it has been up to the Bracks government to show national leadership on the development of the Victorian greenhouse strategy. Today, World Environment Day, the Premier will deliver on an election promise and unveil the government's plan for action on climate change.

The Bracks government is turning things around on the issues of energy and fixing up the mess that it inherited. This is in stark contrast to the Kennett government, whose only vision and plan was to sell off the whole electricity system in a way which punished Victorians in regional areas. The Bracks government will continue to show national leadership on energy issues.

Information and communications technology: purchasing and management strategy

Hon. G. K. RICH-PHILLIPS (Eumemmerring) — My question is directed to the Minister for Information and Communication Technology. It concerns the telecommunications purchasing and management strategy. During the Public Accounts and Estimates Committee hearing on 22 May the minister and the secretary of her department, Neil Edwards, were unable to explain the funding for that project. The budget contains an annual recurrent allocation of $7.3 million for the project from the 2003–04 estimates period. I ask the minister to explain what elements of the project will be funded by that recurrent allocation.

Hon. M. R. THOMSON (Minister for Information and Communication Technology) — The $7.3 million of operating expenditure for 2003–04 will be used for managed service fees for the connectivity hub, the managed service fees for the integrated next generation office telephony, the hardware and software maintenance costs, and some ongoing projects and contract management staffing costs within Multimedia Victoria.

Youth: round table program

Hon. R. F. SMITH (Chelsea) — I congratulate the government on its inclusive approach to youth affairs in having reinstated funding to the peak body, the Youth Affairs Council of Victoria, and also in running a number of youth round tables. In the light of this, can the Minister for Youth Affairs advise the house how the youth round table process gives young people a chance to have their views heard?

Hon. M. M. GOULD (Minister for Youth Affairs) — Shortly after the 1999 state election the Bracks government established Victorian youth round tables as a means of better understanding the opinions and concerns of young people. This government knows that the opposition did not want to listen to young people when it was in government or hear what they had to say. It did not care about young people.

I take this opportunity to thank the previous Minister for Youth Affairs, the Honourable Justin Madden, for taking the initiative in establishing these round tables, which I have pleasure in continuing. They are held four times a year. They are a fantastic mechanism for the government to communicate directly with young people about key issues.

I am pleased to advise the house that this year the government is trialling a new aspect of the youth round tables that gives young people an even greater chance to get involved. We know the opposition does not care about young people. The youth round table action team will increase the level of youth participation in developing and using the youth round tables. This action team will consist of 10 young people from a mix of regional and metropolitan areas. Members of the action team will be involved in developing and implementing one of this year's youth round tables on a topic of importance to young Victorians.

Nominations for this action team are currently open, and they close on 10 June. Young people can nominate through the Office for Youth on its web site. I encourage members of the opposition — and I know this is something they do not like doing — to consult with their community and maybe put forward some names of young people who might be interested in getting involved in this. It would be something new for opposition members, to communicate and consult with their constituents — especially young people. This is a way they might actually find out what are the issues

that affect young people so that they can become aware of them.

The Bracks government will continue to develop and implement new ways to support young people so that it hears what their concerns are and what their issues are. It will continue to get on with the job of turning things around.

E-commerce Advantage policy

Hon. W. I. SMITH (Silvan) — My question without notice is to the Minister for Small Business. The minister announced in April 2001 — over a year ago — an e-commerce plan. In that plan, Victoria's E-commerce Advantage, she said that across the Victorian government small businesses would be helped with electronic purchasing, that the policy would fund a team of e-commerce advocates to provide business support and that it would fund a database to help small business locate information technology. I ask the minister: how is this policy assisting small business in the building industry?

Hon. M. R. THOMSON (Minister for Small Business) — The E-commerce Advantage program is meant to assist small businesses take on new technology to enhance their business activities. There are a number of means of achieving that. One is the utilisation of procurement online, to enable businesses to tender for government contracts online. Another is that 50 advocates throughout Victoria are able to talk to small businesses in relation to information technology (IT), to assist them in understanding how they can use IT for their business activities now at a price they can afford — to help them make judgments without the technical lingo that goes with IT experts.

In relation to the e-commerce exhibition projects, these are groups of companies or companies that have tendered for projects demonstrating how they have been able to use e-commerce to enhance their business activity. The outcome of that will be demonstrated to other businesses so that they can see how they can use this new technology to advantage them, and there are a number of those projects taking place in country Victoria.

E-commerce Advantage is a great way to utilise the expertise of those businesses that are already using IT to explain to other businesses how they too can take up IT in a way which makes it a business-enhancing project immediately, rather than something they see as a long-term, expensive plan that they can ill afford.

Supplementary question

Hon. W. I. SMITH (Silvan) — As there has been a lot of talk about the success of information technology programs in the minister's press releases, I went to Brian Welch, the executive director of the Master Builders Association of Victoria, and asked him to do a survey of his members. He said he surveyed a number of businesses operating in the commercial sector of the Victorian building industry — general contractors and specialist contractors — and in response to the question of whether they placed their orders for material or services via web-based technology all said no. In regard to the question whether anybody views or downloads specifications for building projects all said no. In regard to whether they utilised e-procurement and whether the government had approached individuals or the association to assist with this, the response was no. I ask the minister: what is she going to do to ensure industry groups are made aware of and engage in e-commerce and e-procurement?

Hon. M. R. THOMSON (Minister for Small Business) — In relation to procurement online, a matter that is the area and domain of the Minister for Finance, the Department of Treasury and Finance ran seminars throughout Victoria about how procurement online would work and how small businesses could avail themselves of it.

Hon. Bill Forwood interjected.

Hon. M. R. THOMSON — How many members of the Master Builders Association of Victoria have offered to assist small businesses who are interested in procurement with government? If the MBAV is interested in E-commerce Advantage it would be more than welcome to contact Multimedia Victoria and look at ways the government can assist the building industry and the association in ensuring that builders take up the technology.

Energy and water utilities: meters

Hon. D. G. HADDEN (Ballarat) — Can the Minister for Small Business explain to the house what action is being taken to ensure utility meters are accurate?

Hon. M. R. THOMSON (Minister for Small Business) — I thank the honourable member for her question. The Bracks government is committed to looking after small business and the interests of consumers. Three necessities of life are access to gas, electricity and water, all of which affect the cost of doing business. It is important that individuals and businesses have confidence that they are getting what

they pay for when purchasing utility services. That is why the Bracks government is taking action to ensure that gas, electricity and water meters are accurate and that the public can feel confident about them.

Apparently the Essential Services Commission has a responsibility for the accuracy of the meters. It is true to say that the Essential Services Commission does not have the expertise to ensure that the accuracy is checked, but the utility providers are ensuring that the meters are accurate. The government is introducing legislation that will provide for the transfer of responsibility from the Essential Services Commission to Trade Measurement Victoria which certainly has the expertise in this area and will ensure that consumers and businesses can have greater confidence in their meter readings.

There will now be licensed utility meter technicians and Trade Measurement Victoria inspectors to ensure that utility meters accurately record the consumption of gas, electricity and water. Ultimately this will ensure that consumers and businesses can be confident that they are getting what they pay for. It will assist in ensuring more effective use of energy and natural resources. That is vitally important today, on World Environment Day.

The bill will also complement the new commonwealth controls on the pattern approval and initial testing of utility meters, therefore removing any chance of confusion between state and federal government requirements. The previous government never bothered in its privatisation program to ensure that consumers and businesses were protected and were getting the proper services from the utility providers. The Bracks government is ensuring that consumers and small businesses are protected and have accurate utility meters.

MOTIONS TO TAKE NOTE OF ANSWERS

Commonwealth Games: athletes village

Hon. I. J. COVER (Geelong) — 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 Honourable I. J. Cover relating to the Commonwealth Games village site.

I commence my contribution by saying that members on this side of the house care about the Commonwealth Games coming to Melbourne in 2006, and they care that the Commonwealth Games have the best facilities and are conducted in the best possible manner for all Victorians because caring about sport is something that this side of the house has done for a long time.

I am pleased to see the minister has stayed with us today because he might be able to provide some answers about what is going on with the process involving the identification and development of the Commonwealth Games athletes village site. There has been a lot of discussion and debate in this place and outside about whether Parkville is the best site.

As I mentioned in my question, and which was acknowledged by the minister in his response, the Parkville site has always been the preferred site for the Commonwealth Games athletes village. The chairman of the Commonwealth Games board, Mr Ron Walker, has been more than talking about it as the preferred site; he has been adamant that the Commonwealth Games village will be at Parkville.

Having some optimism that the minister was staying to listen and contribute, that has now just been shot to pieces because the minister has left the chamber. I can only presume he is making his way to Parkville to look at the site to see whether it should go ahead as the site for the athletes village.

This process has been going on for some time. As I said, there has been debate inside and outside of this place with various views on the suitability of Parkville. One of the things we have uncovered during discussions is the fact that the minister has not consulted with people, in particular the Royal Park Protection Group, despite having given it an undertaking last October during debate on the legislation to enable the conduct of the games. He may well have had recent consultation with that group, but when we raised the question in April there still had been no consultation with that group between October and April.

There may well be consultation going on with other groups and behind the scenes that we do not know about. Some of those discussions may well involve the unions because it has been recorded that at least one union is considering placing a green ban on any construction that might take place in the Parkville area for the Commonwealth Games athletes village. That certainly creates a dilemma for the government. As we know, there are linkages to the union movement and we are uncertain about what that might mean for the government publicly. Perhaps arrangements are being discussed at the minute. Today's *Age* reports that the government and building unions are preparing to resume talks tomorrow on an agreement for the

construction of the games site, including the athletes village.

As also noted in my contribution, the Minister for Major Projects seems to be setting up the public to the fact that the Commonwealth Games athletes village may not end up at Parkville. In a media announcement he said:

> … a decision would be made over the coming weeks as to whether or not the Commonwealth Games village would be located at the site.
>
> If the site is not chosen as the games village site, the government will need to look at other development options …
>
> Whether or not the games village is located here —

suggesting that it will not be there. We are being softened up for an announcement that if the village does not end up at Parkville there will not be the same amount of shock or people saying to the government, 'Well, you said one thing and you were supporting the games bid originally with the Parkville site being the preferred site and now you have changed your mind, but you have been telegraphing that to us over recent weeks'. Something is going on and the sooner the government and the minister come clean on what is happening with the Commonwealth Games athletes site at Parkville, the better off all Victorians will be.

Hon. G. D. ROMANES (Melbourne) — I remind honourable members that the bid for the Commonwealth Games was a bipartisan bid and one which the former Kennett government and the Bracks Labor government have been supportive of from the start.

The government's support for the Melbourne 2006 Commonwealth Games includes a commitment to develop the games village. The now closed psychiatric hospital in Parkville was nominated by the previous government in Melbourne's bid for the Commonwealth Games in 1999. It was signed off by the state government and the Melbourne City Council. While the Parkville site was the preferred site for the games village the government is open to considering other potential sites that meet all the requirements, including no additional costs. As honourable members will know, after an expression of interest process at the end of last year four developers submitted their bids for the games village project. All those proposals are being assessed on key criteria, including value for money, quality, creative design, environmental considerations and the ability to deliver on time and on budget. The process has been in train for the last few months.

In May 2002 an announcement was made that the developers of the Commonwealth Games village had been short-listed to three bidders nominating two sites. So we have gone from four bidders for three sites to three bidders for two sites, the two remaining sites being the Parkville and Docklands site. In May the Jolimont railway site was removed from this process on the basis that there was too much risk the project would not be completed in time for the 2006 games. A further shortlist has been undertaken and a decision on the developers of the site is expected in a few months time. It is the government's intention that as part of the final processes extensive community consultation will occur with all the interested stakeholders involved in the outcome for the Commonwealth Games village in the Melbourne area. As we know, both sites satisfy the 5-kilometre-distance criterion.

I have on my desk in my electorate office an aerial photograph of the Royal Park site, the designated site for the Commonwealth Games bid. That photograph shows the extensive development that has already taken place on that site. As honourable members are well aware, that site was extensively developed as the Royal Park Psychiatric Hospital early in the 20th century and continued fulfilling that role until it was decommissioned just a few years ago. The Northern TAFE horticultural college and the Milparinka Adult Training Unit are also located there. The photograph is very revealing because it shows how extensively the site is covered by buildings, among which are some significant heritage buildings the government is committed to retaining and restoring. There is no point in putting heritage buildings into mothballs because that is when they deteriorate. Therefore whether the Royal Park site becomes the games village site after the tender process is completed or whatever is the outcome of the process, some development will have to occur on the site.

Whatever development occurs the Bracks Labor government is committed to it being environmentally sustainable, to public transport connections being developed, to there being no high-rise developments, to there being some social housing to provide for the needs in the area, to protecting the significant heritage buildings and to the lovely open spaces currently there being respected. All of that will be done in the context of widespread community consultation.

Hon. P. A. KATSAMBANIS (Monash) — The Honourable Glenyys Romanes said that the Commonwealth Games bid was supported in a bipartisan manner. She said that included in that bipartisan bid was the fact that the Parkville site was the site for the athletes games village, but despite all that

supposed bipartisanship there was one person who always opposed the Parkville site being the games village site — that is, the Honourable Glenyys Romanes. She is on the public record as opposing the establishment of the Games Village on that site. Today, as an apologist for the government, she has abandoned her commitment to her local residents and to her principles. The Honourable Glenyys Romanes is one person who until today has consistently not supported the establishment of the games village at that site.

However, the government is a different kettle of fish. It talks about openness and transparency but what it is doing with the siting of the Commonwealth Games village is a transparent attempt to hide the truth. There is no running away from it. This government is caught up with its own internal wrangles and fights and is making Victoria a laughing-stock in the eyes of the rest of the world, particularly the commonwealth nations. Its inability to develop a games village puts into question the viability of the Commonwealth Games themselves. There is prevarication on whether the Melbourne Cricket Ground (MCG) redevelopment will go ahead. There is prevarication on whether the Commonwealth Games village will be built at all, let alone where it will be built. All this time those in the international community are looking at Melbourne and laughing their heads.

The Labor Party is a captive of the trade union movement. The trade union movement, particularly the building unions, is the main stumbling block to the redevelopment of the MCG and now with their green bans it is the main stumbling block to the redevelopment of the games village. The press release of the Minister for Major Projects of 28 May titled 'Former psychiatric hospital an ideal development site' is an indictment of this government and the processes it has undertaken. As Mr Cover said, it is a softening up process for choosing a new site — a site that will not be the Parkville site. If the government wants to do that why doesn't it come out and say that? Why not say, 'We don't believe Parkville is the appropriate place for the Commonwealth Games village.'? That is fairly simple and easy, but it is not saying that. It is a softening-up exercise for the development.

In his press release the Minister for Major Projects in the other place talks about how the site is close to schools, child-care centres, community health centres and shopping centres. I have looked at the site on the whereis.com.au map service. The site is bounded by the Tullamarine Freeway, the Parkville Youth Residential Centre and the Melbourne Juvenile Justice Centre, and the Commonwealth Serum Laboratories, and it fronts on to Royal Park. The facilities might be in close proximity as the crow flies but we know how landlocked this site is and we know that you need to cross a freeway wall and significant major roads to access the facilities the minister talks about. It is not an easily accessible site.

Despite the minister talking about the site's access to public transport, I note that the Honourable Glenyys Romanes talked about increasing public transport services if the site is developed. Maybe she would like to tell local residents in the Parkville area whether a new tram, a new train or new bus lines will be developed in the area, because at the moment there is not a lot there. It is a site that was identified as part of the bidding process and the government is trying to run away from it at a million miles an hour. This government is destroying Melbourne's international reputation as a city that can deliver events on time and on budget.

Motion agreed to.

Snowy River

Hon. P. R. HALL (Gippsland) — I move:

That the Council take note of the answer given by the Minister for Energy and Resources to a question without notice asked by the Honourable P. R. Hall relating to environmental flows of the Snowy River.

I want to remind the house of what the community in East Gippsland called for — they very strenuously called for an additional 28 per cent of the original flows, as measured at Jindabyne, to be returned for environmental purposes to the Snowy River. Today I repeat that I was strong in my support for the call and in 1998 made a personal presentation to the Webster inquiry in support of a return of 28 per cent of the original flow to the Snowy River.

It is worthwhile talking about the Bracks government's commitment. In its election campaign it said that it supported a return of 28 per cent of original flows to the Snowy River, and that commitment given by the Australian Labor Party before the election went a long way to securing the support of the ultimately elected Independent member for Gippsland East.

Where does the government stand on the matter now? In 2000 it came out with a statement of clearly not being in support of the 28 per cent any more but of supporting 21 per cent of the original flow over a period of 10 years with the rest to be found later. Recently that commitment was reiterated in the *Growing Victoria Together* progress report put out by the Victorian government, which states:

> The Snowy River will be returned to 21 per cent of its original flow within 10 years and over time to 28 per cent.

There has already been a watering down of the original pre-election commitment by the Australian Labor Party to return 28 per cent.

It is worthwhile also reminding the house that to date there has not been one extra drop flowing in the Snowy River. Today the best the minister could give in her answer in terms of a time frame was 'shortly' some extra flows might start. What is 'shortly'? In the eyes of this government it could mean anything from 2 weeks, 2 years, 20 years or 200 years — we just do not know. The government has never given or developed proper time frames, and the word 'shortly' is as vague as anyone can get.

I turn to page 88 of budget paper 2 where at least there is a bit of definitive information:

> It is expected that the first increase in environmental flows in the Snowy River will commence this year.

Terrific! I am not sure whether that means the calendar year 2002, the financial year 2002–03 or what. 'It is expected' are the words used in budget paper 2.

I want to get to the more alarming issue of the target, and I have a strong belief that the 21 per cent is already being further eroded. In an article on 29 May in the *Snowy River Mail*, Jo Garland, deputy chairman of the Snowy River Alliance makes this comment:

> … following a meeting last week with senior bureaucrats from the NSW government and a representative from Victoria, the Snowy River Alliance learned that 15 per cent (140 gigalitres) would be guaranteed to flow every year and the rest, to bring it up to 21 per cent, would probably be bought as low security water only available in wet years.

So, at that meeting New South Wales bureaucrats and Victorian representatives have told the Snowy River Alliance that the target is now 15 per cent with an additional 6 per cent in some years to bring it up to 21 per cent, not to mention the additional 7 per cent required to bring it up to the original promise of 28 per cent.

Two issues evolve from that statement. First, the target has been reduced; second — and this also concerns me — is that it states that additional water 'would probably be bought as low-security water'. Yet we had guarantees from the government that the additional water for the Snowy would not be found by the government purchasing water and distorting market signals. There are some real concerns that the government is weakening on its commitment to returning environmental flows to the Snowy River. The people of East Gippsland and the people of Victoria deserve an adequate explanation as to whether this is right or not. I think the government is letting them down badly on this issue.

Hon. D. G. HADDEN (Ballarat) — What the government is doing on the progress of corporatisation and increased flows to the Snowy River is on record and contained in the agreements which have been signed recently by the commonwealth, New South Wales and Bracks Labor governments. The agreement sets out the release of the flows over the next 10 years. As the minister rightly said this morning, and it is absolute commonsense, we are in the fifth year of a drought which is affecting the environmental flows in our rivers, streams and waterways, which is something that is beyond the control of any government.

The Victorian government has worked with the commonwealth, the New South Wales and the South Australian governments — and honourable members must bear in mind that earlier this year South Australia went through an election and the result of that election was not known until around March, which stopped the signing of the agreement for a short period. The three governments have worked strenuously to finalise the corporatisation of the Snowy Mountains Hydro-Electric Authority, which is a critical step towards achieving increased environmental flows for the Snowy River.

As we know, over the past two years the government has not only met its election commitment to seek agreement with the New South Wales and commonwealth governments to return 28 per cent of the original flow to the Snowy River but has also secured an intergovernmental funding package of $375 million over 10 years to increase flows to the Snowy and the Murray rivers. This government has begun the process to implement water savings projects in northern Victoria in consultation with the community. We have also commenced a trial of river management works in the Snowy River, established the corporations law company of Snowy Hydro Ltd and obtained the approval of the Murray-Darling Basin Ministerial Council to amend the Murray–Darling Basin agreement.

These agreements take time to go through with the ministers of the three governments and progress is slow, but this government has made progress, as have the South Australian, New South Wales and commonwealth governments.

On 15 April the South Australian Premier, Mike Rann, signed the key Murray–Darling Basin amending agreement which had been forwarded to the Prime

Minister for his urgent signature and which has since been given. Forty-four intergovernmental agreements are currently being finalised prior to signing off by governments and the proclamation of the commonwealth corporatisation legislation, so once corporatisation is achieved the three state governments and the commonwealth can start planning to release the initial flows to the Snowy River.

Under the Snowy water agreements governments have agreed to additional releases of up to 38 gigalitres per annum for the first three years. These releases will be made from the Mowamba aqueduct. As I said, this is an historic agreement between the commonwealth, New South Wales, Victoria and South Australia, and once the corporatisation has been achieved the governments can start planning for the initial release of the flows to the Snowy.

The Bracks government recognises that the demand for water in northern Victoria has increased significantly in recent years, especially given the drought. This government has played a significant role in attempting to provide access to additional water for future development and to restore environmental flows to the Snowy and Murray rivers. This is part of the Bracks government's commitment to growing the whole of Victoria for all Victorians to enjoy. The government has identified water efficiency improvements in storage and delivery systems as key mechanisms to provide the additional water saving proposals.

In February last year the Bracks Labor government announced a $25 million package of water savings projects in northern Victoria. These initial projects will provide water savings of up to 25 gigalitres per annum. This government is acting on its pre-election commitment, and it is very active in the progress of corporatisation and increasing the flows to the Snowy River as well as to the Murray River in the northern parts of the state. The previous government did nothing about this. Its attitude now is typical of the carping — —

The DEPUTY PRESIDENT — Time!

Motion agreed to.

Information and communications technology: purchasing and management strategy

Hon. G. K. RICH-PHILLIPS (Eumemmerring) — I move:

> That the Council take note of the answer given by the Minister for Information and Communication Technology to a question without notice asked by the Honourable G. K. Rich-Phillips relating to the telecommunications purchasing and management strategy.

The minister's response during question time raises more questions than it addresses. The telecommunications purchasing strategy is a $70 million program that the government has introduced this year to replace and upgrade whole-of-government telecommunications facilities, both data and voice. It is without doubt the single largest project within the portfolio of the Minister for Information and Communication Technology, so it is not unreasonable to expect that the minister will have a grasp of what this project entails, yet on two occasions now the minister has demonstrated a distinct lack of knowledge as to what this project entails and what her responsibilities are with respect to the funding of this project.

It is clear from this year's budget papers that there are two aspects to this project — a capital aspect and a recurrent aspect. Budget paper 2 under the initiatives for the Department of Innovation, Industry and Regional Development outlined the breakdown of these two elements. On the capital side this project requires a contribution of $47.7 million with the first allocation, $21.9 million, in the next financial year. It also has a recurrent element which is $1 million for the 2002–03 year and $7.3 million for each of the out years. The question I asked the minister today related to what exactly will be funded in that recurrent aspect of the project.

I was more than perplexed to hear the minister respond to a question about the recurrent funding for this project by listing off a number of capital items. She was talking about infrastructure for this project which would be funded through the current budget, which raises the question what will be funded through the capital in this budget? The minister does not seem to have a grasp of the difference between capital and recurrent funding.

The reason this question came up today arose from the minister's previous response to very similar questions during the Public Accounts and Estimates Committee's hearings on 22 May, during which I canvassed the issue of the telecommunications strategy with the minister and with her departmental secretary, Neil Edwards. On that occasion the minister and the secretary were also unable to explain the funding model for this project and the breakdown between capital and recurrent. Indeed, when asked about the recurrent funding on 22 May the minister gave an entirely different answer. She did not talk about a list of infrastructure items that were to be supplied with this project; she spoke about the recurrent

element of the project involving increased activity in telecommunications.

Two weeks ago the recurrent funding was for increased activity; today it is for a list of capital items. It seems the minister has no grasp whatsoever of what this project is about and what exactly she is responsible for. It strikes me as absurd that the minister comes in here today and lists as recurrent a list of capital items when two weeks ago she was saying that same funding was to go towards increased volume in telecommunications, and when questioned two weeks ago she could not explain what she meant by that, and neither could Neil Edwards, the secretary of the department. It was pointed out to the minister that each individual department ultimately pays its own telecommunications costs, and why would her department be paying for the whole-of-government increase in telecommunications, and she could not answer.

It was very telling to see the minister's response this morning when she flipped through her folder, found a reference to this project and read it into *Hansard*. It clearly on reflection did not address the question, and it is clear from the minister's answer that she does not know what the project is about. Again this raises far more questions than it answers. What exactly is the minister going to be spending this recurrent funding on? Is it capital; and if it is, why is she listing it as recurrent in the budget and why is it not under the capital output that is listed in the budget? If it is not the capital items she listed, what exactly is it? The minister must explain.

Motion agreed to.

QUESTIONS ON NOTICE

Answers

Hon. M. M. GOULD (Minister for Education Services) — I have answers to questions 2809–10, 2912, 2914, 2927–31, 2934–8, 2944–7, 2952–5.

Hon. E. G. STONEY (Central Highlands) — Yesterday I raised the issue that I am seeking an explanation why questions 2842 to 2880 inclusive in my name had not been answered. The minister said yesterday she would look into it and get back with the reason, and I seek an explanation.

Hon. M. M. GOULD (Minister for Education Services) — I have spoken to my ministerial colleagues. The issue with these questions is very similar to answers that have already been released, and they are trying to ensure that there is no mix-up in the answers.

Hon. G. R. Craige — Are you sure about this?

Hon. M. M. GOULD — I think the questions that the honourable member asked are very similar to answers that have already been given.

Hon. G. R. Craige — Are you sure?

Hon. M. M. GOULD — I said that they are similar questions over a wider time frame, so I just asked the ministers to ensure that they follow up these questions and get a response to the honourable member as soon as possible.

Hon. E. G. STONEY (Central Highlands) — I do not think that is satisfactory. The questions have been with the government since, I think, 18 April. I seek answers to the questions. I believe the questions I asked are different, and I ask when we might expect those answers.

Hon. M. M. GOULD (Minister for Education Services) — I have raised the matter with my ministerial colleagues. I have asked them to give a response as soon as possible. I am waiting for that.

Hon. E. G. STONEY (Central Highlands) — I signal that if I do not get the answers tomorrow I will be looking at options as to how I proceed from this point.

Hon. I. J. COVER (Geelong) — Like the Honourable Graeme Stoney, I raised a matter yesterday in relation to questions on notice I have asked of the Minister for Sport and Recreation — namely, questions 2818 and 2819. Having placed them on notice on 16 April the time for them to be answered has expired. I have written to the minister seeking a response. I sought an explanation yesterday and the Minister for Small Business said she would raise it with the minister concerned and chase them up. I am seeking some clarification on whether that has occurred.

Hon. M. M. GOULD (Minister for Education Services) — I cannot answer the honourable member. If the Minister for Small Business said she would do it, I believe she will have done so. I have not had any response from the minister, but I am sure she would have chased it up with the Minister for Sport and Recreation.

Hon. I. J. COVER (Geelong) — I appreciate that response and look forward to receiving answers before the end of the sitting, unlike in the previous sitting,

when the minister snuck them in on the last day and we could not take any action on them.

BUSINESS OF THE HOUSE

Sessional orders

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

That so much of the sessional orders be suspended as would prevent new business being taken after 9.00 p.m. during the sitting of the Council this day.

Motion agreed to.

FAMILY AND COMMUNITY DEVELOPMENT COMMITTEE

Membership

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

That the Honourable J. W. G. Ross be discharged from attendance upon the Family and Community Development Committee and that the Honourable B. N. Atkinson be added to that committee.

Motion agreed to.

SCRUTINY OF ACTS AND REGULATIONS COMMITTEE

Parliament: committee system

Hon. M. A. BIRRELL (East Yarra) presented report, together with appendices.

Laid on table.

Ordered to be printed.

Hon. M. A. BIRRELL (East Yarra) — I move:

That the Council take note of the report.

I commend this report to honourable members of this house and of the other chamber as I believe it will lead to a substantial improvement in the Victorian parliamentary committee system, to the stage that if the recommendations are accepted by the Parliament we will have the most comprehensive parliamentary committee system of any state. I welcome the fact that this report is unanimous — it therefore has the support of the Liberal and Labor parties, the only parties represented on the committee — and I believe it provides a practical blueprint for reform.

The committee was given this reference by the Legislative Council on 1 March 2000. I am delighted with the conclusion it has come up with after assessing the best committee systems and what could be done for this state. Members of the review committee were the honourable members for Werribee and Mitcham in another place and the Honourable Chris Strong and me from this house. It is a welcome element of the way the committee did its work that it tried to avoid dividing on party lines and was able to do so.

The report recommends the establishment of new committees, new powers and a more comprehensive set of committees to review every government department. These are welcome initiatives, and it is essential that the report enjoys bipartisan support. The report also recommends that ministers make better use of the committees, particularly to research issues and to consider draft proposed bills which are given to them by ministers. The committee in particular cites the Racial and Religious Vilification Bill as one that would have been better dealt with by public consultation through a bipartisan committee.

The report also recommends that committees be able to initiate inquiries of their own and table their evidence and conclusions outside the sittings of Parliament, provided in both cases that the recommendation to do that from the committee is unanimous. That would give greater scope and power to the committees but would remove the opportunity for that power to be used for party-political purposes by requiring unanimous recommendations for such actions to take place.

The report also recommends greater use of technology — for example, submissions being emailed to committees; committees meeting online rather than physically; and giving greater liberty to individuals who find it expensive and difficult to come to committees to give evidence to give that evidence in an electronic form. The report also recommends that ministers respond more promptly to the recommendations of committee reports and seeks that minsters provide an interim response to committee reports within two months.

I commend the other members of the committee, and I thank the adviser who assisted the committee in its work, Karla Bastomsky, who was seconded to us from the Office of the Chief Parliamentary Counsel Victoria. I hope honourable members will look at the report, as it will have far-reaching implications.

Debate adjourned on motion of Hon. BILL FORWOOD (Templestowe).

Debate adjourned until next day.

PAPERS

Laid on table by Clerk:

Auditor-General — Report on Public Sector Agencies: Results of special reviews and 31 December 2001 financial statement audits.

Forensic Leave Panel — Report, 2001.

Parliamentary Committees Act 1968 —

Minister's response to recommendations in Environment and Natural Resources Committee's first report on Fisheries Management across Victoria and upon Sustainable Management of the Victorian Abalone and Rock Lobster Fisheries.

Minister's response to recommendations in Law Reform Committee's report on the Review of Legal Services in Rural and Regional Victoria.

FORESTS LEGISLATION (AMENDMENT) BILL

Second reading

Hon. C. A. FURLETTI (Templestowe) — I move:

That this bill be now read a second time.

The government's decision in February this year to slash logging quotas in Victoria's forest management areas by up to 79 per cent sent the forest industries and timber communities into shock.

It immediately halted further capital expenditure in industries which by their very nature are heavily reliant upon capital investment and cast serious doubt on the future of those industries.

The purpose of this bill is to secure the land base made available to the forest industries in the commonwealth–state regional forest agreements, and to introduce measures to improve the safety of forest industry workers, officers of the Department of Natural Resources and Environment (DNRE) and members of the public who are in areas where forest harvesting is undertaken.

The bill also removes any existing ambiguity as to what constitutes an authorised forestry operation and clarifies the areas of state forest in which those operations are conducted.

The bill is intended to be complementary to the federal government's Regional Forest Agreements Act 2002 passed in the commonwealth Parliament earlier this year after an extended four years of debate and negotiation.

In February 2002, representatives from the CFMEU forestry division, Timber Communities Australia, the Victorian Association of Forest Industries and the Victorian Forest Harvesting and Cartage Council met with the Premier and the leaders of the Liberal Party and National Party to raise with them their concerns arising out of the reduction by an average 31 per cent across the state in the sustainable yield rate of timber harvesting in Victorian forest management areas.

All three leaders acknowledged those concerns and the Liberal opposition committed to make efforts to deliver the resource security envisaged in this bill.

The Liberal opposition is committed to the protection and conservation of Victoria's environment and is strongly supportive of development of its natural resources in a sustainable and balanced framework.

The timber industry in Victoria is a significant part of Victoria's economy. The native hardwood sector alone has a turnover of $538 million per annum and is worth $1.8 billion to our economy. Over 4000 people are directly employed, with another 6000 being indirectly employed.

Of Victoria's 8.8 million hectares of public land, around 3.5 million hectares is state forest and around 700 000 hectares is currently available for timber harvesting.

The forest industries are to be commended for their acceptance of the need for reassessment of the sustainable yield rate, and whilst they are seeking a further review for the purposes of confirming the most recently released figures, they have demanded security of resource in the form of access to an assured land base. They require security of area, security of sustainable yield rate, security of volume, security of species and security of quality of timber resource.

It is important to recall that those involved in forest industries and the communities reliant upon them believed that the uncertainty of the 1980s and 1990s had been resolved with the signing of the various state regional forest agreements between the federal government and both the Kennett and Bracks governments. Unfortunately that belief was ill-founded and the Bracks government's recent reduction in one dramatic blow of the volume of resource available and its failure to honour its assurances to those enterprises compels the opposition to take the lead in introducing this bill.

The opposition's consultation with industry participants revealed their most serious concerns to be related to the prospect of future investment in forestry and the need

for greater safety for forestry workers and other members of the public.

The government has failed to produce strict guidelines for and refused to commit substantial resources towards resolving almost daily confrontation between illegal protesters and forest workers. These failures demonstrate the low priority it gives to a sustainable, long-term hardwood timber industry in Victoria.

There is understandable concern throughout the forest industries and timber communities that the 20-year regional forestry agreements, which were designed (amongst other things) to promote conservation and sustainable development of our timber resources whilst providing long term job security, are being largely ignored.

The industries are seriously concerned about the volume of timber available from the existing resource base and are unsure of its future security, particularly given the immediacy with which the logging quota reductions were announced last February.

The industries are also gravely and responsibly concerned about the safety of timber industry workers and members of the public who enter on areas where harvesting is taking place.

This bill will secure access to the timber areas, volumes, species and quality of timber which is available pursuant to the Regional forest Agreements which have been negotiated over an eight year nationwide process involving extensive consultation.

I now refer to the content of the bill.

This bill amends the Forests Act 1958 and the Conservation, Forests and Lands Act 1987.

Clause 3 defines the commonwealth minister as the minister responsible in the federal government for forestry matters thereby clarifying the intention of clause 5.

Clause 4 of the bill amends the Forests Act 1958 by inserting a new section 52BA which provides that any area of state forest available for timber harvesting under the regional forest agreements which is removed must be replaced with a comparable area of state Forest and in doing so the minister must take into account sustainable yield rates of timber in the replacement area and the volume, species and quality of that timber.

Had there not been constitutional constraints, the Liberal opposition would have replicated in this bill the commonwealth legislation provisions for payment of compensation to those involved in the forest industries who suffer loss arising from the reduction of resource areas. The Liberal opposition will cooperate with the government to provide compensation to those engaged in forestry enterprises who are adversely affected by the government's inability or unwillingness to adequately replace the reduced resource area within reasonable proximity of the removed area.

Clause 4(3) defines the actions by the government which lead to the operation of the proposed new section 52BA and also defines a regional forest agreement in similar terms to the federal Regional Forest Agreement Act.

Clause 5 provides that consultation must take place between the state and commonwealth ministers responsible for forestry matters before a review of sustainable yield rates is undertaken and further ensures that any proposed review of sustainable yield rates be publicised well in advance of any such review being undertaken.

Clause 6 of this bill amends the Conservation Forests and Lands Act 1987 by permitting the secretary to certify an area of state forest as being a safe working zone and by certifying a particular forest operation as being an authorised forest operation thereby simplifying the evidentiary requirements.

The clause removes a number of the uncertainties which currently exist and which have resulted in lengthy and expensive prosecutions and appeals costing the state many hundreds of thousands of dollars and wasting many hundreds of DNRE working hours.

Clause 7 makes minor amendments to section 95A of the Conservation, Forests and Lands Act 1997 to clarify the offence of hindering or obstructing authorised forest operations.

Clause 8 provides for the declaration of areas of Crown Land as safe working zones by the secretary of DNRE and prescribes the matters to be considered in making such a declaration.

The clause provides for notice and gazettal of the declaration for the purposes of ensuring public awareness.

Clause 8 also proposes a new section 95C which creates the offences of unauthorised entry and remaining in a safe working zone and of inciting or encouraging people to do so. Similar provisions currently exist with respect to entry and remaining in reserved or otherwise restricted areas as identified by DNRE.

Whilst the Liberal opposition respects the right of lawful protest it also recognises the stress, frustration and cost suffered by forest enterprises and the general public as a result of vandalism, the wilful destruction of property used in forestry operations and the unlawful disruption of legal business activities.

It is expected that this clause will be a more effective legal basis for the protection of forest workers and the general public than the current disparate range of acts and regulations which impact upon this complex and uncertain area of the law.

The clause also provides for the secretary to give authority to classes of prescribed persons to enter upon and remain in safe working zones and in addition, to authorise people to enter and remain in those zones on a short-term or temporary basis.

The clause further introduces a proposed section 95D which makes it an offence for a person to alter, damage or interfere with the signage required to be erected pursuant to section 95b(5).

The penalty for breaches under the act is fixed at a maximum of 50 penalty units — a penalty commensurate with that provided in other recent resource legislation.

The Bracks government assured the representatives from forest industries last February that it would introduce new forestry legislation but it has procrastinated for over three months and failed to honour its commitment.

This bill is an initial step in restoring some measure of confidence for the forestry and timber processing enterprises and offers improved job security for their employees. In fulfilling our promise to those enterprises and to the timber communities of Victoria this bill provides a greater level of resource security and reinforces the important safety aspect of authorised forest operations.

I urge the government and the National Party to support the Forests Legislation (Amendment) Bill to ensure its speedy passage. I commend the bill to the house.

Debate adjourned on motion of Hon. GAVIN JENNINGS (Melbourne).

Debate adjourned until next day.

INDUSTRIAL RELATIONS: UNION INFLUENCE

Hon. BILL FORWOOD (Templestowe) — I move:

> That this house condemns the government for creating an industrial relations environment in Victoria characterised by government subservience to the union movement.

This motion is brought to the house at an important time. It deals with two fundamental issues, the first of which is the relationship between the government and the trade union movement, and I will go into that in more detail; the second is the effect that that relationship between the unions and the government is having on the state of Victoria, particularly in investment prospects and the strength of the economy.

This debate takes place at a time of some turmoil in the Labor Party caused partly by the desire of the current leader of the federal party to, using his words, modernise the Labor Party. We know that the Labor Party is not a particularly modern party, but the federal leader's modernisation of the party is focused on the issue of the 60:40 rule which, as every honourable member in this place and most of Victoria knows, is the rule that says the trade union movement gets 60 per cent of the delegates no matter what, thereby effectively ruling out the participation in Labor Party affairs of most of the ordinary people in Victoria who feel they would like to contribute.

The debate also takes place at a time in Victoria when there is absolute turmoil locally, starting some weeks ago with the decisions of Mr Johnston and Mr Mighell to move their affiliations away from the Labor Party. This led to the Amalgamated Manufacturing Workers Union (AMWU) deciding that it would not send a delegation to the state conference and the federal branch deciding that it would. A subsequent legal battle resolved that the state delegation should be admitted to the Australian Labor Party state conference, and then there was the extraordinary situation where it was discovered that day that — —

Hon. M. M. Gould interjected.

Hon. BILL FORWOOD — I read crikey.com, and I note that the one thing that crikey.com got right was the description of the third-highest ranking minister in the government, the Leader of the Government in the upper house, the Honourable Monica Gould. Members on this side are pleased to know that she is the third-highest ranking minister in the government.

To return to my snapshot of the importance of the timing of this motion, I was making the point that the AMWU won a legal battle to be present at the ALP conference, and then in an extraordinary performance on the floor of the conference some weeks ago the delegates themselves decided that they would overturn the courts, which decision has subsequently been overturned by the executive. I make the point that at that time there was a split in the right, and that split centred around the National Union of Workers faction.

Hon. Gavin Jennings interjected.

Hon. BILL FORWOOD — It is important that we put on the record the relationship between the government and the trade union movement, which is the essence of this motion, and the effect it is having on Victoria.

It is very important that the people of Victoria have an understanding of the internecine warfare that is currently taking place in the Labor Party and which affects the governing of this state. Everybody is aware of the relationship between the Australian Workers Union (AWU), represented in this place by my friend and colleague Mr Bob Smith, and the National Union of Workers (NUW), represented in this place by my friend and colleague the Leader of the Government, who at one stage was the general vice-president of the NUW and from that position was elected to a senior position with the Australian Council of Trade Unions (ACTU), as was Mr Smith.

On the floor of the council some weeks ago these two split and the Bill Shorten mob went one way — —

Hon. Gavin Jennings interjected.

Hon. BILL FORWOOD — I pick up the interjection from the Deputy Leader of the Government. We on this side of the house know that Mr Shorten is ambitious. We know that he is factionally at war with Mr Feeney against Mr Sword. We know that the Minister for Small Business, who is on the federal executive of the ALP — or was last time I looked — is also significantly involved in the interplay on this issue. My understanding is that she is closely connected with the AWU as well.

I mention these issues to put on the record that there is an extraordinary relationship between the Labor Party and the union movement. I know I cannot quote but I make the point that on page 75 of *Daily Hansard* of 29 May, in dealing with the Crimes (Workplace Deaths and Serious Injuries) Bill, in a terrific paragraph in his contribution Bob Smith confirmed, if any confirmation was needed, the relationship between the government and the trade union movement along the lines that the government was responding to the pressures of the trade union movement. From memory his words were: 'To a degree that is right'. He was of course acknowledging that the union movement was pressuring the government on that issue. I think he went on to suggest that he would not ever make an apology for that, and that he regarded it as an important part of the relationship.

We know that this relationship exists but where does it lead? Volume 19, issue 1 of the 'Industrial relations and management letter' of February 2002 carries a headline:

> Who (in their right mind) would set up shop in Victoria?

An editorial overview on page 2 says:

> The Victorian tragedy: will this important state revert once more to a rust bucket status? Unless the state government can pull the more militant unions into line this scenario appears to be very much on the cards.

It then goes into detail on a number of issues, one of which I intend to touch on further later in my contribution. This is the situation which occurred with Saizeriya.

The reason this motion has come before the house today is because the industrial relations environment is vitally important to the future of Victoria. We know there are major internal problems in the Labor Party and we know that is affecting the way many people approach their business prospects in Victoria in relation to employment. It is easy to find examples of major problems caused in Victoria by the union movement.

In an article in the *Age* of 20 November 2000 headed 'How union blues blew out major project costs' Paul Robinson and Robin Usher state:

> The Victorian government has reached a tentative truce with building unions after months of hostility and widespread bans on major projects —

these are government projects —

> which have cost the state millions of dollars.

They write about the industrial action that delayed the opening of the Melbourne Museum, the Sidney Myer Music Bowl, the National Gallery of Victoria and the Multi Function Venue next to the tennis centre. As my colleague Mr Cover asked this morning, who knows what will happen with the Commonwealth Games. In particular, we understand that Mr Mighell is reverting to Jack Mundy's old system of green bans. I am looking forward to the construction of the games village. I wonder whether the most appropriate way of

planning in this state is for the aficionados of the union movement to hand over control of the planning process to Mr Mighell so that he can say, 'We will build this; we won't build that'. Rather than having a detailed planning process in Victoria we will end up with planning being done by the Electrical Trades Union.

Let me just put on the record — because I know that the government is fond of saying that things are better in industrial relations terms in Victoria — that Victoria remains Australia's industrial relations basket case. The last Minister for Industrial Relations, Ms Gould, who we know is the third-highest ranking minister in the Bracks government, was sacked for incompetence. Everybody knows that, no matter how they try to hide it, and we fully expect her to be sacked again for incompetence in her new portfolios, but we know, and the honourable members opposite who glumly sit there also know, that she was — —

Hon. M. R. Thomson interjected.

Hon. BILL FORWOOD — You are not in your place, Minister. Come over here and I will engage you.

Hon. Gavin Jennings — You invite an interjection, and when it comes you say, 'You're not in your place'!

Hon. BILL FORWOOD — You are in your place. I will accept your comment!

Let me make the point that the poor Minister for Industrial Relations at the time, who subsequently lost her job because of incompetence, put out a press release on 20 September 2001. Under the heading 'Working days lost to disputes falls' she says:

> Victoria has again recorded a decline in the number of working days lost due to industrial disputation …

She goes on to say:

> There is no question the Bracks government's approach of cooperative working arrangements is obviously having a positive effect on Victoria's industrial climate.

The issue of course is that there has been an extraordinary decrease in the number of days lost per thousand employees in the last 14 or 15 months because of the activities of the federal government. Throughout all but two of the months since November 2000 Victoria has been the worst state. So, despite the fact that the government tries to claim that the Victorian position is better than that of the other states, the level remains appalling. It is easy to see that if you look at the Australian Bureau of Statistics figures for working days lost per thousand employees at page 7 of ABS document 6321.0, and I understand the most recent one is dated February 2002.

Let me do Victoria first, Australia second. Days lost per thousand employees in the 12 months ended December 2000: 71 for Victoria, 61 for Australia. In the 12 months to January of the next year: 69 to 59. For the 12 months to February it was 64 to 53; for March the figures were 60 to 51 — and so it goes on. In the 12 months to January 2002, 63 days were lost in Victoria — more than any other state — and the Australian average was 49. By February it dropped a bit — it was down to 61 — but was still higher than anywhere else in Australia, still against an average of 49.

So let no-one think that the situation in Victoria is improving in relation to working days lost per thousand employees — it is not. Despite what the minister tried to claim before she lost her job for incompetence, the situation is very clear.

The Australian Bureau of Statistics figures show that Victoria remains Australia's industrial relations basket case and continues to lose more days than any other state. This heightened industrial disputation just goes on, and one reason for that is that the close working relationship between the trade union movement and the government does not enable the government to act on behalf of all Victorians. The government makes the claim that it acts on behalf of all Victorians but that is breached every single time there is an industrial disputation, and I will detail some of those in my contribution.

It is not surprising that the relationship causes these problems. Lists are available — I will not go through them all — of the unions that each of the cabinet ministers belongs to.

Hon. N. B. Lucas — Give us a few!

Hon. BILL FORWOOD — I can, Mr Lucas, give you a few. I note that the Premier is or was for a long time a member of the Australian Manufacturing Workers Union, which is headed by that well-known identity around Melbourne, Craig Johnston. One of the issues I will not be canvassing in detail because of the sub judice rule are the issues of the run-throughs at Skilled Engineering and Johnson Tiles; both matters are before the courts and it is not my job to assist the courts. I have many other things I can talk about, such as appalling relationship between the government and the trade union movement.

Hon. Gavin Jennings — Appalling relationship!

Hon. BILL FORWOOD — Yes, the appalling relationship — and the appalling effect that relationship has on Victoria.

The Premier is or was for a long time a member of the same union as Craig Johnston. The Treasurer was in the Australian Workers Union, the union my friend and colleague the Honourable Bob Smith has such a long history with, and my understanding is that the Treasurer was also a union official in that union. The Minister for Energy and Resources was a member of the Australian Services Union. The Minister for Transport was an official with the Furnishing Trades Union. The Minister for Education Services, as we have already mentioned, was a member of the National Union of Workers, as is Tim Pallas, the Premier's chief of staff. I suspect that the honourable member for Werribee in the other place was the national industrial officer for that union, and that perhaps the young Honourable Sang Nguyen was the migrant liaison officer for the same union. I make the point again that the NUW is the union that this week decided after 30 years of close ties with the Labor Party to take itself off to what I think is described as the neutral corner.

One can go to the backroom boys and girls of the ALP national executive and find that Mark Bishop from the right is a former secretary of the Shop, Distributive and Allied Employees Union and that Mark Butler — —

Hon. Gavin Jennings interjected.

Hon. BILL FORWOOD — I am talking about the national executive of the Labor Party. I am likely to get to the Honourable Gavin Jennings at some time, and probably even to the Minister for Small Business, because both are in the house. Before I do, another member of the national executive is Mark Butler, who is the state secretary of the Australian Liquor Hospitality and Miscellaneous Workers Union, a former state ALP president and an executive member of the Trade and Labor Council in South Australia. We know a lot about George Campbell, a former ACTU vice-president. Stephen Conroy was with the Transport Workers Union. There is a wonderful article in today's *Australian Financial Review* headed 'A stumbling bloc looks out to lunch'. It states:

> When Labor right-wing factional player, Stephen Conroy —

we have already made the point that he is on the national executive —

> met a left-wing colleague at Parliament House coffee shop yesterday, he declared: 'Hi, mate, I hear we're in the same faction'.

Who knows what is happening in the Labor Party when the right is talking to the left, when the AWU and the AMWU are split so badly that the National Union of Workers decides to pick up its bat and ball and go off into a funny little corner by itself, and the left becomes the right! We now know that the internal climate in the Labor Party in Victoria is so poisonous that the left is again talking to the right and doing deals with it. One wonders where members of the hard left, like Mr Jennings, find themselves in all of this.

Hon. Gavin Jennings interjected.

Hon. BILL FORWOOD — That is a quote: it says 'a member of the hard left'. When I read the *Age* I believe it. Of course Peter Cook is on the national executive and has a trade union background. Everybody knows about Bill Ludwig — not only is his son a senator but Bill has been the Queensland branch secretary of the AWU, Mr Bob Smith's union, and we all know how they control what happens in Queensland.

I could talk about John Hogg, Sue Ellery and Joseph de Bruyn from the right. Mr de Bruyn is the strong secretary/treasurer of the Shop, Distributive and Allied Employees Association. On and on it goes detailing the relationships between the trade union movement and the government, which leads to an extraordinary situation where the government's capacity to act on behalf of all Victorians is absolutely and completely compromised.

This relationship spreads into what has happened at Industrial Relations Victoria. This year's budget shows that $12 million has been allocated to it. My understanding from a recent meeting I had with the new director, Paul Lorraine, is that Industrial Relations Victoria has 65-odd staff. I have no idea what those 65 staff do — I am not sure they do either — but what an extraordinary waste of money that is. Among those 65 people, in the strategic advice unit is John Stapleton, the Community and Public Sector Union national industrial officer; Ron Luckman, national president and state secretary of the Electrical Trades Union ; Brian Tee, who works there as well, is the manager of the state ALP administrative committee, is a general member of the ALP disputes tribunal and used to represent the Australian Liquor, Hospitality and Miscellaneous Workers Union on industrial relations issues.

Then of course there is the good factional ally of the Minister for Education Services from the National Union of Workers, Bernard Reed, whose father was so well known in the union movement. We understand this

is a generational thing. It is like Cains 1, 2 and 3 — and we get to the Fergusons as well — but I want to make the point about Bernard Reed.

Industrial Relations Victoria was set up but does not know what it is doing. It has taken $12 million of funds and that is now totally lost. The minister was so lost that she had to seek advice on what she should do with an industrial relations policy, so she decided to fund an organisation called the Foundation for Sustainable Economic Development at the University of Melbourne. My recollection is that Industrial Relations Victoria has given $400 000 to fund that organisation, which is headed by a reconstructed Laborite trade unionist, Max Ogden, of whom I have only heard good things. I understand that he was a victim — —

Hon. M. A. Birrell — Which university was that at?

Hon. BILL FORWOOD — Melbourne University, Mr Birrell.

Hon. M. A. Birrell — He must be perfect then!

Hon. BILL FORWOOD — It is a good part of the university, I must say. It is extraordinary that the government establishes Industrial Relations Victoria, chucks $12 million at it, gives it 65 staff and then takes some of that money and gives it to Melbourne University.

Hon. M. A. Birrell — A faultless university!

Hon. BILL FORWOOD — The faultless university. Melbourne University established the Foundation for Sustainable Economic Development and asked the foundation if it could come up with an industrial relations strategy for the Victorian government. My understanding is the document was considered by the industrial relations subcommittee of cabinet on which my good friend from the hard left, Mr Jennings, serves.

Hon. Gavin Jennings — Presumably I am your only friend from that faction!

Hon. BILL FORWOOD — I do not think there are many members of the faction left. I understand Ms Mikakos has changed factions and gone somewhere else. I cannot keep up with them. This is a fascinating 31-page document of industrial relations strategy prepared for the government by Mr Ogden who states on page 1 that this industrial relations strategy:

> … is about encouraging a climate of constructive industrial relations, to assist Victoria's business competitiveness, create more jobs, produce equitable social outcomes.

I am happy to use those measures of Mr Ogden as the benchmark for measuring the performance of this government in industrial relations because, as I will demonstrate to the house later, it fails on all counts. This is a terrific document. Mr Ogden starts off by trying to justify the accord and suggesting that there are among unions mainly negative opinions about the accord. He states:

> Unfortunately, some of these views are formed by erroneous perceptions. For example, some unions claim that the accord was the reason for union decline …

He goes on to say that is not the case and that David Peetz in his book *Unions in a Contrary World* showed, based on the five criteria he examined, that the accord far from being the cause of decline of the trade union movement actually delayed the decline for some years.

At least we have from the government's own mouthpiece an indication of the declining importance of the union movement to ordinary Australians at a time when this government is totally beholden to the union movement, when most of its members belong to the union movement and, in particular, when we know the splits in the union movement are causing chaos in the government and the federal opposition where the Honourable Simon Crean is trying valiantly to change the 60:40 rule in order, in his words, to modernise the Australian Labor Party.

I could go into detail about Mr Ogden's paper to the cabinet subcommittee. On page 4 he states:

> The reaction of some unions to the hostile union environment, notably in Victoria, has been to withdraw from negotiations with management …

We have noticed that. He further states:

> This has created a difficult situation in some industries for a state government committed to cooperative industrial relations.

It might be a commitment, but we have not got it and that is the fault of the government. This government has an appalling track record that is flowing over time and again into the lives of ordinary Victorians. I can give so many examples, but I will refer to four later. I invite people to read today's paper and read the story of what is happening with Holden which is concerned that the strike at BHP will lead to major problems. It is a big worry. It follows on from the comments of the federal Minister for Industry, Tourism and Resources, the Honourable Ian Macfarlane, yesterday that the trade union disputes in the motor industry, because of the just-in-time process, are leading to major doubts about the future of the car industry, not for any reason other than the appalling behaviour by the union movement.

I will not go into the document in detail, but I will make it available to anyone who wants to understand what went to the cabinet subcommittee as an industrial relations strategy. I will read some of the recommendations because they hark back to another time. Recommendation 1 on page 31 of the document states:

> A well-prepared summit specifically for business organisations, unions, farmers and government focusing mainly on manufacturing.

The first call is for a summit, not a large public event but a seminar or preferably a search conference. The reason for a search conference is, according to Mr Ogden, because that is the best process of getting genuine agreement and consensus. We understand the Labor Party's current industrial relations policy is to have a summit and get consensus.

Recommendation 2 states:

> The objective of the Victorian government in this process is get consensus and commitment by all parties …

As I have said, I will make the document available to people who wish to read it. It contains 31 pages and 20 recommendations for where industrial relations should go in the state. I say that the first thing that should happen is for the government to do something. I do not think we need any more summits and I am not sure that consensus gets us too far when we are having the sorts of brawls that are going on in this state in industrial relations. The best thing the government could do is to make some decisions.

We on this side of the house sat and listened to the former Minister for Industrial Relations, the Honourable Monica Gould, describe herself as the honest broker, day after day. That is code for, 'I can't make decisions', and certainly code for, 'I won't take on the union movement' The reasons she will not take on the union movement is of course because the government is beholden to unions. Many people will remember the immortal words of young Mr Shorten not long after the Labor government came to power when he was recorded on television saying words to the effect, 'We put them there — they owe us'. If you want a summary of the relationship between the government and the trade union movement go no further than take the words of the golden-haired boy, Mr Shorten, who said, 'We put them there — they owe us'.

I now turn to three examples of situations where this government has seriously let down the state by its inaction or inability to act appropriately. The first is Coogi Australia Manufacturing. Many people know of that company.

Honourable members interjecting.

Hon. BILL FORWOOD — They did. It is a world-renowned Melbourne fashion label with a turnover of between $50 million and $60 million and is currently employing 350 workers. It did employ 400 workers. It has a modern factory in Abbotsford which I have visited and it exports most of its products to America where it has a highly effective niche market. I am informed that at the moment it is currently holding orders for $16 million. It is involved in a battle with Michele O'Neil and the Textile Clothing and Footwear Union of Australia, which, if not settled soon, has the potential to drive the company offshore and those 350 jobs will go.

Hon. P. A. Katsambanis — Another export initiative of the Bracks government!

Hon. BILL FORWOOD — Yes, another export initiative of the Bracks government. What will happen is that the highly successful computer design side of the business will continue to work but all the manufacturing will go offshore. That will be a tragedy for Victoria.

This company, successfully built up by Jacky Taranto, restructured its affairs to reduce its Workcover premiums by $600 000. By restructuring its internal affairs it was able to lower its Workcover premiums. I would regard that as a sound business principle to ensure the company was viable. As a result of that the textile union decided it would try to ensure that a trust fund was set up to collect workers entitlements against all the companies, including the companies not associated with the actual manufacturing where the workers were, and took the matter to the Australian Industrial Relations Commission where it lost. Ultimately, in March the commission said that it refused to make a finding of an industrial dispute for the reasons contained in the judgment.

A newspaper article about this was headed, 'Concerns for workers super — fears for top fashion label'. It is bad enough that this should happen as the company had already suffered a downturn after 11 September, although it was working through it. As I said, this is a company with 350 workers and a turnover of $50 million to $60 million. On Friday, 8 March the article appeared in the *Herald Sun*, and someone, persons unknown, decided it would be appropriate to fax the article around the world. The next thing the company knew was that the article had been faxed to its suppliers, customers and financiers and to the places where they buy yarn and export goods. All of a sudden, because this article had travelled the world, the

relationships that existed between the company and its suppliers, many of whom had been with it for a long time, changed. That major change put even further pressure on the company. So, what had started out as a sensible economic decision to save $600 000 by restructuring Workcover costs suddenly turned sour as the union movement made a play to destroy the company.

Today I say to the house that the government should act on this. I am aware that one minister has visited Coogi and that recently officers from the Department of Innovation, Industry and Regional Development also visited. My understanding is that no-one from Industrial Relations Victoria has visited the company and no-one has tried to address the key issue it is facing — that is, Michele O'Neil and her union setting out to try and destroy it.

Recently the union has gone on to appeal the decision, and that is creating further problems. At the same time, however, it has put out a newsletter which is nothing if not inflammatory. It has cartoons accusing management of bullying and tries hard to make life even more difficult for the company. Every person in the company works hard to keep the company going; the only people who do not are the unions. It is a real problem for Victoria if circumstances such as this are allowed where a company in Australia with an icon name and with export orders on the books for $16 million is placed in jeopardy because of the bloody-minded behaviour of the union movement. That is just one example, and it is an example of omission by the government. If it wished, the government could take on the union. It could go and work with both the company and Michele O'Neil, but it is absent! It is not doing it. Why not? That is an example of omission.

The second example I am prepared to bring to the house today is the story of Able Demolitions and Excavations. There are three parts of the Able story: the national gallery, the Latrobe hospital, and the housing commission flats in Port Melbourne. We can do them any way we like.

Hon. P. A. Katsambanis interjected.

Hon. BILL FORWOOD — Well, they are being demolished.

Much of this information comes from the Cole royal commission, which goes into details about these matters. My first point is that because of union pressure the government has behaved inappropriately — they are not my words, they are the government's own words. Page 6364 of the royal commission transcript states in relation to the tender for the demolition of the Latrobe hospital:

> Accordingly, by 22 March 2002, Able was, to the knowledge of the government property group: (a) the lowest tenderer; (b) the recommended tenderer; (c) the only tenderer to seek pre-qualification under the Department of Infrastructure's scheme for demolition contractors prior to the initially advertised 29 November deadline; and (d) the only valid tenderer to have pre-qualified under the department's scheme for demolition contractors.
>
> Despite this information, the government property group took no steps then to award the contract for the project to Able.

The reason is that it was being pressured by the union; the government bowed to union pressure and did not do it. We know that because on page 6366 the government admitted it. The commissioner says:

> COMMISSIONER: Mr Bell, is it the Victorian government's position, as outlined by counsel assisting, that it doesn't resist a finding that, in respect of two aspects, the government engaged in inappropriate conduct?
>
> MR BELL: It is.

At last the government acknowledged its inappropriate behaviour in the awarding of that contract. Let me tell you what happened then. The Premier tried to justify the delay by publicly suggesting that this was because Able had a poor occupational health and safety record. I have visited Able, and I can inform the house that it has ISO qualifications — —

Hon. P. A. Katsambanis — Able is able!

Hon. BILL FORWOOD — Able is able. It has a better record in the demolition industry than any other contractor in Australia, and that has been demonstrated. The Premier was wrong.

Hon. P. A. Katsambanis — Again!

Hon. BILL FORWOOD — Again! Thank you, Mr Katsambanis. My understanding is that the next day Mr Bell went back to the commission and said that the Premier was misinformed, that in fact the Premier was not correct in what he said, and that the government did stand by its admission that in respect of two aspects it had behaved inappropriately in that it had bowed to pressure from the union movement not to let the contract for the Latrobe hospital.

The same thing applied absolutely to the National Gallery of Victoria job. After Able commenced work there a similar circumstance arose, because evidence was led to the fact that Able was identified in March 2000 as the preferred tenderer for that job. The government had announced that demolition work

would commence in March but it did not start until July. The principal reason was that Able did not have an enterprise agreement with the Construction, Forestry, Mining and Energy Union (CFMEU), despite the fact that then government policy was that industrial arrangements were not relevant. The transcript states on page 6360:

> The CFMEU threatened the government that if Able were to be awarded the contract, industrial action would be taken on the National Gallery and other government sites and, as a result, the government delayed the award of the contract until Able threatened legal action and the Office of Employment Advocate became involved.
>
> After Able commenced work at the National Gallery of Victoria site, officials and members of the CFMEU reacted by engaging in wanton vandalism and imposing the threatened bans on other government sites. The government instigated no action against the CFMEU or the members and officials involved.

That is another example of where the government caved in when pressured by the union. We know that there was then a run-through — a good old trade union tactic of bullying and thuggery. It is ironic that on page 6 of the *Australian* of 20 February 2002 there is a pretty picture of Wonderboy Shorten and the heading 'Boss tells of police pact with unionists'. The article continues under the by-line of Kristine Gough:

> Police took no action against construction unionists who trashed the Victorian National Gallery building site because they had done a deal with the union not to disrupt the World Economic Forum, a demolition manager alleged yesterday.

So we have a situation where not only does the government participate in not awarding the contract properly because of pressure, but after a run-through where 400 members apparently from the CFMEU went on a rampage no police action was taken. How can it be that that sort of thuggery can take place but it is not then referred to the police?

According to an article of 13 February $100 000 in damage was allegedly caused to Able property. I make the point again that at the same time the CFMEU imposed bans on up to eight major government projects. What sort of a relationship is this? What signal does this send to investors who want to invest in Victoria?

I make the point that it was not only in those circumstances that no police action was taken. I refer to another case which does not so closely relate to the government but is indicative of what happens in this state. It is the case of a section 170CE application for relief on termination of employment of a worker in the Latrobe Valley. I can make full details of this available to the house, but I will read some of it now. Here is a summary that comes from *Workforce* of 15 February. It states that a commissioner blasted the AWU, the CFMEU, and the employer, Simon Engineering, for colluding in an unfair dismissal:

> He ripped into the behaviour of the unions, saying, 'the work site has a clear record of internecine warfare between at least members of the AWU and CFMEU' and that, '[t]his continual sniping has led to violence. This culture of workplace violence has led to a situation where a person … was bashed, threatened with a knife and then because of collusion evidenced in this matter, was given a final warning by his employer'.

He was subsequently fired and got his job back afterwards, but during the course of this affair a Worksafe inspector threatened to close the site for six months if the violence was not stopped. The sacked man was an elected occupational health and safety representative for the AWU. We had an extraordinary circumstance down at the Latrobe Valley where an absolute brawl was going on. Again this article makes it very clear, as does the transcript I have available. The *Workforce* article states:

> This action by the employer was not only unjust and unreasonable, it was harsh because of the respondent's cowardice in bowing to pressure from union officials and not informing police about the violence.

So not only in the case of the National Gallery of Victoria did we have a situation where there was run-through of 400 people and no police involved at all, but in this case an individual had a knife held to his throat on a work site and again the matter did not go to the police.

I now turn to the third of the Able problems — the one at the housing commission flats in Port Melbourne. This is an extraordinary story. The union did not get what it wanted, so it then rang up Workcover and two Workcover inspectors were sent down there. They inspected the site and said the site was clear. The unionists then rang a person higher up in Workcover, Mr Allan Beacom, who instructed that the site be closed. On his instructions, without being visited, the site was closed, apparently for two weeks. It is extraordinary that those circumstances can happen.

I have been a supporter of the Victorian Workcover Authority (VWA) as long as I have been in this place. It is an organisation that has a really important role to play. To find it being used in this manner against a company which the unions do not like is appalling. I make it clear to the house that this is the third incident I have detailed relating to the one company. It had trouble in getting the contract at the gallery and then had the run-through; it had trouble getting the contract at the Latrobe Valley hospital, when the government

admitted it was wrong; it got the contract with the Department of Human Services and again had union trouble when the union movement used its influence at the VWA to close the site down. What is this government doing about it? Not a lot!

Let me read to the house a paragraph from a submission by Mr Tracey, counsel assisting the commission, as he details his views about the industrial relations climate on building sites in Victoria. He is referring to case studies, and he states:.

> The issues raised by these case studies will include the manner in which industrial relations considerations have been allowed, improperly, to impinge on decision making in relation to the letting of government contracts; the misuse of occupational health and safety laws and procedures by unions in an attempt to bring pressure to bear on employers for industrial purposes, and the role of Workcover in this regard; the operation of Labor hire organisations in the industry and the differential approach taken to them by unions; the conduct of so-called audits of subcontractors by union officials; the phenomenon of inappropriate payments, about which the commission heard evidence in Western Australia, and which is also present in Victoria, such payments relate to dual-ticketing, casual ticketing, strike pay, payments for training not delivered and payments into various union funds; the ineffectiveness of the state and federal codes of conduct, as evidenced by widespread and continuing breaches of their provisions; the measuring of productivity within the industry and incentives designed to improve it; further illustrations of a culture which exists within the industry in Victoria which has led to an acceptance of regular breaches of workplace relations law; endemic demarcation disputes, particularly involving the CFMEU, the AMWU and the AWU; and an analysis of the comparative costs of erecting an identical building in New South Wales and this state and the impact of unlawful and inappropriate industrial conduct on the differential cost.

These are issues the government should deal with. This government has links with the trade union movement and yet it stands idly by and watches this behaviour take place in Victoria. This behaviour permeates the whole of our society, and it is not just the government that suffers.

I now turn to the well-known case of Saizeriya. On 23 August the Minister for State and Regional Development put out a press release entitled:

> Major jobs win for Melton as global food company invests $40 million.

This story is widespread. The most recent thing that I can add to it is that a recent article in the *Melton-Moorabool Leader* states that one year after threatening to scrap plans for a $40 million processing plant the Japanese food giant Saizeriya bought property in Auckland. Under the name of Garwul Ltd it bought a former ice-cream factory and warehouse in Auckland for $3.2 million in February. The company refused to comment on the purchase, which followed long-running industrial strife at its Melton building site. The project is now more than 12 months late.

This is an interesting story, because it goes to the relationship between the government and the National Union of Workers. Considerable evidence is available on how this project came to be in Victoria, and I refer honourable members to the evidence before the Australian Industrial Relations Commission (AIRC) of Mr Ian Kennedy, director of regional industries in the former Department of State and Regional Development. Mr Kennedy details what the government did to get this project. Once the company had decided to come here, the advice that was given was that it should enter into a greenfield site agreement. It sought advice from Industrial Relations Victoria, which as honourable members know has close links with the National Union of Workers — the minister's union; Bernie Reed's union. The company took that advice and had a greenfield site agreement certified in the commission.

The Australian Manufacturing Workers Union decided this greenfield site agreement impinged on work that was rightfully its. Rather than using the processes of the commission — that came later, and it lost — it blacked the construction of the site. So here is a Japanese company investing for the first time out of Japan and wishing to come to Australia committing, according to the minister, to a $40 million construction site. The Victorian Government Solicitor, Mr Bourke, in the AIRC on 4 October 2001 is reported as saying:

> The company is a major Japanese player in the food industry; has some 430 chain restaurants and is a household name in Japan and, as a result, Victoria believes that there will be a lot of people watching in terms of the success of this investment. The project contemplated by Saizeriya is the construction of a food processing plant estimated to cost $40 million and plans over five years to build four similar plants on the same location.

Members of the Public Accounts and Estimates Committee and others present in the room that day will recollect the Treasurer running 100 miles from that statement, saying — and I remember his words — 'I have never said it. We just think they are going to do the one'. But the original deal, as everybody knows, and as the government's own solicitor said in the AIRC, was that there would be five at a total value of more than $200 million providing jobs in Melton, jobs that have been destroyed by the bloody-minded behaviour of the AMWU. Not only did it destroy that project, which is now going to New Zealand, but, as Mr Kennedy said in his evidence, the whole of the world was watching. At page 4 of his witness statement he says:

> If the industrial action is allowed to continue, I believe that Saizeriya will walk away from this project and will seek to withdraw portions of the funds it has committed to this project.

Hon. W. R. Baxter — You can't blame it.

Hon. BILL FORWOOD — No, you can't blame it. This place is still not open. I could go back to the original press release, which says:

> Construction of the food manufacturing and processing plant was scheduled to begin this year, with operations starting in 2001.

What is the date today? It is 5 June 2002, and the building is not built. Why hasn't it been built? Because of the ineptitude and connivance of a government so close to the union movement that it dare not act against its mates. If it had stood up to this union, then perhaps Victoria would have had this factory up and operating and would not be suffering the collateral damage that goes with the present situation. Mr Kennedy said that if the industrial action is allowed to continue Saizeriya will walk away. He goes on:

> The cost of losing this project would not only be felt in Victoria but also internationally. I believe that we would lose credibility with potential investors not only in Japan but also in Europe and the United States of America. It may also cause existing investors to hesitate to make further investments in Victoria and potentially elsewhere in Australia.

In paragraph 16 — and I remind the house that this is the government's own employee, a senior officer of the department, so this is the government talking — he says:

> I also am aware that other restaurant chains in Japan have been watching the progress of Saizeriya in Victoria and that the department has identified approximately seven other chains that could be approached regarding investing in Victoria.

Hon. R. M. Hallam — So it is landmark investment.

Hon. BILL FORWOOD — A landmark investment. We had a real chance in Victoria. We are clean and green, we have the produce, the educated work force, we had a site available, we were going to build a food export manufacturing complex at Melton to service the Japanese market — and it has gone. It has been thrown away by the inept behaviour of the government because of its relationship with the trade union movement and its total inability to grasp the nettle and behave in an appropriate manner when the going gets tough. That is because they are all lovey-dovey, they are all cosy; they are all both things, trade unionists and members of the government, and they cannot draw the line between. They cannot and will not. This is a matter of will.

The motion is important. I could give more examples of inappropriate behaviour by this government in industrial relations, but I will leave it for other people to have a go. We have a new Minister for Industrial Relations in the other place, and we know that by definition he cannot be as bad as the last one. Under Mr Lorraine and with this minister we are looking forward to a change in this government's attitude and responsibility.

I finish with one plea that I take seriously: Coogi is at a crossroads. The future of Coogi is not only in their hands, it is in the hands of the government, and the government should act to help that company.

Hon. GAVIN JENNINGS (Melbourne) — The nature of the contribution by the Leader of the Opposition urges me, as a member of the Labor Party and the labour movement, to desert my roots and the traditions of my party. I will not desert the political and industrial heritage of which I feel I am part both in my working life and as part of a government that recognises its responsibilities to deliver to its constituency.

The element on which I agree with the Leader of the Opposition is that the government has a responsibility to the entire community. It has a responsibility to the business community to ensure there is viable and sustainable economic growth and that under the law it protects the interests of employers and employees in this state. The government has a responsibility to do what it can within its responsibilities of administration and the law to ensure that those parties are protected. That is a clear undertaking that this government makes and will maintain.

In his contribution Mr Forwood challenges whether the Labor Party in government can appropriately demark its responsibilities to the state and its allegiance to those unions affiliated with the ALP. I believe we understand those demarcation issues, and the tensions Mr Forwood has identified in his contribution today in fact support my argument that his motion is nonsensical. His motion that says this government is subservient to the trade union movement is clearly not demonstrated by the evidence he has put before the Parliament today. The evidence he has put on the public record flies in the face of the very logic that underpins his argument.

The aspect the opposition has difficulty with and that leads to motions like this is its concern to maintain subservience in the employer-employee relationship. It

is a Freudian slip, and it relates to the nature of where it thinks appropriate relationships are master-servant relationships. The opposition cannot understand the implications when workers and their representatives stand up for themselves and seek to obtain proper working conditions in their employment. That is the reason why so much aggression and angst is demonstrated by opposition parties in this and other debates. That is why they consistently oppose the agenda of this government to try to improve the working conditions of ordinary women and men in this state.

That is also why they have consistently opposed important legislation such as the Fair Employment Bill, a bill introduced by the Labor government in its first term of office, in which it tried to improve the working conditions of almost 300 000 ordinary working families in Victoria — the 300 000 employees whose conditions of employment are less than their equivalent workers in every other state in the country; those workers whose entitlements were handed over by the Kennett administration in 1996 to the federal government. Not only did it hand over the responsibility for ensuring that each and every worker maintained a viable lifestyle but it also placed a limit on the number of conditions that could be applied to employment contracts so that whereas the workers throughout the rest of the country have 20 minimum conditions, the Kennett government ensured through that referral of commonwealth powers that Victorian workers received only 5 entitlements in their terms of employment. That is the starting point of the divisions between the opposition parties and this Labor government.

That was demonstrated last week in the Parliament where the opposition parties used their numbers to vote down the Crimes (Workplace Deaths and Serious Injuries) Bill that was introduced by my colleagues the Attorney-General and the Minister for Workcover. They did not take up the responsibility that was incumbent upon them, as parliamentary representatives of the people, to introduce legislation that protects health and safety in the workplace.

Hon. N. B. Lucas — How many people did that put out of work?

Hon. GAVIN JENNINGS — There is a fundamental ideological divide between the opposition and this government on those issues, and that is one of the reasons why we have a difficulty in creating a constructive dialogue about the role in which parties in this Parliament can address the industrial relations climate.

The challenge held out by the opposition, that we be able to demonstrate that we are capable of creating an industrial relations climate in this state which is conducive to economic growth, is a challenge that this government will respond to and not run away from, and where legitimate criticism is laid at our doorstep we will pick it up and respond to it. We will not shirk our responsibilities.

The government has always tried to behave in an industrial relations climate as an honest broker, which is a phrase that has been used by the former Minister for Industrial Relations. Mr Forwood has put on the public record today a number of examples, but in one case that Mr Forwood spent a lot of time discussing this morning the government joined in action with the employer during the construction of the Saizeriya plant in Melton to impose sanctions upon the union in question. I can assure the house that that led to great angst within the labour movement and the relationships within the Australian Labor Party, and it totally belies Mr Forwood's assumption that this government is subservient to the interests of the unions. The government took what was perceived as being very precipitative and hard-nosed action in which the minister and the government were willing participants to demonstrate their bona fides in trying to keep this important investment in this state.

Hon. Bill Forwood — And you lost, didn't you?

Hon. W. I. Smith — The outcome was it went to New Zealand.

Hon. GAVIN JENNINGS — The outcomes generated from that case may be testament certainly to some intransigence and inappropriate behaviour and also to the unfortunate, conflict-ridden industrial relations system that has been imposed by the Workplace Relations Act and the federal framework in which it operates.

Hon. Bill Forwood — But days lost are down.

Hon. GAVIN JENNINGS — I am very happy about that, and I will refer to the reduced number of workplace disputes in Victoria later in my contribution. I will outline to the house in my response to the motion a number of objectives we are trying to achieve in the industrial relations framework that we are creating in this state.

The first objective is that as a matter of principle we believe it is appropriate to develop an approach that promotes partnerships and cooperation between employers, employees and unions.

That is the fundamental divide between this government and the opposition parties and the clear difference between it and the framework introduced and maintained by the federal government under the Workplace Relations Act, which perpetuates a system that is conflict based. The resolution of matters before the Australian Industrial Relations Commission requires that a dispute be found and that the intervention of the commission comes at a time after a dispute has been established.

Despite any good work undertaken within the responsibilities of the commission through its method of conciliation and consideration, the system is hamstrung by the very nature of the act itself. On several occasions the commission has reported to the Australian community that it is hamstrung in its ability to reach conciliation and mediation within the requirements of the commonwealth law.

The government believes it is an appropriate second principle to adopt a process through which it assists industry to build better working relationships with its employees and it devotes time, effort and resources to supporting employers to develop those relationships within their workplaces.

As part of the industrial relations climate in Victoria we have introduced a series of programs and measures specifically designed to promote both productivity and high performance in the workplace. In my contribution to the debate I will outline a number of reward and incentive schemes introduced by the government to ensure that productivity in Victorian workplaces increases over time.

As I have said, the fundamental difference between this government and the opposition parties is its commitment to a fair industrial relations system and a fair system of determining not only the industrial relations climate but wages and employment outcomes. The most glaring example of that division is where this government has tried to introduce legislation to restore many of the conditions of employment for Victorian workers that were dismissively handed over by the former Kennett administration to the federal government in 1996.

Testimony to that process is the unfortunate demise of the government's fair employment bill and the ongoing dispute between the Victorian government and the commonwealth government about amendments and changes to the commonwealth act. I will refer to that issue shortly.

In his contribution Mr Forwood took the opportunity to talk down the Victorian economy, talk down investment opportunities and talk down the climate of Victorian industrial relations. Those opportunities he has taken fly in the face of the achievements of the Victorian economy over the last few years and in the face of the evidence relating to the growth in investment and jobs that has taken place in Victoria over the two and a half years of this government's administration.

Obviously, as a Labor government that devotes much care and attention to its relationship with employers and the investment community, that is something that is very near and dear to the day-to-day operations of this administration. One demonstration of that is the package of measures announced in the lead-up to this year's budget, a document released by the Premier and the Treasurer entitled *Building Tomorrow's Businesses Today*, which outlines a series of important government initiatives to support economic development in Victoria and in a cumulative way build the success of our intervention to support businesses.

On Page 6 there are a couple of quotes about Victoria's economy and its healthy position in the world economy:

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

That quote is attributed to Josh Gordon in the *Age* of 8 March. In the *Australian Financial Review* of 18 January Craig James said:

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

The document goes on to list a number of key economic indicators. For the benefit of members of the house I will outline some of them. Again on page 6:

> A range of economic indicators confirm that Victoria is enjoying strong and robust growth. These include:
>
> > exports of goods reached a record high of $22.5 billion in 2000–01, an increase of $3.4 billion or 18 per cent on the previous year;
> >
> > in the year to December 2001, state final demand rose by 6.6 per cent — well above the national average of 5.2 per cent;
> >
> > retail trade has grown by 8.6 per cent in the last 12 months — outstripping the national average;
> >
> > private business investment rose by 9.5 per cent in the December quarter compared with just 2.9 per cent nationally;

> a record $12.8 billion worth of building approvals in the last 12 months — the highest of any state and almost a third of the national total;
>
> ABS statistics show that business expenditure on research and development was the highest of all the states — representing 36 per cent of Australia's total spend; and
>
> more than 100 000 new jobs since October 1999 and an unemployment rate at or below the national average for the past 22 months.

That is a pretty solid track record for the achievements of the Victorian economy over the last two years. It totally belies the hysteria the opposition tries to generate on a number of occasions — including today — about the nature not only of Victoria's industrial climate but also of Victoria's economic climate.

The facts demonstrate that there is ongoing economic growth in Victoria of significant proportions, not only on a national scale but on an international scale. This government will do whatever it can within its power to ensure that that ongoing growth in economic activity is maintained and that it creates an ongoing investment climate that builds this state.

In the course of trying to satisfy those undertakings, this progressive government gives consideration not only to economic but also to environmental sustainability. It also has concerns about occupational health and safety, about death and injury in the workplace and about wages and living conditions of workers. This government will not run away from the multiplicity of its obligations to Victorians. Equal weight will be given to each of those responsibilities. This is something that the opposition either does not clearly understand or does not accept: that by nature this is part of the make-up of a modern Labor government. It has undertakings to its constituencies, to the environment, to the community and to the nation, and it is mindful of its international obligations.

The mere fact that there has been a reduction in disputes in Victorian workplaces over the last two years also belies the accusation levelled at this government that the industrial relations climate is out of control in Victoria. The facts do not support that argument — in fact they counter it.

I refer to a press release dated 14 March 2002 from the incoming Minister for Industrial Relations in the other place, Mr John Lenders, which demonstrates in his words that:

> Australian Bureau of Statistics data released today shows the number of days lost to industrial disputes per 1000 employees has plummeted by 44 per cent in the two years to December 2001.

It continues:

> Figures show that 65 working days were lost per 1000 employees in 2001 and 75 in 2000.
>
> In the last years of the Kennett government the number of working days lost per 1000 employees for 1998 was 108 and for 1999 it was 116.
>
> The new figures under the Bracks government's term are the best in seven years.
>
> Victoria has just achieved the lowest level of working days lost per 1000 employees for the period of 12 months ended December since 1994.

The press release further states:

> At a time of economic boom businesses can be confident that they have a positive industrial relations environment in which to invest in Victoria.
>
> This is also a proof of the valuable work achieved by my predecessor, Monica Gould, who has built a strong foundation of industrial stability in this state.

I would like to echo those words of support for the Honourable Monica Gould, who I know worked diligently, particularly in trying to achieve delivery of the Fair Employment Bill. In my contribution to the last budget debate I indicated to the house that my greatest sense of dismay since being elected to Parliament was caused by the demise of that legislation and the re-establishment of an industrial relations framework in Victoria. I echo that sentiment today. There is no doubt that the former minister and her team worked assiduously to try to ensure that that bill was introduced. I, for one, am extremely disappointed that the Victorian statutes were not made all the stronger by that vital piece of legislation, but it was not adopted by this Parliament.

Sitting suspended 1.00 p.m. until 2.02 p.m.

Hon. GAVIN JENNINGS — Prior to the lunchtime break I outlined the framework that the government now applies to industrial relations in Victoria and has done over the past two and a half years. I outlined a significant improvement in sustained growth in the Victorian economy and investment levels over the past two and a half years. I indicated that the level of industrial disputation had reduced in Victoria over the past two years, something that in his contribution the Leader of the Opposition could not deny or dispute.

The fundamental principles the Victorian government applies to industrial relations are to try to facilitate harmonious and productive workplaces. We have

introduced a number of important programs to try to achieve those outcomes. We have the track record of trying to improve the lot of ordinary working women and men in the state — of trying to introduce the Fair Employment Bill to restore the national standard of employment conditions and increase the number of minimum standards that apply to employees in Victoria from the paltry 5 that were maintained by the Kennett government in 1996 up to the 20 minimum standards that apply to workers throughout the rest of the nation.

This year the commonwealth government has responded in part to the claim of the Victorian government and Victorian workers to increase the minimum standard conditions that apply to Victorian workers in schedule 1A of the federal Workplace Relations Act. As recently as 28 March the Minister for Industrial Relations in the other place contacted the federal government with the aim of urging it to increase the coverage of conditions for Victorian workers. A press release by the Minister for Industrial Relations of 28 March states:

> Mr Lenders said the Workplace Relations Amendment (Improved Protection for Victorian Workers) Bill 2002 recently tabled in federal Parliament showed the Liberal party had no compassion for more than 500 000 Victorian workers who are not covered by a federal award.
>
> 'Why does John Howard deny Victorian workers the same rights given to every other Australian employee …
>
> 'The Kennett government abolished all state awards and referred most of the state's industrial relations powers to the commonwealth. Now Mr Howard is failing to do the right thing by Victorian workers'.
>
> 'The bill marginally improves some workers entitlements, but falls short on a wide range of measures'.
>
> Benefits that are standard in federal awards that this group of workers miss out include: loadings for work that occurs late at night, on weekends and on public holidays; and regulation of hours people can work, including the maximum number of hours in a shift, mandatory breaks between shifts and the time when in work can be undertaken.
>
> 'Most employees and employers take these provisions for granted as fair and reasonable. Mr Howard is denying these provisions to some of our most disadvantaged workers'.
>
> 'It is a disgrace that because of the Howard government's lack of responsibility, thousands of Victorian workers will work unlimited hours at any time of the day or night for the same base rate'.

It further says:

> 'The Howard government is ensuring Victorian businesses continue to suffer from an uneven playing field. Businesses covered by federal awards and pay award rates are being undercut by unscrupulous operators who don't provide fair terms and conditions'.

In particular the minister goes on to criticise his federal counterpart, Tony Abbott, for his failure on this legislation to deem outworkers as employees to enable them to receive the minimum conditions that cover their terms of employment. The ongoing failure of the federal government to ensure that outworkers are deemed employees is a sorry blight on the industrial relations landscape, as is the rhetoric adopted by the opposition in this place on a number of occasions, including in the debate on the Fair Employment Bill. Opposition members said with bleeding hearts they were concerned about the conditions of outworkers yet they have done nothing either in this jurisdiction or in the federal jurisdiction to improve the plight of outworkers who receive rates of $1 or $2 an hour for their work.

The Labor Party is happy at a state or federal level to ensure that the commonwealth legislation is amended to allow for the deeming of outworkers as employees. I look forward to the day when either through a unified federal system or state-based legislation outworkers are deemed as employees for the purposes of guaranteeing them ongoing, decent, fair and reasonable conditions of employment. The key problem faced in Victoria is a lack of a legislative base and the lack of the rigour we can bring to bear as a Parliament and as the people of Victoria to enforce the letter of the law of the land.

An issue Mr Forwood has interjected on and baited me about on a number of occasions during my contribution is the discrepancy between Victorian dispute figures and the dispute figures in other states. One of the clear problems Victoria faces is that the federal industrial relations climate is one of conflict and the operations of the Australian Industrial Relations Commission are hamstrung in Victoria to a degree that is not the case in other states. Most other states have in place a parallel system of dispute resolution, particularly in relation to conciliation or mediation, or have not had the referral of powers which took place between Victoria and the commonwealth in 1996 and which placed severe limitations on Victoria's ability to intervene in the federal jurisdiction.

While the government acknowledges that the level of any disputation that takes place in the Victorian workplace is something it would actively work against — it will not accept any level of disputation as being acceptable — in an ideal world we have to acknowledge that without the appropriate legislative cover in either the federal or state jurisdictions we will not get there. That in part is why the government has tried to provide for changes to Victorian law. It has been prevented from doing so by this very chamber in

the name of protecting the status quo of industrial relations in Victoria.

Industrial Relations Victoria and the section of the Department of Innovation, Industry and Regional Development that has responsibility for the industrial relations framework in Victoria, which are much maligned by opposition parties, have identified the legislative reform that I have talked about and a number of programs to try to promote harmonious and productive workplaces, which I will detail in a moment. They also play a key role in providing the eyes and ears of the government with what is happening on the ground in various industry sectors to provide the government with timely advice on disputation and, as much as possible, to play a preventive role in preventing those disputes taking place.

Despite the bleating of the opposition parties, the track record is that in the past two years there has been a reduction in the number of days of disputation. The government does not rest on its laurels or sit on its hands — as it has been alleged — but takes a proactive role, and that has had some effect. But the Department of Innovation, Industry and Regional Development sees a key role in terms of facilitation of investment. In fact, on a number of occasions a constructive framework has been established to facilitate investment.

All honourable members would be aware of the significant investment that has taken place in Victoria over the past couple of years, which will see the new Holden motor plant at Fishermans Bend, whose construction and ongoing operation was subject to a memorandum of understanding between the company and its work force through the unions. That program was clearly facilitated by Industrial Relations Victoria and the government with a very proactive mindset to try to deliver that development. We were very successful in adopting that model.

It is highly contentious within the building industry that the Victorian government has tried to establish a framework to assist the development of the Melbourne Cricket Ground (MCG) and its stands over the next four years leading up to the Commonwealth Games. This government has been very proactive with the tenderers for the construction of those stands and the work force. We understand there needs to be a proper level of understanding and a mechanism to work through potential industrial disputes and create a harmonious industrial relations climate, if possible.

The government has recommended the establishment of a building industry consultative council to be headed by Bob Merriman, a former commissioner of the Australian Industrial Relations Commission, who has, by agreement of the parties concerned, been prepared to head such a council. However, we note that the federal government is the party which will not come to the table to support that framework. It is the federal government which provides part payment for the demolition and replacement of one of the stands in question — the Ponsford Stand. The federal government is using its $90 million investment of an overall program in the order of $500 million to stymie that development. In fact, it is trying to undermine the harmonious operations of the building industry consultative council and to stop that tender being successfully completed and the work commencing.

Time and again when the government has hollow words thrown at it by the opposition, it will respond by questioning the credentials of the opposition. Is it really interested in saving the Ponsford Stand? Is it supporting a Save the Ponsford Stand coalition? That seems to be the nature of its concern and priority — to keep the Ponsford Stand in place. It is hardly a stand that is renowned for either its architectural or heritage values. I think the sooner — —

Hon. K. M. Smith interjected.

Hon. GAVIN JENNINGS — That is an issue that I am quite happy to acknowledge. We are currently contemplating — —

Honourable members interjecting.

Hon. K. M. Smith interjected.

The ACTING PRESIDENT (Hon. R. H. Bowden) — Order! I ask for comments through the Chair.

Hon. GAVIN JENNINGS — Through the Holden and MCG experiences the government has demonstrated that it is very keen to support a constructive and productive environment that leads to significant investment taking place in Victoria. I contrast that with the action of the federal government, which at every turn over the last couple of months has tried to prevent the MCG development taking place.

That comes at a time when the federal government has been rapped over the knuckles by its own commissioner, Terry Cole, of the building industry royal commission. As recently as a month ago he said in effect to the federal government, 'You established my commission at a time leading up to the federal election. You said that this was an urgent matter on what is happening in the building industry, yet some six months later you have not provided me with your

submission on the relevant issues, you have not made a contribution to my commission and you have not put forward a point of view. You have been silent on the key issues that confront the building industry'.

There might have been a bit of a revelation by the commissioner himself because it is glaringly obvious to anybody in the Australian community who has looked at the operations of the commission that yes, it started off with a fanfare in the precursor to the federal election because this would be a highly contentious issue, but it has fizzed time and again. The catherine-wheel has spun around trying to take within its spin the creation of some collateral damage to the union movement.

At no stage has it addressed significant issues in the building industry such as the security of payments issue, the one recently dealt with by a piece of legislation introduced by this government recently. At no stage has the commission concerned itself in a meaningful way with the issue of workplace deaths and serious injuries, an issue that this government tried to address by introducing legislation into this Parliament, which was sadly defeated last week by the opposition parties in this chamber. At no stage has the commission concentrated on occupational health and safety matters in terms of preventing workplace deaths and injuries.

In fact, the only time in the past few months the commission got excited is when it took to task an occupational health and safety officer of the Construction, Forestry, Mining and Energy Union. The only witness who has ever been taken to task, badgered and stared down the barrel of the sanction of being put into jail was an occupational health and safety trainer, on the basis of her evidence of who attended training seminars. The significance of that issue before the commission is absolutely out of proportion. In fact the commission has meted out totally unequal treatment in its consideration. Where was its enthusiasm to prosecute and hear the evidence in the case of matters raised by unionists, including the much-maligned Dean Mighell of the Electrical Trades Union, who led evidence at the commission under sufferance that there was knowledge within the construction industry that a major construction firm operating in Melbourne had allegedly allocated $250 000 to clean out the influence of the union on a particular building site?

It was very clear that a sequence of payments were made in dubious circumstances to contractors and consultants to this construction company for very questionable purposes. That led certain union officials, including Dean Mighell, to question the legal intent of the $250 000 contracts that had been entered into to clear out the union involvement on work sites. Where was the commission in dealing with those matters? It was deafening in its silence in not dealing with those matters, in not prosecuting or pursuing those matters. To my knowledge there have been no criminal investigations into those activities. These are the types of major intimidatory practices in the workplace that all honourable members should be concerned about, that the commission should be concerned about and that members of the community should be concerned about.

Hon. K. M. Smith — What about the intimidation and thuggery of your union mates?

Hon. GAVIN JENNINGS — I take up the interjection from the Honourable Ken Smith. Intimidation from any party is totally unacceptable. It is a two-way street. The standard you apply to one should apply to all. That is the standard this government applies to industrial relations. The government is happy to be accountable on the question; it is happy to impose those levels of accountability and standards on industrial relations in Victoria. It does not condone illegal behaviour wherever it comes from. There is no acceptance of unlawful behaviour in the workplace or on Victorian streets. That is not something that is acceptable to the government.

The government has introduced a number of programs that are proactive in generating harmonious relations in the workplace. Specific programs that fall into those categories have been introduced, and I will put some of them on the public record. I refer to the Partners at Work program, which is an innovation that considers funding workplace partnerships for initiatives that improve workplace practices, improve stakeholder relationships, help solve business problems and contribute to the economic wellbeing of local communities. The program considers funding up to half of the total project to a maximum cost of $50 000 per project.

These are projects that are co-sponsored by employers, workers and worker representatives. As at the close of applications on 31 May, four or five days ago, 69 applications for funding had been received. In the document I referred to earlier, *Building Tomorrow's Businesses Today*, which covers a package of measures supporting businesses in Victoria and the Victorian economy, the government identified $3.6 million over four years to continue this important Partners at Work program.

In fact the emphasis on productive and constructive workplaces was reinforced through the announcement earlier this year of the Premier's Award system for partnerships at work. Model employer–employee

relationships were asked to identify themselves so they could be beneficiaries of the award system. By 10 May 30 nominations had been received, and the award panel established by Industrial Relations Victoria is currently evaluating those projects. The assessment panel is made up of representatives from the business community, public sector unions and academia and will provide advice to the Premier on those various role models for harmonious workplaces, one of which will be a beneficiary of the Premier's Awards later in the year.

In his contribution to the debate Mr Forwood identified the strategic advice unit of Industrial Relations Victoria and put on the public record the names of a number of individuals who work in that unit who have a union background. That is hardly surprising, as it is a group of industrial relations practitioners brought together to provide advice to the government on industrial relations and to get ahead of the field both in taking advice from the industry sectors and being the eyes and ears of the government on industrial relations matters.

I could read into the public record an equal number, if not a longer list, of names of individuals — but I will not identify public servants at this point — who come from the private sector and employer organisations and who have gained their experiences working, using the colloquial term, for the boss. We have industrial relations practitioners who have experience working for the boss and industrial relations practitioners who have experience working for workers. What a surprise that this government would give equal weight to strategic advice from those practitioners who have that experience from whatever corner of the Victorian industrial relations community they may come from!

Our government has introduced a program to take good industrial relations practices into the regions. We have established what is known as the 'regional high-performance network', which brings together employers, the public sector and unions in a number of different situations and takes those forums to regional Victoria. Since February 2002, 10 workshops have been conducted in Bendigo, Bairnsdale, Ballarat, Horsham, Mildura, Shepparton, Traralgon, Wangaratta and Wodonga. It is planned to schedule 10 further forums in the coming months. The government believes its responsibility is to ensure that good working practices are adopted throughout the Victorian community. We remind the house of the circumstances of many workers and their employers in regional Victoria, in small towns and on farms. They have been identified as being the lowest paid workers in the state. We want to ensure that as their wages and conditions improve over time it takes place in an environment where employers are supported in a nurturing environment that the government facilitates through regional networks.

Despite Victoria's great standing in the national and international communities — it is a great place to live, to work and to invest, which is supported by an assessment of the World Economic Forum that lists Australia as being ninth overall in global competitiveness and fifth in terms of future growth prospects — unfortunately the federal Workplace Relations Act has created an environment that means that Australia has been placed 51st among 75 nations for employer–employee cooperation in 2001. In measuring Australia against its international competitors the World Economic Forum has indicated that the industrial relations framework across the nation falls short of its expectations.

This goes to the heart of the Victorian government's concern about the fact that the national industrial relations climate does not facilitate constructive outcomes. That is why the government has focused on a number of specific support programs to enhance constructive working relationships and why it has arranged its administrative affairs so as to have Industrial Relations Victoria run those programs, provide information and provide support for employers and employees alike.

We have made efforts to improve the capacity for conciliation and mediation to be introduced on the statute book and today we have been slighted in our attempts to do that by this very chamber, which says, 'We are going to deny you the power to do anything about conciliation and mediation. We are going to deny you the power to guarantee decent wages and conditions, but we will condemn you if through those circumstances there may be some industrial tensions in the marketplace'. That sounds a bit like hypocrisy and duplicity to me.

I encourage the chamber to consider whether the Parliament and this chamber can play a more constructive role in supporting the legislative environment in Victoria. I encourage opposition parties not to be too carried away by internal ALP matters because this government is alive to the needs and aspirations of its constituency and has no doubt that its responsibility is to govern in the name of the entire Victorian community; and it is doing so, particularly in the area of industrial relations.

Hon. W. R. BAXTER (North Eastern) — We have just had an amazing contribution from the Deputy Leader of the Government. His conclusion did not in any way match his extraordinary opening, where he

told the house that he came from the trade union movement and would not take any action which was contrary to those antecedents. At the time I thought that it is just as well he is not a minister of the Crown because with that attitude he would be in breach of his oath of office.

Hon. Gavin Jennings interjected.

Hon. W. R. BAXTER — I suggest that if Mr Jennings contests what I say he might read his opening remarks when he gets his proofs back, because while I am not quoting him verbatim that was the import of his opening remarks. In most of the rest of his contribution of 45 minutes or so he largely ignored the terms of the motion and engaged in an attack on the federal government. I do not think the motion before the house mentions the federal government at all. It actually addresses the industrial relations climate in the state of Victoria and this government's subservience to the union movement.

In his contribution the Leader of the Opposition gave us some pretty graphic examples of how the government kowtows to union dictates. I will give a few more. There is plenty of evidence that that is what happens, but none could be more graphic than the case of Able Demolitions and Excavations and the Traralgon hospital, which my leader, Mr Hall, had cause to comment on a couple of times. The hospital is a large, empty building at the entrance of the city of Traralgon. It has been empty now for several years and is in a derelict and vandalised condition. The site could be developed to the benefit of people in the Latrobe Valley and could take up some of the slack in unemployment in the valley, but the government has declined to let the tender to the lowest and most competent tenderer because it was afraid, by its own admission before the commission, that the union might kick over the traces. This is an extraordinary admission and justifies Mr Forwood bringing the motion before the house. It is a pretty graphic piece of evidence of who is pulling the strings and to whose tune the government dances. There are of course other examples which I may allude to later.

I have always been aware that the union movement had a great deal of influence in the Australian Labor Party. I do not suppose I thought too much about it other than just noting that it was so. Until recently. I had always assumed it had substantial influence and had a block of delegates voting at ALP conferences, but I just thought it was an association it had with the Labor Party and that it might make up 20 per cent or 25 per cent of the delegates at conferences; that surely people who pay their subscriptions, the rank-and-file Labor Party members, would be the people who would have a majority vote at the conference and would be the ones who would determine policy, even though a union view would be put by some delegates.

It has only been since Mr Crean, to his credit, has attempted to change these things that it has come to my notice — and I assume the notice of others — that the union movement dominates the Australian Labor Party and that it has 60 per cent of the delegates at conferences. How galling it must be if you are a rank-and-file delegate to go along to a conference knowing that no matter what your opinion is, no matter how convincing the argument you might put at the microphone, if it does not match the union view on that day, taking into account internal fights and factions and jockeying for power, it all counts for naught because you will be steamrolled and number-crunched regardless of your view. That must be pretty galling for the average ALP member who goes along to the conference.

We have seen it much worse than that at the last couple of conferences. We saw it in Sydney. We saw it particularly in Brisbane last weekend where union thugs and heavies jeered the federal leader of the Australian Labor Party. At his own organisation's conference the alternative Prime Minister of this country was jeered — —

The ACTING PRESIDENT (Hon. R. H. Bowden) — Order! There is far too much toing-and-froing in the chamber. I want to hear Mr Baxter's contribution.

Hon. W. R. BAXTER — The alternative Prime Minister is jeered at in his own organisational conference, not necessarily by his own paid-up members but by people who are there representing the union and who may not even be Australian Labor Party members! This Mr Craig Johnston, who is a bit notorious in this state, is dictating — —

Honourable members interjecting.

Hon. W. R. BAXTER — By Jove, I must have hit a raw nerve, Mr Acting President! This Mr Craig Johnston is not even a member of the Labor Party, but he dictates who will go along in union delegations and who will not. How galling must that be to the rank and file ALP member, the person who pays up his or her subscription year after year and tries to influence this party and sees that someone who is not even a member of the party can actually pull the strings and sway the vote at a conference!

I think it is just extraordinary, but it is of course a pretty graphic illustration of how this government is absolutely subservient to the trade union movement, because it is the trade unions that are dominating the party's conferences and setting its agenda. As we have seen from the examples given by Mr Forwood, when it comes to the crunch that is what this government does: it falls into line with the riding instructions it gets from the Trades Hall Council.

We saw it in the Fair Employment Bill. This afternoon we had the Honourable Gavin Jennings trying to tell us what a good piece of legislation the Fair Employment Bill was and how dreadful the opposition was to knock it out. He might have been a little more honest and told us about a few of the provisions in the Fair Employment Bill which were totally obnoxious and which would have undermined employment in this state. That is why it did not pass. When it failed to pass there was a sigh of relief, not only from the employing community and the business community but from a few ALP people as well who did not want that bill passed because they knew it was a piece of union legislation.

The Honourable Gavin Jennings went on at great length about outworkers and how that piece of legislation would have deemed outworkers to be employees. Many of us who talked to outworkers know that they were very much opposed to being roped in by that bill and being deemed as employees. Why? Because they did not want the union heavies visiting them to coerce them to join up, to pay their hefty subscription to the unions and be dictated to by the unions. Yet Mr Jennings was running this altruistic line that the Fair Employment Bill was a marvellous piece of legislation designed to assist oppressed workers. We of course know better. That is not what it was designed to do at all; it was designed to increase union power and union influence in this state, regardless of what the employees might have felt about it or what it might have done to them.

Then Mr Jennings talked about the industrial manslaughter bill that this house had the tenacity to defeat only a few days ago. Again he tried to make out that the bill was brought forward in the interests of altruism. Of course it was not; everyone knows that! It was a pay-off to the Trades Hall Council. The unions dictated that the government bring that in, and again the sighs of relief on the other side of the house when it was defeated were almost deafening. There was no passion over there. We did not even hear from the Honourable Robert Smith at great length on that particular bill. His heart was not in it. Again this government was bowing down and paying its debt to the union movement.

The influence of unions permeates everywhere in this government, even in the most subtle ways. I read the advertisements in the *Age* on Saturdays and in the *Border Mail* and elsewhere, and often they are about some sort of consultative committee, and guess who always get a mention early on as those the government is going to consult, even if they have nothing do with it whatsoever? The trade unions. On every issue it is the trade unions the government goes to first. It is going to get its riding instructions from the trade unions. I find it galling indeed that, regardless of what the issue is, it is the trade unions that will call the tune, and this government will kowtow to them time and again.

We heard from the Honourable Gavin Jennings about how the unions are interested in productivity and productivity gains.

Hon. R. M. Hallam — There are elves at the bottom of the garden, too, Mr Baxter!

Hon. W. R. BAXTER — Yes, I think there probably are. I thought to myself, 'Isn't that interesting?'. When in opposition members of the present government fought against privatisation of the electricity industry, yet since privatisation the productivity gains have been absolutely extraordinary. What has that made possible? It has enabled many more jobs to be created in other industries because the unit cost of power has gone down. Yet this government in opposition fought against it. It wanted to have 3000 people doing jobs that no longer needed to be done because of productivity increases that were able to be brought about by new technology and the like. The Luddites in the Labor Party opposed it at every turn, yet when we are able to move things forward as we have we can see how privatisation has increased productivity.

Some of us have been following with interest the royal commission into the building industry. Plenty of examples have been adduced in evidence of how the unions have done their best to stymie productivity gains. I refer people to the transcript of the royal commission, which shows that the unions absolutely oppose many restructuring initiatives which will deliver productivity gains. They are not interested in creating new jobs for other workers; they are interested in enhancing their own power by causing disruption. If they do that by preventing productivity gains, so what, as far as they are concerned. I totally reject the Honourable Gavin Jennings's assertion that the unions are interested in productivity gains, and I am very sorry that he has chosen to leave the chamber.

Let us have a look at how interested unions are in being members of our community. The rice harvest in my electorate and in southern New South Wales was recently completed, and — surprise, surprise! — we had a strike at the rice mills in Echuca in the middle of the harvest. Of course the union heavies would have plotted and designed it so as to have a strike at that time because they would have assumed that they would have maximum leverage in the middle of harvest.

Hon. R. F. Smith interjected.

Hon. W. R. BAXTER — Of course, and Mr Smith laughs! Mr Smith is a past master at causing the maximum disruption and the maximum damage to the community.

They knew that if they pulled on a strike in the middle of harvest that would gain them the maximum leverage. But did the local work force want to go out on strike? No, they did not, because they understood that the farmers upon whom they, the rice mill workers, rely for their jobs would have been put under a great deal of pressure by a strike right in the middle of harvest, bearing in mind that the high moisture content in rice means it needs to be dried quickly after it is stripped or else it will spoil. Yet because the union heavies, the union thugs, decided that they wanted to exercise and demonstrate their influence they overruled the wishes of the local workers.

Yet Mr Jennings tells us that the union leaders are working in the interests of the workers. They are not. Most of the time they are simply conducting activities to justify their own existence. Why; what result is it having? Do the workers really want this sort of activity? I suggest that not a bad benchmark or measure to look at is union membership. What is happening to it?

Hon. R. M. Hallam — It is plummeting!

Hon. W. R. BAXTER — The percentage of the work force in unions is declining all the time. The rate of decline is probably now slacking off and there may even be a bit of a blip with it going up again. Why? Because the government advocates, fosters and endorses the no ticket, no start system. So this government will again enforce compulsory unionism, especially in the public service. I happen to have been a member of a government, with Mr Hallam, that did its best to give public servants freedom of choice as to whether they were in a union or not. That government stopped the deduction of union membership fees from pay packets and took a couple of other actions which enabled people to make their own choices. What happened to union membership in the public service? It plummeted, which was an indication that people were being forced into it against their will.

So far as I am concerned, based on my experience with employees and ordinary workers, and I have had a deal of experience over the years, most employees want to do a fair day's work, they want to get on with the employer — the boss, as Mr Jennings referred to the employer in almost a derogatory fashion — and they are not interested in power plays. Yet Mr Jennings would have us believe we live in some sort of a class-based society where workers are unable to fend for themselves and need a union and a union sympathetic government to protect them against those dreadful employers. That is just fantasy land. It is not like that at all.

The economy may well be growing at the moment due to favourable seasons, good export prices, good commodity prices and so on; I do not dispute that we are in a favourable economic period, and I hope it will rain soon to keep it going. When I am driving I often think to myself just how good this nation could be if we just had a bit more cooperation, compassion and consensus among us — what Australians could truly achieve if we were all facing in the same direction and working towards the same goal.

But what have we got? Bearing in mind that the work force has shown by its actions and by the falling membership of unions that it does not want unions, unions can only survive by having disputes and conflict to justify their existence. Now the Victorian government is endorsing those disputes and that conflict; it is dancing to the tune of those unions. What that will do, if it is not already happening and I suggest it is, is frighten away investment. Mr Forwood gave the example of the Japanese food company that 12 months after the scheduled completion date is still waiting for its factory to be built out at Derrimut. What sort of a signal is that to send to other potential overseas investors who might want to come to Victoria? We should be welcoming them with open arms.

The more galling thing about that dispute is that it is not a dispute between the investor and the builder, or between the investor and the community — it is a dispute between two unions as to who should have control of the work site. It is family warfare between the unions which is holding the rest of the economy to ransom. It is a disgraceful situation which unfortunately is aided, abetted, fostered and acquiesced in by this government.

Hon. K. M. SMITH (South Eastern) — I am pleased to join in the debate on Mr Forwood's motion. At least three members of the government want to come in and be part of this important debate on a motion which condemns the government for creating an industrial relations environment characterised by the government's subservience to the union movement. What Mr Forwood said is true. I congratulate him on his contribution to the debate because he laid a lot of important issues on the line. Mr Baxter has also just raised a lot of very important issues.

In my mind 1999 was not only the year of the election of the Bracks government but more importantly it was to the trade union movement the year of the return of trade union control over the Victorian government — and it has certainly jumped in boots and all. It has been in there kicking the heads of employers, manufacturers, builders — everybody it possibly can — to dominate Victoria and lose for Victoria in every possible and conceivable way. It is a disgrace.

The opposition knows that union militancy is undermining the state's economy and that the workplace employment system is falling apart because the government is prepared to introduce strange legislation at the behest of its union mates in fulfilling promises it gave before the last election. The term 'union mates' is right; Labor has more thugs in its party than ever before. Opposition members remember how the state suffered under former Labor premiers John Cain and Joan Kirner when the unions had control. It ruined the economy of this state. Even the Honourable Bob Smith could not argue against that.

Hon. R. F. Smith — Don't you name me!

Hon. K. M. SMITH — You know it was your problem! What you do now is whinge, whine, moan and groan because this house of the Parliament shows some leadership in rejecting two at least of the government's bills that would have given total control of the employment sector to your union mates! You do not even know the damage you are doing.

The truth of the matter is that huge numbers of jobs are being lost to Victoria. I can give honourable members lists of companies that have pulled out of this state. More than 100 large companies have closed their doors in Victoria, and it can be put down to union militancy and lack of confidence in the government to do anything about controlling the union movement because it does not have the people to do it. You never had it with your former Minister for Industrial Relations — she was hopeless.

Hon. R. F. Smith — Through the Chair!

Hon. K. M. SMITH — The government has no hope with the current Minister for Industrial Relations, Mr Lenders, because he is just part of the same union movement — that is where he came from. The government has no chance of ever being able to control the unions in this state. It is up to the opposition to look at every piece of legislation introduced by the government to ensure it does not get through if it takes away the rights of employers who want to employ people in this state and not just give control of the work sites to unions, which is exactly what the government is after.

I am looking down the list of companies that have moved out or have chosen not to come here because of the reputation gained by this state in such a short time since 1999. Companies were flocking here up until 1999 and as soon as they knew that lot were back they could not wait to get out of the place. Included on the list are: Virgin Airlines; Studio City Docklands; BHP administration centre, which has gone to South Australia; Kraft Foods is moving, as is Nestlé; Warrnambool Wool Mills is going; Heinz is going; Pivot is going; Australian Cutting Systems and Stafford Ellinson are going — all because that lot is in government and has no control over its union mates.

I'll tell you what: it is an absolute disgrace when you start to look at these lists. I will not waste the time of the house, but there are 101 companies there which have picked up their bags, packed up their boxes, got on the back of a truck and gone either to the wharf to go over to New Zealand or somewhere else. New Zealand is getting most of this; they are the ones who are winning from it — and the government is driving those companies over there. It is an absolute disgrace. After the next election, when we are back in power, we will start to get those people coming back to Victoria; and we will do it on the basis that we are going to be here for a long time. We will serve all Victorians, not just unionists.

We heard Mr Jennings talk a little about jobs and the workplace — the number of workplace days that have been lost since this government came in — and he said that the number of workplace disputes has plummeted. In truth they have gone down, but there is a good reason for it. We have Australian workplace relations legislation that has been in place for some time. Most people in this state know there is a proper way to go about these disputes and it is not by going out on strike all the time, but there are still the stupid unions and the stupid unionists, and the people whom Bob Smith knows, who are prepared to take people out on strike.

We have the troglodytes from Trades Hall — I had to get that one in — and Mr Smith's trade union mates.

Hon. R. F. Smith — Name one.

Hon. K. M. SMITH — There's lots of them. Most of them are in the Labor Party.

Hon. R. F. Smith — Most of them are in the Labor Party?

Hon. K. M. SMITH — Probably all of them. And there are people in Victoria who absolutely disagree with you in regard to the way the unions are running things in this state.

There are a number of issues I want to raise. I will talk about some of the companies which have left. The Chef company, which had an oven factory in Brunswick and the Dishlex plant at Bayswater, put more than 600 workers out of a job as a result of the failure of the Bracks government to follow — —

Honourable members interjecting.

Hon. K. M. SMITH — If you want to get involved in this argument put your name on the list and we will accommodate you. No, you won't. I am not sure we want to have you in this debate.

The ACTING PRESIDENT (Hon. R. H. Bowden) — Order, Mr Smith. I understand the wording of the motion is likely to engender extreme interest and some robustness, and the Chair is prepared to tolerate that and to understand that, but I ask honourable members to stay within the bounds of the acceptable level of contribution. I ask the Honourable Ken Smith to continue, unassisted.

Hon. K. M. SMITH — I thank you very much for that protection, Mr Acting President; I really need it when I get attacked by those union thugs on the other side of the chamber.

The Heinz plant at Dandenong relocated to New Zealand and 200 Victorian jobs went out the window because the Bracks government did not have the courage to stand up to its union mates; we know there was little more than a murmur of belated concerns from Victorian Labor ministers. The minister in this house who got dumped at the last reshuffle of the cabinet did not have any say at all. She did not want any say; she did not want to get involved. She did not want to see any of her union mates causing the problems and disputes she was partly responsible for. Mr Smith was part of that responsibility too.

Mr Acting President, we have just recently had the Premier advocating that there be workplace ALP branches. Can you imagine the unions moving in on the building sites or the factory floor saying, 'We are going to set up an ALP branch here'. You can imagine the control they would then have over a workplace. They would finish up having ALP meetings in the workplace, in the lunchrooms, on the workplace floor.

Hon. M. R. Thomson interjected.

Hon. K. M. SMITH — I suggest the minister listen to this and go back a couple of steps. Speaking on *Sunday Profile* on the ABC a couple of weeks back the Premier said: 'The whole organisation of the Labor Party branches needs to be examined. We need to look at workplace branches'. 'Workplace branches' is out of his own mouth. It was Sunday, 19 May, on 774, the former 3LO.

Hon. M. R. Thomson interjected.

Hon. K. M. SMITH — I am sorry, Minister, but he is advocating them. What you are trying to do is infiltrate the work force and the workplace, and what you are going to do in the end is build up the union membership. It is going to take control where you do not have it. No ticket, no start is what you believe in. It is a disgrace the way you people actually work.

The Honourable Gavin Jennings talked about the Ponsford stand at the Melbourne Cricket Ground. Let's get this straightened out a bit. The federal government promised $90 million towards the reconstruction of the Melbourne Cricket Ground. The reason it is talking about not paying over its $90 million — and it is only on this one issue — is that the unions are refusing to accept and allow onto the site the Office of the Employment Advocate. They do not want somebody who can keep an eye on what is happening on the site, somebody who is independent.

Hon. R. F. Smith interjected.

Hon. K. M. SMITH — Your union mates will not allow this to go ahead because an independent umpire will look at the problems on the work site. Honourable members on this side of the house know of the problems caused by the unions when the Melbourne Cricket Ground (MCG) had earlier reconstruction work done.

Hon. R. F. Smith interjected.

Hon. K. M. SMITH — The Honourable Bob Smith was probably part of it.

Hon. R. F. Smith — A dispute with the lights.

Hon. K. M. SMITH — Just a little dispute with the lights, that is all. You and Normie Gallagher and that mob, is that who it was? I can remember that. What the Labor Party will do is push the redevelopment of the MCG back so that it will not be completed for the Commonwealth Games. Labor Party union mates will have caused that problem.

The government knows it is locked into the Commonwealth Games, as do its union mates. The village has to be built, but its site must be worked out first. The MCG has to be completed with seating for additional people. Those things were part of the agreement drawn up for the Commonwealth Games to come to Melbourne. What will happen is that the government will be the cause of Victoria breaching its contract. This militant union action taking place at the MCG will cause Victoria to lose the Commonwealth Games. That is not good enough and it is the government's building union mates that are doing it. The federal government's money is there.

Honourable members interjecting.

Hon. K. M. SMITH — Yes, it is, I am sorry. The money is there. All the government must do is get its mates to agree to the independent advocate coming on to the site. There is no reason why permission should be refused. Knowing that the Commonwealth Games are coming to Melbourne, the unions will be looking at more site allowances than you could possibly believe; extra seats during the games; all the additional bits and pieces — probably gold passes to the MCG forever. The opposition knows how the government's mob works. The unions did it at Colonial Stadium.

It is nice that the failed former Minister for Industrial Relations has come into the house; she may be able to defend the position. The Honourable Gavin Jennings was not too good at it and I am sure the minister will not be much good either; she never has been much of an advocate for the unions and the people of Victoria.

We are in the position where government members try to deny their close association with the trade union movement. If you go through the names of honourable members in this place and look at their association with the unions, you find that they are associated with the most militant unions.

Hon. M. M. Gould — Who?

Hon. K. M. SMITH — You, for one.

Hon. M. M. Gould — Tell me what union I am associated with.

Hon. K. M. SMITH — The minister was executive member of the Australian Council of Trade Unions and the general vice-president of the National Union of Workers, which has a little bit to do with Saizeriya. It is part of the problem.

Hon. R. F. Smith interjected.

Hon. K. M. SMITH — We know where the Honourable Bob Smith comes from. He was a union official with the Australian Workers Union.

Hon. R. F. Smith — Union leader.

Hon. K. M. SMITH — He was a union leader of the Australian Workers Union. We know the problems the Honourable Bob Smith had so I will not raise them in the house again; they have already been raised enough.

Honourable members interjecting.

Hon. K. M. SMITH — I could go through some more. I could talk about the Minister for Small Business and her association with the Australian Services Union. I could talk about the big ruckman at the end of the row and his association with the players associations of both the Australian and Victorian football leagues.

Hon. R. F. Smith — Have the players ever had it so good?

Hon. K. M. SMITH — Members on the other side are all part of the club. The Minister for Energy and Resources is also associated with the Australian Services Union. They are all part of the trouble-making unions in Victoria. It did not take long — —

Hon. M. M. Gould — Boring, boring!

Hon. K. M. SMITH — If the honourable member does not like it she should leave the chamber. We know it did not take long for the unions to flex their muscles in 1999 when Labor got itself elected. We know that the police started to flex their muscles but Labor had given them some promises and they campaigned against the Liberal Party at the last election. Not once during the time the Liberal Party was in government did the police budget get cut back.

Honourable members interjecting.

The ACTING PRESIDENT (Hon. R. H. Bowden) — Order! I ask for comments through the Chair.

Hon. K. M. SMITH — The Labor Party said that former Premier Jeff Kennett had cut the budget and the party had cut police numbers. The former government had no control over police numbers; it was done by police command.

Honourable members interjecting.

Hon. K. M. SMITH — The former government never cut the police budget in any way, shape or form. In actual fact it gave the police extra funds for computers — —

Hon. M. M. Gould — Tell the truth.

Hon. K. M. SMITH — We got the police off their behinds sitting in offices and got them out.

Honourable members interjecting.

Hon. K. M. SMITH — I am sorry, the former Liberal government got them out and got them working. The nurses also came to the Labor Party with their hands out asking for more money and promising that things would be better. As it has turned out, things have not got better.

Honourable members interjecting.

Hon. K. M. SMITH — That's all right; I will get Nurse Darveniza to look after me!

The opposition knows that the nurses held out their hands. They wanted less work, more nurses employed and more money. We found that most unfortunate because when in government we had worked hard over a period of time to get the Victorian health system working well. Then it employed more nurses. In fact it employed 2000 more nurses. What did it do? It put them out in the work force and then it said to the hospitals, particularly our rural hospitals, 'We are going to cut back on the number of nurses. You can't have so many'. In fact it had to get the hospitals to lay off a thousand nurses. It did not increase the hospitals' budgets to allow them to be paid.

Quite honestly, I am not a great lover of unions here in Victoria.

Honourable members interjecting.

Hon. K. M. SMITH — I really do not like unions and what they stand for. I always had a great relationship with the people I employed. I used to work with them, talk to them; they were part of my team, and we worked hard together. None of my people ever got paid the union award, they all got paid well in excess of the amount that the unions set down. We worked together as a team. In the area I worked in, plumbing, there is a problem at BHP in the Western Port plant where a picket line has been set up. You can laugh about this, Bob, but it is pretty sad. You probably see it every morning when you go past it on the way to your office in that area. BHP, in trying to keep going some of the companies that are relying on the goods coming out of its plant, is flying some steel out by helicopter and trying to ship steel out of the plant so that it can keep other people going.

Hon. R. F. Smith — Why are they — —

Hon. K. M. SMITH — Why? Because the Australian Manufacturing Workers Union and the Electrical Trades Union are talking about job security and have also put in a pay rise demand. That is what they are looking for. I will tell you what the unions are giving the workers — they are giving them job insecurity. You people do not seem to understand that the sort of industrial action that is taking place now makes employers think, 'Why are we putting up with this sort of rot from these unions in Victoria?'. It will finish up like all the rest of the lost investment and lost jobs in Victoria. BHP will close the plant down and move it offshore, Bob. That is exactly what will happen — like they did at Newcastle. Don't say they did not do it up there, because they did, and the last thing we need in Western Port is to have the BHP plant closed down. The way your people are going there, that is exactly what is going to happen.

The flow-on effect of taking this steel out of the place is that it is costing jobs. It will hit the car industry again, because of industrial action — and this is the third time this year that it will hit the car industry of Victoria and Australia because of the location of the plants. They are not going to be able to get the steel they need to build the cars. You have to understand that the industrial action being taken by a couple of hundred maintenance workers is going to cost jobs.

Hon. R. F. Smith interjected.

Hon. K. M. SMITH — Yes it is! We know it is. People are going to be laid off at Holden, Toyota, Mitsubishi and Ford. People won't be getting their wages or will be forced to take holidays when they might not want to take them. These people want to work, and your people down there are the ones that are putting those people out of work. Never forget that! It is not BHP — it wants to get on with the job. It wants to

have people working. It wants to pay its employees and keep them happy, but the unions are not going to allow that to happen.

I despair sometimes at the stupidity of the unions that talk about trying to get better conditions for workers and creating and looking after jobs. The last thing they want to do is create jobs for workers. In fact they are putting people out of jobs, and that is extremely sad.

Hon. R. F. Smith interjected.

Hon. K. M. SMITH — Mr Smith, you have been part of the union industry for a long period. You know how it works. It works for the benefit of you blokes who are sitting up at the top of the union. It works to the benefit of the people who run around on the sites, who have a lot of power, but it doesn't work for the workers. The benefits you gain come at the loss of workers on Victorian and Australian work sites. I just think it is a shame that you don't understand what it is all about.

You have your own internal ructions. We know that the unions do not like what Mr Crean is doing, and it will cost you. I am so pleased that you are prepared to look at undermining Crean, which is fine — it is a great idea. We know how the internal fighting in the trade unions goes on. We know that Sword's supporters and Shorten and Feeney are causing problems. — —

Hon. R. F. Smith — How is your fighting going?

Hon. K. M. SMITH — We do not have any fights in our party. We are talking about the fights you have with Crean, undermining your federal leader because he is starting to wake up to the fact that the militant unions in particular are causing great damage to Australia. Crean understands that the people of Australia are reluctant to support you people. Why? Because of your unions and the backing they give to the ALP. The way you are going you will be in opposition for a long time federally, and we will be in government in Victoria because of union militancy.

The people of Victoria are a wake-up to where you people are at and who controls you, who pulls the strings. We know that the people from Lygon Street are the ones who control you. We know how they trot in and out of the Premier's office here and at Treasury Place and tell him what has to be done. It will cost you, and I am pleased about that, because you are the ones who will suffer.

What our leader and Mr Baxter have said is commonsense, and you cannot defend the indefensible. What you are doing in Victoria cannot be defended.

Hon. R. F. SMITH (Chelsea) — What we have heard today for almost 3 hours is a puerile attack on unions by the conservatives opposite. Why? It seems to me that every time they get into a bit of trouble internally they look for a diversion. It is a classic diversionary tactic to attack the unions. 'That's always good for a headline. Let's get into them, let's give them a good old walloping'. The problem is that the people out there who voted for us to be in government have heard it all before and are, quite frankly, like us, fed up with it — it is boring.

However, given the ferocity of the attack in some ways by some of the speakers opposite, I feel it is my duty to respond and defend my colleagues in the union movement and in the government, and I intend to do that.

One of the strongest attacks has been on our federal political leader, Simon Crean, who has a great union pedigree and who has been not only a supporter of but a participant in the unions and their organisations, and is a man who has great credibility not only in the union movement but in the broader community and, most importantly, to the angst of those opposite, among the business community because he smacks of commonsense. He is a moderate who understands what this country needs and who on numerous occasions has delivered very good outcomes for business, the economy overall and workers in particular.

To give an example I shall talk about his history in the Australian Council of Trade Unions when, as part of the leadership with Bill Kelty in the mid-1980s, he set about reconstructing the economy in this country. Unions understood in the mid-1980s that we were going backwards and were in danger in a global economy of slipping because our reliance was principally on primary industry. With great respect to our farmers in particular, and miners, we simply could not rely forever on the money they used to generate.

We then looked at what needed to be done. Manufacturing had to be modernised and had to be able to compete in the global economy and export high-quality manufactured goods that were made productively. We understood the need for productivity in our workplace, and unions set about creating an environment that was conducive to good investment and would result in better trained workers, more productive outcomes, higher profits and the sharing of a bigger cake.

Hon. N. B. Lucas — Are you serious?

Hon. R. F. SMITH — I am serious, Mr Lucas. I shall give some examples. The Western Port steel mill was mentioned earlier by Mr Ken Smith as being in disarray because of some industrial dispute, one of the very few that have taken place down there over the past 20-odd years. It is a site where there has been not one forced redundancy, a site that is considered by BHP to be the jewel in its crown in terms of profitability as a result of the productivity generated by the industrial agreements negotiated by the unions for that site, and I was one of the negotiators.

We can then look at the aluminium industry in this state, Mr Lucas. For example, the Point Henry aluminium smelter was slipping to 23rd of 25 aluminium smelters in the world in terms of productivity, efficiency, quality, tonnes per man, profits and so on. As a result of the industrial agreements negotiated with that company and the unions, and very little capital investment — simply changing work practices, the removal of demarcations et cetera — it is now no. 2 in the world. Mr Lucas, let me tell you that it is so good that your leader, John Howard, went down there to see how it could be done. Why do I know that? Because I was there and helped facilitate the instruction he was given and demonstrate how the improvements took place. The company told him in my presence that it could not be done without the involvement and support of the union leadership. Well, shock horror!

Let's move down to the other smelter at Portland — same deal. Let's talk about productivity. The industrial agreements included salary packaging systems, profit sharing and so on. Unions were vocal in getting onto the front foot and demonstrating to the industrial lords of this state that it can be done. We had a lot of internal disputation amongst ourselves about whether this was the direction to take, but the moderates, the sensible leadership, won those fights. That is not to say that all unions agreed with this, they did not, but that is their right in a democratic society. They have to go to their members every three or four years to be elected or re-elected. They have to stand on their performance. If their members do not like what they have done, they simply vote them out, just like they will members of the opposition and us at some point.

Hon. Kaye Darveniza — We don't have to go up every four years!

Hon. R. F. SMITH — That's right.

I have heard about Able Constructions. Let me give some advice to those opposite who have no idea about what happened at Able Constructions. It is called demarcation. The clear fact was — and is — that the Australian Workers Union has a national agreement with Able Constructions to do its work, except in those areas where it has no union coverage. Now demarcation of buildings — that is, bricks, mortar, et cetera — resides in the rules of the Construction, Forestry, Mining and Energy Union, not the AWU. The AWU did not have the legal coverage to do that work. It can dismantle and demolish oil refineries, metal structures, factories, et cetera. There is a clear difference.

Hon. G. D. Romanes interjected.

Hon. R. F. SMITH — Damn! I am greatly disappointed that I have been curtailed here, but I have to say this. This attempt by the opposition to condemn us is illogical, unsustainable and should be rejected.

House divided on motion:

Ayes, 27

Ashman, Mr	Furletti, Mr
Atkinson, Mr	Hall, Mr
Baxter, Mr	Hallam, Mr
Best, Mr	Katsambanis, Mr
Birrell, Mr	Lucas, Mr
Boardman, Mr	Luckins, Ms
Bowden, Mr (*Teller*)	Olexander, Mr
Brideson, Mr	Powell, Mrs
Coote, Mrs	Rich-Phillips, Mr (*Teller*)
Cover, Mr	Smith, Mr K. M.
Craige, Mr	Smith, Ms
Davis, Mr D. McL.	Stoney, Mr
Davis, Mr P. R.	Strong, Mr
Forwood, Mr	

Noes, 13

Broad, Ms	Madden, Mr
Carbines, Mrs	Mikakos, Ms
Darveniza, Ms	Nguyen, Mr
Gould, Ms	Romanes, Ms
Hadden, Ms (*Teller*)	Smith, Mr R. F.
Jennings, Mr	Thomson, Ms
McQuilten, Mr (*Teller*)	

Pair

Ross, Dr	Theophanous, Mr

Motion agreed to.

MEMBERS STATEMENTS

Alfred medical research and education precinct

Hon. ANDREA COOTE (Monash) — I refer to the new $93 million Alfred medical research and education precinct which opened at the Alfred hospital two weeks ago. This project brings together the Alfred hospital, the Baker Medical Research Institute, the Macfarlane Burnet Institute for Medical Research and Public

Health and Monash University to create the most advanced bio-medical research centre in Australia.

It is the first time in Australia that research centres have come together in a planned way. The centre is expected to take a lead in areas such as HIV and hepatitis C and detecting the proteins associated with a disease. The centre will combine research with clinical practices. All the organisations now have access to state-of-the-art laboratories, a shared research library, teaching rooms and shared facilities.

I would like to congratulate the team at the Alfred hospital on the excellent work it performs. I would also like to congratulate the former Kennett government, whose insight and funding made the centre possible. In early 1999 the Kennett government committed $310 million to knowledge and innovation creation programs to drive Victorian businesses into the new millennium. This was the largest single allocation of funding ever invested in the state's science, engineering and technology sector. The Alfred medical research and education precinct was made possible through this funding — an initiative of the Kennett government.

Michael Mann

Hon. S. M. NGUYEN (Melbourne West) — I acknowledge the work of the Australian Ambassador to Vietnam, His Excellency Michael Mann. Michael Mann has been ambassador since June 1998 and will be replaced by Mr Joe Thwaites, who will be the new ambassador. I was fortunate enough to meet the new ambassador in Parliament three weeks ago with a group of members of the Melbourne Vietnamese community to discuss a range of issues.

I have met Mr Mann on many occasions in Vietnam, and I met him in Melbourne when he consulted the Vietnamese communities in Melbourne. The last time I saw him was when the honourable member for Burwood in another place and I were invited to attend the grand opening of My Thuan Bridge at the Mekong Delta River and attended the turning the sod ceremony at RMIT University in Vietnam.

I have a high regard for his tour of duty as ambassador to Vietnam and his strong commitment to building good relations between the two nations in many areas including law enforcement and defence cooperation. His efforts have assisted the Vietnam National Assembly and its members to understand how to work with the democratic government in Australia in order to gain experience so they can serve their own constituents better and make the government more accountable to the people of Vietnam. I wish Mr Michael Mann all the best in his new position.

Relations between the two nations will continue to prosper through the work of the new ambassador, Mr Joe Thwaites. The Vietnamese community and I look forward to working to improve democracy and the interests of the two nations.

Whelan family

Hon. R. A. BEST (North Western) — On behalf of my National Party colleagues and myself I rise today to express our sincere and heartfelt condolences to the former mayor of Greater Bendigo, Laurie Whelan, on the tragic loss of his wife, Julie McDonald, and his daughters, Kellie and Ruth, following a terrible car accident last week.

The accident occurred on the Bendigo–Sutton Grange road at Sedgwick, not far from Mr Whelan's family home. Mr Laurie Whelan made a significant contribution to local government in the Bendigo region and served as a councillor for six years and as mayor during 2000–01. Mr Whelan did not contest the last council elections because he wanted to spend more time with his family. If he had stood I am sure he would have been elected.

I believe there is a very important lesson for all of us. Unquestionably the demands of public life, regardless of the level of involvement, require a significant contribution. However, it is important that we balance our public duties with quality time with those most near and dear to us.

Over 1500 people attended yesterday's funeral, which was a wonderful expression of respect and admiration for a very high profile Bendigo family that has made a significant contribution to the Bendigo community.

Julie McDonald, Kellie and Ruth will be sadly missed. On behalf of my colleagues and myself I express our sincere condolences to Laurie and Kate.

Ann Henderson

Hon. I. J. COVER (Geelong) — I pay tribute to my colleague and friend Ann Henderson, who died yesterday. Ann Henderson was passionate about Geelong before, during and after her parliamentary career. She gave great service to the people of Geelong in a variety of roles including membership of the National Trust, Legacy, Deakin University, Do Care, the Port Fairy Music Festival and the Geelong Art Gallery Foundation.

Her work as the member for Geelong was highlighted by her extraordinary leadership in the development of Geelong's waterfront. Ann was, as the *Geelong Advertiser* heading said today, 'A passionate fighter for her beloved Geelong', and her interest in Geelong lasted well after she left Parliament.

A family statement issued yesterday also summed up Ann very well:

> Vibrancy and optimism were some of Ann's greatest attributes. Her energetic and charismatic manner was well known. It is with these qualities that Ann tackled her illness. Through this time Ann displayed the character, strength, vibrancy and enthusiasm that radiated in every other aspect of her life. Ann's fighting spirit was exceptional, as was her determination in the face of adversity.

I will miss her immensely, and my sympathies go to her children, Sarah, Jodie and Andrew, and family.

President of the Hellenic Republic

Hon. JENNY MIKAKOS (Jika Jika) — I warmly welcome the President of the Hellenic Republic, His Excellency Mr Constantinos Stephanopoulos, to Victoria. It is highly appropriate that President Stephanopoulos has commenced his Australian visit in Melbourne, the largest Greek city in the world outside Greece, being home to over 300 000 Australians of Greek descent. Many of those Greek Australians reside in my electorate of Jika Jika, home to the largest Greek community in Melbourne.

I am pleased President Stephanopoulos is spending a large part of his visit to Melbourne in my electorate. Today he visited both Alphington Grammar School and St John's Greek Orthodox College, and tonight he will be visiting the National Centre for Hellenic Studies and Research at La Trobe University.

In his various speeches President Stephanopoulos has commented on the significant contribution of the Greek community to Australia and the strong commitment of its members to their adopted home. They are sentiments I share. On behalf of my constituents I extend their and my own warmest wishes to President Stephanopoulos and hope his visit will strengthen the historic and strong ties that exist between Greece and Australia.

Box Hill Hospital

Hon. D. McL. DAVIS (East Yarra) — I raise my concerns about the performance of Box Hill Hospital in my electorate, which services the City of Boroondara, the City of Whitehorse and part of the City of Monash. I am very concerned about the recent figures from the quarterly *Hospital Services Report*, which shows that the number of patients staying in the emergency department longer than 12 hours increased from the March 1999 figure — the last equivalent figure under the Kennett government — of 72 to 348 in March this year, a 383 per cent increase; the number of patients waiting for semi-urgent elective surgery increased in the same period from 23 to 70, a 204 per cent increase; patients waiting longer than ideal for semi-urgent elective surgery increased in the same period from 312 to 512, a 64 per cent increase; and ambulance bypasses for the same period increased from 1 to 10, a 900 per cent increase.

I am very concerned about the deterioration of the performance of the Box Hill Hospital under the Bracks government. I was concerned, for example, to see the comment made by the honourable member for Burwood in the other place. He fails to understand that he and his government are responsible for a shocking deterioration at this hospital in our area.

Environment: government initiatives

Hon. E. C. CARBINES (Geelong) — On World Environment Day, I am pleased to celebrate the conservation and environment policies and achievements of the Bracks government. In doing so I acknowledge on behalf of all Victorians the tireless work of the Minister for Environment and Conservation, the Honourable Sherryl Garbutt, to protect our natural environment for generations to come.

Geelong Province contains some of Victoria's most beautiful coastline, and I, as a member for Geelong Province, am especially proud of legislation currently going through the Parliament to establish a system of marine national parks and sanctuaries along the Victorian coast. Its passage will place Victoria at the forefront of marine conservation, not just nationally but internationally.

Building on our established environmental initiatives the recent Bracks government budget allocated over $200 million in new initiatives to further protect the Victorian environment, including projects to tackle issues such as forestry reform, salinity, the preservation of our precious water resources and the protection of our box-ironbark forests and woodlands. Indeed, in 2002 on World Environment Day there is much to celebrate in Victoria.

Insurance: public liability

Hon. E. J. POWELL (North Eastern) — I congratulate Mr Morris Brown, chairman of the

Northern Zone Pony Club Association, and Wendy Holland, the district commissioner of the Shepparton Pony Club. They organised a public rally in Shepparton on Saturday, 1 June, which was held in Queens Gardens, to coincide with the rally in Melbourne and other areas of Victoria as part of the national day of action. The rally was to voice anger at the crippling costs of public liability insurance and at not being able to obtain public liability insurance at all in some areas. It was also to raise awareness that it was not just the pony clubs that were affected, but also many other businesses, organisations and sporting facilities.

The Pony Clubs Association of Victoria notified its members that public liability insurance was almost impossible for them to obtain. The cover ceases on 30 June this year, about three weeks away. This could mean that pony clubs will cease to operate. I was asked to speak at the rally, along with the honourable member for Shepparton in the other place and the mayor of the City of Greater Shepparton, to put on the record what the National Party had done to alleviate the costs of public liability insurance, that the Liberal Party had brought in a private members bill that was debated last week and that the government had still done nothing to address the escalating costs of public liability insurance and its effect on country Victoria.

A petition was available at the rally and is now in my office, and I will be presenting that petition to this house next week.

Insurance: public liability

Hon. B. C. BOARDMAN (Chelsea) — As the Honourable Jeanette Powell has pointed out, the issue of public liability insurance for adventure and recreation activities is both vexed and serious. This was never more evident than it was last Saturday morning when in excess of 3000 people walked, marched and rode to Parliament House to voice their concerns over the current difficulties pony clubs and other similar organisations are facing with public liability insurance.

Hon. D. McL. Davis interjected.

Hon. B. C. BOARDMAN — Yes, I was there!

These people were mums, dads and children who wish for nothing more than to continue to participate in their local clubs. However, without the appropriate insurance cover, on 1 July these and other clubs will be forced to cease operating.

Recently in this house the Liberal Party introduced and subsequently passed the Adventure Activities Protection Bill to provide a model of protection to such clubs so they can continue to operate. The Labor Party voted against the bill in the upper house and refused to allow it to be debated in the lower house. What is even more reprehensible is the fact that no member of the Labor Party bothered to turn up on Saturday morning to support these organisations and their members — the 3000 people who marched and the many others who did not know how transparent the government is. The issue demands actions, not words, not the blatant spin and blame shifting. This issue is rapidly becoming tired and inexcusable for the government. The pony clubs of Victoria, their members and all Victorians thoroughly deserve better.

Tom Austin

Hon. J. M. McQUILTEN (Ballarat) — I would like to talk about an old friend of mine who died last week, the Honourable Tom Austin. I was the Labor candidate from 1982 up until 1992 contesting the same seat as Tom. In those 10 years I became good mates with him. He was a man of honour, and at the time he was a great representative for the area and for the Liberal Party.

Alfred hospital

Hon. P. A. KATSAMBANIS (Monash) — I would like to draw to the attention of the house the poor performance of the Alfred hospital, as detailed in the recent *Hospital Services Report* that was released for the March quarter. Waiting lists for elective surgery at the Alfred hospital have blown out from 802 to 1442 for the March quarter, between 1999 and 2002. Waiting lists that were longer than ideal have blown out from 370 in March 1999 to 1012 in March 2002. Emergency department waiting times for people on trolleys for more than 12 hours have blown out from 69 in March 1999 to 553 in March 2002. The number of times the emergency department at the Alfred hospital has gone on ambulance bypass has increased from 5 times in March 1999 to 24 times in March 2002.

This appalling performance puts at grave risk the health of people in the electorate of Monash Province. The government has paid a lot of lip-service to improving the performance of hospitals, but the figures speak for themselves. It is a shame that the government has not been prepared to improve the delivery of hospital services but instead has used health as a political football. It is failing the people of Monash Province, particularly the people who use the Alfred hospital.

Pakenham: quarry

Hon. N. B. LUCAS (Eumemmerring) — I wish to say that the honourable member for Gippsland East in

the other place, Susan Davies, is about eight months too late. Recently she raised the issue of a quarry application in Pakenham. I want to put on the record that last November I was there looking at this. Now in our local newspaper the honourable member is making a big deal out of what she will do about something. That is ridiculous! She is eight months too late and here she is in our local newspaper talking about the need for an environment effects statement (EES) for this proposed extension of the Mount Paradise basalt quarry at Pakenham.

I have on record that in November last year I wrote to the Minister for Planning about this and in response in January this year he wrote back to me and agreed to an EES. So Susan Davies is too late!

MAGISTRATES' COURT (AMENDMENT) BILL

Second reading

For **Hon. J. M. MADDEN** (Minister for Sport and Recreation), Hon. M. M. Gould (Minister for Education Services) — I move:

That this bill be not now read a second time.

When an infringement notice is not paid on time, it can generally be registered for enforcement with the PERIN (penalty enforcement by registration of infringement notice) court. The procedure for enforcing infringement notices in the PERIN court is set out in schedule 7 to the Magistrates' Court Act 1989. The PERIN court then issues a court order called an enforcement order. The enforcement order demands that the defendant pay the infringement penalty and associated costs. Failure to pay on the enforcement order leads to a warrant being issued against the defendant.

The question was raised in a recent court case about whether 'enforcement agencies' and 'appropriate officers' within the meaning of the act have been acting under their correct names. The matter was withdrawn from the court and advice was sought on this issue.

Subsequently, it was discovered that a number of bodies which issue infringement notices have been acting under incorrect names. For example, the toll enforcement office has been seeking to have infringement notices registered for enforcement under the act, instead of an individual police officer as required by the act. There is no question that the bodies which took the action in question had every right to take that action; however, they have done so under the wrong name.

As certain enforcement agencies have been taking action under the act under the wrong names (that is, not in the names of proper enforcement agencies) the enforcement orders issued as a result may have been improperly made and may be voidable. Additionally, some of the action taken under the act by appropriate officers may not in fact have been signed by appropriate officers as defined in the act.

Consequently, many enforcement orders which have been issued under the act are at risk of being voided by way of legal challenge. These enforcement orders could date back to 1989 when the act commenced, or to 1986 when the PERIN system began. Enforcement actions taken on the strength of the enforcement orders could be subject to legal challenge.

As a result of the discovery of this error, the PERIN court has ceased to process applications for enforcement orders, and enforcement action on the strength of these enforcement orders in question has also ceased, pending the passage and commencement of this bill.

The bill amends the act to:

validate any actions that have been taken in the name of the incorrectly named enforcement agency;

validate any actions that have been taken in the name of the incorrectly named appropriate officers; and

disallow any legal proceedings that could otherwise be taken against the state as a result of the incorrectly named enforcement agencies or appropriate officers.

The proposed validation of actions will ensure that any action that could be doubtful solely due to the use of an incorrect name for the enforcement order or appropriate officer is valid. This will prevent the need to recall a very large number of enforcement orders and will ensure the continued smooth operation of the PERIN system.

Clause 4 inserts a new section 139A(1A) into the Magistrates' Court Act 1989 stating that it is the intention of clause 29 of schedule 7 (as proposed to be inserted by clause 6 of this bill) to alter or vary section 85 of the Constitution Act 1975. I wish to make the following statement under section 85 of the Constitution Act 1975 of the reason for altering or varying that section by the proposed new clause 29 of schedule 7. That clause prevents the bringing of proceedings (including in the Supreme Court) that seek to challenge or question matters which are deemed valid or lawful by this bill. This is necessary to ensure the effectiveness of the validation of past actions

effected by this bill and to protect the state and state officials from potential liabilities arising out of those actions.

Prospectively, the bill amends the act to change the definitions of 'enforcement agency' and 'appropriate officer' in clause 2 of the schedule. The amendment allows enforcement agencies and appropriate officers to be prescribed. This is to allow the continued use of the names that have been used for enforcement agencies and appropriate officers. Without this amendment, the PERIN court computer system would require substantial changes to be able to accept information from the very large number of potential enforcement agencies and appropriate officers. This amendment will minimise disruption to the operation of the PERIN system.

I commend the bill to the house.

Hon. P. A. KATSAMBANIS (Monash) — The opposition is prepared to deal with this bill forthwith because it is small but important in that it corrects a technical anomaly that has arisen in the operation of our PERIN system.

PERIN stands for penalty enforcement by registration of infringement notice. It is a mouthful, but essentially the PERIN court is a very effective mechanism for recovering fines that have been levied against individuals but have remained unpaid. In the days before the PERIN court a government agency would need to go to the Magistrates Court and seek an order from a physical magistrate — a human being-type magistrate — and that order would then have to be enforced. It was a cumbersome, time-consuming and costly process to recover sometimes very small fines.

The PERIN system is effectively an electronic magistracy that operates to issue enforcement notices for unpaid penalties, and it operates very well. Those of us who from time to time may have been caught up by a speed camera or the like will have come into contact with the way the whole enforcement system works. It is an efficient system.

Unfortunately recently a rather enterprising barrister presented a forceful argument to a Magistrates Court, and it was found that some of the technicalities of the legislation had not been complied with. The fact is that the infringements that are encompassed and protected by this bill have occurred, the notices to pay fines have been issued, and there is no doubt that the offences have occurred and that the fines are due and payable. It would be a travesty if people escaped penalty simply because of some technical non-compliance with the sometimes very complex legislative provisions.

No-one will be unfairly inconvenienced. There is no suggestion that any miscarriage of justice will be done by the passage of this legislation. The legislation will validate the actions that have taken place in the past where some technical error had been made, and it will also ensure that any legal proceedings that could be taken against the state of Victoria as a result of the technical breaches in the issuing of PERIN notices will not stand. Prospectively it will fix things up so that these technical omissions do not occur in the future.

The way that this bill is being handled in this place as well as in the other indicates that the Liberal and National parties are prepared to work with the government to facilitate the passage of legislation that will fix up technical errors. It is little known in public that the vast majority of legislation in this place is passed with the consent of the entirety of the house. This is one more example of where we are not at odds with each other but are passing legislation that is sensible. It corrects a technical anomaly which, as I said, arose because some enterprising barrister decided to charge the system. There is nothing wrong with that. The enterprising nature of our legal profession should be encouraged. In this case the anomaly that arose should be fixed up.

With those remarks I wish this bill a speedy passage and put on record once more the fact that the opposition supports the bill and believes its passage will improve the operation of what is already a very good PERIN court system.

Hon. R. M. HALLAM (Western) — I rise to report that the National Party is also prepared to deal with this bill expeditiously. It demonstrates perhaps more than anything else that Murphy's law is alive and well. What we have in front of us is evidence of the gremlin at work. While we might pass this bill very quickly, I would not want anybody in the chamber, or indeed someone later reading the record of the debate, to be misled into thinking that this is not an important measure, because this bill addresses the gremlin that I referred to, which has in fact put the entire PERIN system at risk.

As I understand it, as we meet here today that system of enforcement is on hold simply because during the course of a recent case it was questioned whether a deficiency in a technical definition puts at risk not just the system from here on in but whether past actions are also invalidated, at least in a potential sense, by that technical deficiency.

The question in this case apparently revolves around the terms 'enforcement agency' and 'appropriate officer'. It transpires that at least a question mark arises as to whether some bodies have issued infringement notices acting under an incorrect name or enforcement has been sought under the act as opposed to in the name of a relevant officer as required under the act. We are not talking about any change in respect of liability or about any action being deferred or changed in any way. There is no question as to the validity of actions taken in the past. The only question is whether those actions would survive a challenge given the question mark over the technical definitions.

We understand something like $40 million of fines is potentially at stake. We acknowledge that this bill will change the procedure for the enforcement of infringement penalties in the future, but we also acknowledge that it will validate past actions and to that degree is retrospective. Nonetheless the National Party is prepared to acknowledge that the bill is important because it protects an important part of our legal structures. We have consulted the Law Institute of Victoria and the Victorian Bar Council and have been persuaded that the bill does no more than correct a deficiency. Like the Honourable Peter Katsambanis before me, I am prepared to wish the bill a speedy passage through the Parliament.

Hon. JENNY MIKAKOS (Jika Jika) — On behalf of the government I will make a brief contribution on to the Magistrates' Court (Amendment) Bill. I wish to place on the record the government's appreciation of both the Liberal and National parties for allowing this debate to come on forthwith. Both previous speakers have indicated that while it is a small bill and a technical bill it is important. It is necessary that the bill be passed as quickly as possible to redress the technical anomaly that has arisen and to safeguard the public purse.

The bill deals with an issue that has arisen with the enforcement of unpaid infringement notices. As honourable members would be aware, under the PERIN court system where an infringement notice is not paid on time it can generally be registered for enforcement with the PERIN court. The procedure for enforcing infringement notices in the PERIN court is set out in schedule 7 of the Magistrates' Court Act 1989. The PERIN court then issues a court order called an enforcement order. The enforcement order demands that the defendant pay the infringement penalty and associated costs. Failure to pay on the enforcement order leads to a warrant being issued against the defendant. The warrant can authorise a number of sanctions, including the seizure and sale of the defendant's goods to satisfy the warrant, and the defendant's arrest and imprisonment. As a consequence of the issue of a warrant a person's drivers licence may be suspended for vehicle-related infringements.

Following a recent Magistrates Court case it was discovered that a number of bodies that issue infringement notices — notably the Victoria Police Traffic Camera Office, the fixed penalty payment office, the toll enforcement office and local councils — have been applying to have their infringement penalties registered for enforcement under the wrong name. This use of incorrect names means the enforcement orders issued as a result were improperly made and are therefore voidable. Consequently many hundreds of thousands of enforcement orders that have been issued are at risk of being voided by way of legal challenge.

This problem needs to be addressed both prospectively and retrospectively. Retrospectively the bill amends the act to validate any orders that may have been made incorrectly in the past. It also seeks to validate the action taken as a result of those orders and to disallow any proceedings that could otherwise be taken against the state for action taken on the voidable enforcement orders. That is the reason a section 85 statement is included in the minister's second-reading speech. A necessary amendment is being made to the Constitution Act to prevent possible legal proceedings by parties against the state of Victoria or authorised officers in the future. The government does not take section 85 statements and amendments to the Constitution Act lightly. It is a necessary inclusion in this legislation which will prevent people making claims because of a technical anomaly.

Prospectively the bill amends the act to change the definitions of 'enforcement agency' and 'appropriate officer' in clause 2 of the schedule. This will allow the agencies that lodge infringement notices for enforcement to continue to do so with minimal disruption to the registration process.

In conclusion, this is necessary legislation. The suspension of enforcement action by the Sheriff's Office since the time this legal case first arose has resulted in a significant amount of revenue being deferred. In an article in the *Herald Sun* of 22 May it is claimed:

> It is believed more than a million disputed or unpaid fines worth more than $40 million are in doubt, with the disputed Victoria Police toll enforcement office operating for several years.

That is only one agency that has been affected by this court case. Many other agencies have been affected. A

significant amount of revenue is at risk as a result of a technical anomaly. For this reason the bill deserves to be passed today. I reiterate the government's gratitude to the Liberal and National parties for allowing the passage of the bill today.

The DEPUTY PRESIDENT — Order! I am of the opinion that the second-reading of this bill requires to be passed by an absolute majority, so I ask the Clerk to ring the bells.

Bells rung.

Members having assembled in chamber:

The DEPUTY PRESIDENT — Order! I am of the opinion that the second-reading of this bill requires to be passed by an absolute majority. So that I may ascertain whether the required majority has been attained, I ask those honourable members who are in favour of the motion to stand where they are.

Required number of members having risen:

Motion agreed to by absolute majority.

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.

In doing so I thank the opposition parties for their support of this legislation and its speedy passage.

The DEPUTY PRESIDENT — Order! I am of the opinion that the third reading of this bill requires to be passed by an absolute majority, and I again ask those honourable members who are in favour of the motion to stand where they are.

Required number of members having risen:

Motion agreed to by absolute majority.

Read third time.

Remaining stages

Passed remaining stages.

TRANSPORT (FURTHER MISCELLANEOUS AMENDMENTS) BILL

Second reading

Debate resumed from 4 June; motion of Hon. C. C. BROAD (Minister for Energy and Resources).

Hon. G. D. ROMANES (Melbourne) — I rise to speak on the Transport (Further Miscellaneous Amendments) Bill, and I am pleased to have the opportunity to do so because a number of important changes are reflected in the bill. The first of those relates to the powers of the director of public transport. Clauses 4 and 5 of the bill amend section 9 of the Transport Act to clarify the director's ability to construct, maintain and operate public transport infrastructure and to run public transport services.

Clause 5 gives powers to the director of public transport that are the equivalent of those presently possessed by tram and train operators and are provided to facilitate the director's ability to operate public transport. Those powers include exemption from fencing the train or tram track and the power to require trees obscuring the view of a track from a train driver to be cut back, divert traffic, do tram works, install tram stops, operate a level crossing to allow a train to cross the road, operate a tram on the roadway and use the tram infrastructure for that purpose, install and use a power supply to run tram and train services, and the power to stop traffic in an emergency.

These powers will be required by the director if, for example, in a range of circumstances one of the tram or train operators were unable to continue to operate and there was a need for another person to step in and take over. Without these specific legal powers provided through the bill before the house this afternoon the director would not have sufficient powers to operate a train or tram service.

Clause 7 of the bill inserts proposed section 129VA into the Transport Act 1983 and relates to audits of medical records of rail safety workers. There was an independent investigation by the Australian Transport Safety Bureau into the collision between a suburban electric passenger train and an empty express electric train at Footscray railway station on 5 June 2001. It was found that the driver was affected by prescription medication and his medical fitness had not been properly monitored. As a result of that investigation and finding there have been changes to safety practices in the rail industry and from 1 January this year any rail safety worker who cannot provide evidence of current medical fitness is prohibited from undertaking rail

safety work. The clause addresses this issue and the proposed legislative amendments will provide the secretary with the power to audit or inspect the records of rail safety workers held by accredited rail organisations and contractors to ascertain that the medical records are up to date and signed off by the doctor and that the worker is certified as fit.

Another very important area covered by this bill relates to reforms of the taxi and hire car industry. These follow an extensive review into the industry to meet national competition policy requirements. Members of this house would be aware that the area of hire cars and taxis is often dogged by controversy and is often the topic of discussion on the airwaves. I was therefore interested to see the profile of complaints received by the Victorian Taxi Directorate between 1996 and 2001 that was provided to the shadow Minister for Transport in the other place, who had requested that information. There was a total of 1072 complaints in 2001 and a profile of complaints over a six-year period. I was surprised to see that some figures were lower than I expected. For example, 26 complaints in 2001 about wheelchair accessible taxis and 23 relating to non-arrival of booked taxis.

I was very pleased to see that in the last five years there were no complaints relating to a sexual assault by a driver, but I was alarmed by the high number of complaints — that is, 484 — of rude, aggressive and uncooperative behaviour towards passengers by taxidrivers and also by the 86 complaints about the refusal to pick up passengers. Those sorts of profiles are not good for a service industry and go to the crux of the matter being addressed in the bill relating to taxi and hire car industry reform, because the reforms in the bill attempt to address through carrot-and-stick methods the key areas where improvement is needed.

The taxi and hire car reforms build on a number of positive changes put forward in that industry by the Kennett government. They introduce further changes in the practices in the industry through initiatives like new licences for taxis in peak periods and the 20 per cent late-night taxi surcharge. They also introduce new performance standards for taxis and depots to further lift quality control and assurance for consumers. I notice in relation to the accreditation processes and guidelines that have been developed to put in place improved performance standards that the Honourable Barry Bishop was very positive about a number of those processes he had had the opportunity to have a close look at.

The National Party has raised a concern with the Minister for Transport regarding the late-night taxi tariff and its application to country taxi services. This issue was also raised with the minister by the Honourable Dianne Hadden who had been contacted by Mr Stephen Armstrong of Ballarat Taxis Co-op and who is also the chair for the urban country members of the Victorian Taxi Association. I note that the Honourable Gerald Ashman had also raised the issue of the late-night taxi tariff and its application to country and country-urban areas.

On behalf of the Minister for Transport I wish to make it clear that the 20 per cent late-night tariff will not be applicable to country taxi services but will be applied only to the metropolitan and outer suburban taxicab zones. I thank the Honourable Barry Bishop of the National Party for raising this matter. I note that he has been very persuasive in outlining the different requirements and needs of the taxi industry in country areas and in those interface areas between urban and country. I am happy to clarify that the late-night taxi surcharge will not apply to those areas.

Also included in the bill are changes to hire car and special-purpose vehicle licences which remove the public-interest test and open up those licences to the market. In contrast to the KPMG review under the former Kennett government which advocated total deregulation of the market, the government's measures strike a sensible balance between competition policy requirements and the sustainability of the hire car industry.

A further matter was raised by the Honourable Gerald Ashman relating to how the government will continue to determine the market value of future hire car licences. I am informed that the initial price of hire car licences will be determined by the Secretary of the Department of Infrastructure as an average of the sale price of licences traded in 2001 plus a small margin to recognise price fluctuation over the period. In 2001 the average sale price was $54 000. It is proposed that the initial price will be reviewed after two years by the Essential Services Commission.

Another important provision of the bill is contained in clause 13 which relates to the taxi surveillance camera scheme. This is an important measure to increase safety in the taxi industry. It is a part of the licence conditions governing taxicabs and the digital surveillance cameras are to be installed in all Victorian taxicabs for security purposes within the next few months.

The installation has commenced and the proposed legislative amendments will ensure control over the possession and use of images taken in taxicabs. The issue of the possible misuse of images which was raised

by Mr Ashman yesterday has been under discussion between the government and the Privacy Commissioner. The current regulation-making power will be extended to allow regulation of the surveillance cameras, the images and data created, and access to them by third parties — for example, the Victoria Police — and approved agents within the taxi industry.

A number of new offences will be created with penalties similar to those in the Surveillance Devices Act 1998 for misuse of images. As I said, the proposals follow detailed discussions with the Privacy Commissioner regarding access to and use of the images.

The tow-truck industry reform is another area covered by the bill. Following a review, also based on national competition policy requirements, a reform package for the tow-truck industry has now been endorsed and some elements require amendment and legislation to come into force. That is covered under part 6 of the Transport Act 1983.

Clause 21 deals with the verification of names and addresses. Given the changes in the state's privacy legislation discussions have taken place in a wide range of areas. Concerns have been expressed about the powers of ticketing inspectors and privacy on public transport. The Victorian Privacy Commissioner has pointed to the need to clarify the power of an authorised officer or ticket inspector to require a suspected offender to produce evidence verifying details of his or her name and address. The new provisions include penalties for misuse of personal information collected under the verification power.

The flawed ticketing system inherited by the Bracks Labor government has been problematic for Victoria. As a result we have seen extensive fare evasion and the role of ticketing inspectors and the unworkable ticketing system have now become very vexed issues. The public transport system has been plagued by these difficulties in recent months.

Mr Ashman read into *Hansard* some extracts from a *Herald Sun* editorial of Monday, 3 June 2002. In essence the editorial highlighted some of the problems that the Victorian community faces in relation to these issues. I notice that a *Herald Sun* Voteline conducted on Friday, 31 May, in response to the question, 'Should the government curb the powers of public transport ticket inspectors?' evoked a 'yes' response of 55.2 per cent and a 'no' response of 44.8 per cent. The results, which were published in the *Herald Sun* of Monday, 3 June, showed some ambivalence, some division and difference of opinion in the community about the role of public transport ticket inspectors.

Many people voted yes because they are concerned about the role of ticket inspectors and in particular the targeting of particular groups and heavy-handedness on public transport. Others voted no because of their concern about fare evasion and the way it undermines the strengthening and building of a good public transport system. They are also concerned that fare evasion costs about $50 million per annum which could be reinvested into the public transport system to make it much more efficient than it is at present.

This bill contains amendments which clarify the power of ticket inspectors to seek verification of a passenger's name and address. It is not an increase in their powers. It reflects the government's work with the Privacy Commissioner in developing guidelines to control the collection, use and disposal of private information as part of the enforcement process. In that sense new limits are being set out of a desire to protect the privacy of the people involved. The power is also limited by the fact that ticket inspectors can only ask for verification if reasonable grounds exist for believing someone has lied about their real name and address.

The recent settlement of disputes between the government and Onelink about the ticketing system and variations to the contracts established in the time of the previous government which had not been resolved for many years, will go a long way to improving the system. The new performance standards will require Onelink to take responsibility for action on vandalism of ticket machines and to meet significantly higher standards of ticket machine reliability. So we can expect that in the future more machines will be fully operational, breakdowns will be repaired faster and it will be easier to buy tickets, all of which should act as a deterrent to fare evaders.

The Law Reform Committee report that was tabled in the last few days raised important issues about the powers of ticket inspectors on the public transport system. The Minister for Transport has already responded to the committee's report. In a media release yesterday, the minister made it clear that the concerns outlined in the committee's report would meet with a proactive response.

The Minister for Transport said yesterday that he would meet with the chief executives of the private transport operators to discuss the development of new protocols to govern the behaviour of ticket inspectors across the entire transport system. He also outlined other measures, including the examination of operating

procedures in a range of situations, such as the selection criteria for inspectors, public complaints regarding conduct of inspectors and the systems employed to oversee and supervise the process.

One of the issues that the *Herald Sun* raised in its editorial was training. The Minister for Transport has made a commitment that the government will also assess the training of inspectors and identify areas in which retraining would be beneficial to ensure ticket inspectors are able to deal effectively with all passengers on the system. These are the vexed issues we are dealing with and the problems the Minister for Transport is addressing and responding on to ensure confidence in the role and powers of the ticket inspectors. He is looking at new protocols and guidelines, including the development of guidelines that relate to what will be acceptable in terms of forms of identification so that both those who are the enforcers, the ticket inspectors, and the general public are aware of what will be expected of them when travelling on the public transport system.

The changes effected in clause 21 of the bill are about clarifying the powers of ticket inspectors — and they are not new powers. Finally, an important issue is that clause 26 substitutes proposed new section 12 in the Melbourne City Link Act 1985 following negotiations by the government and government backbenchers with Transurban. There has been agreement by Transurban to extend the provisions to allow backdating of temporary registration — that is, the purchase of City Link passes — by an additional two days. This will permit the purchase of a weekend pass at any time until midnight on the Tuesday following the weekend on which the travel was undertaken. It will also allow the purchase of other City Link passes, the 24-hour pass and the Tulla pass at any time until midnight three days after the first day of travel.

The government backbenchers in the caucus infrastructure committee put forcefully to Transurban that credit card and Internet use issues were problematic, particularly for people in country areas who are not so used to using the City Link, and that there had to be more flexibility in the products and the provisions for the purchasing of Melbourne City Link passes. These changes will be well received by country people, who will have extra time after they have used Melbourne City Link to make good their purchase of a weekend, 24-hour or Tulla pass and from Transurban's point of view will therefore be more than encouraged to use the system in the future — they will be assisted by the flexibility of the products that are provided as part of the legislative framework.

This is another of the improvements made to the system over the past two and a half years in various transport bills that have changed the products available for use on City Link. I commend the bill to the house.

Hon. ANDREW BRIDESON (Waverley) — I rise to contribute to the Transport (Further Miscellaneous Amendment) Bill, which has been canvassed widely in the other place and by numerous speakers in this place. I do not propose to go in great detail through every element of the legislation but shall stick to clause 21, which deals with the verification of names and addresses.

I start by referring to a letter which appeared in today's *Age* entitled 'Beautiful one day, charming the next'. I can see that the Minister for Sport and Recreation is already smiling because it is wonderful to have some good news. The letter states:

> What a refreshing experience. Last week, a ticket inspector smilingly asked to check my ticket. While I was trying to find it, he courteously informed me that should I not be in possession of ticket I would have to purchase it on the spot, from the bus driver.
>
> No penalty, no retribution, no angst — just a simple human transaction. After seeing my ticket, he thanked me and moved on. No fuss, no bother, no problems. The place? Brisbane. Could the weather really make so much difference?

That is in stark contrast with what happens in cold, wet Victoria. I do not know whether it is the weather that is the difficulty. I say to the minister that I am not talking down the state and I hope that at the end of my contribution it will be seen why the Minister for Transport will implement the changes being proposed in the Law Reform Committee report, which I totally support.

In May magistrate Frank Jones handed down a decision in relation to the heavy handedness of some ticket inspectors. It was a sad, sorry and tawdry story. I shall paraphrase the decision. Two young men were travelling on tram 188 on route 112 when six revenue protection officers, commonly known as RPOs, employed by Yarra Trams boarded it in the vicinity of the aquatic centre in Albert Park. They were dressed in plain clothes ranging from jeans to one officer being dressed in army fatigues — he was obviously on his way to battle the youth of Victoria! Shame on him! The magistrate says that he presumed that the purpose of being dressed in this fashion was so that they could mingle with other passengers and contrary to the provisions of the act and regulations not warn those who were travelling that a ticket check would be taking place on the tram.

The troops raised the ire of the youths and a melee developed at the tram stop. A good Samaritan lady who happened to be a retired solicitor on her way to help out at the Children's Court to defend somebody came to the assistance of the youths. She was a 57-year-old retired lady who thought that the troops were being heavy handed so she intervened, went over and said, 'You young men have rights too, you don't have to tell them anything'. She became involved in the fracas. Because of the heavy-handed behaviour of the ticket inspectors she also made a comment to the effect that, 'You're acting like the Gestapo'.

I think it was that comment that the ticketing officers took offence at. They threw the book at this retired lady. She was subsequently charged with refusing to comply with the request of an authorised officer to state her name and address, and she was also charged with hindering an officer in the carrying out of their duties.

The court case eventuated, and Mr Jones eventually dismissed the charges against the solicitor. But in that decision he made a couple of quite telling findings. One was that he believed that the ticket inspectors may have colluded in putting together some of their evidence, which we all know is not quite the right thing to do. But more importantly, he said that the ability of the officers:

> … to discern what constituted the offence of hindering was sadly lacking.

Mr Jones said that in his opinion this was due to the lack of adequate training given to the officers.

In his decision — and I want to quote this because I think it is an important point — the magistrate said:

> Where the legislature empowers revenue protection officers of the public transport system with powers that impinge on the rights of the travelling public, and the exercise of those powers may deprive members of the public of their personal liberty, the public transport operators have a responsibility to ensure that the officers are given adequate training. Here the evidence demonstrated that the officers were given only rudimentary training in what is the exercise of the equivalent of police powers.

The conclusion Mr Jones came to is also a conclusion that can be found in the Law Reform Committee report tabled yesterday, *Powers of Entry, Search, Seizure and Questioning by Authorised Persons*.

Hon. D. G. Hadden — Tabled on the 30th.

Hon. ANDREW BRIDESON — Tabled on 30 May, was it?

Hon. D. G. Hadden — It is a good report.

Hon. ANDREW BRIDESON — It is a good report, and I note that the Honourable Dianne Hadden is a member of that illustrious committee, as are other members of this chamber: the Honourable Ron Bowden and the Honourable Peter Katsambanis. It is very eloquently chaired by the honourable member for Sandringham in another place.

Chapter 7 of that report deals solely with the powers of public transport inspectors. For anybody who is interested in this topic I recommend reading chapter 7. It is really a very thorough report, and I am very pleased to hear the Honourable Glenyys Romanes say today that the minister has already adopted in principle many of the recommendations.

I was going to put some of these recommendations on the record, but I do not think there is any need to do that — I will just make reference to them. I guess other speakers have to have something to say, and we are short of time.

There is really not much more to say. The example of the case in the Magistrates Court, which I have explained very briefly says it all. The current practice of our ticket inspectors is, I think, not acceptable to the public of Victoria and is certainly not acceptable to members of Parliament. I think it is important to have that in *Hansard* because it may well be that courts and solicitors will in the future refer to this debate if cases come up. I just want to make it very clear to all concerned that it is not the intention of this Parliament to give totally unfettered powers to ticket inspectors.

We expect inspectors will abide by the law Parliament passes. We do not condone bullying or intimidation, nor do we condone terrorising or the coercive tactics that have been aired on radio and in media reports in the past couple of months. If this sort of behaviour is displayed by ticket inspectors, I think those who are up on charges ought to have them dismissed and the ticketing inspectors ought to be the ones who are charged for flouting the laws they are supposed to ensure other people obey.

I have been thinking of a practical solution to how we might get these people to behave better and to the problems addressed in the Law Reform Committee's report. Perhaps instead of hunting in packs of six these people could go about their duties in couples, wear uniforms, and adopt the principles that are obviously being used by the ticketing inspectors in Brisbane.

I do not wish to say any more. I think I have made the point quite clear that the behaviour of these characters must improve. The opposition does not oppose this

piece of legislation. I would like to thank the Honourable Glenyys Romanes for answering some of the questions raised yesterday by my colleague the Honourable Gerald Ashman.

Hon. D. G. HADDEN (Ballarat) — I rise to speak in support of the Transport (Further Miscellaneous Amendments) Bill. It gives me great pleasure to speak on this bill because it touches on a few areas of interest to me as a member of Parliament representing regional Victoria.

The purposes of the bill are set out in clause 1. It has a number of purposes: to amend the Transport Act 1983, the Essential Services Commission Act 2001, the Melbourne City Link (Further Miscellaneous Amendments) Act 2002 and for other purposes. They cover a broad range and are designed to improve this state's public transport system, reform the taxi and hire car industries, regulate the installation and use of security cameras in taxis, as well as make further reforms to the tow-truck industry.

I will concentrate on only a couple of areas. One is the late night tariff on taxi fares. That is specifically set out in clause 10 of the bill, which will insert into section 144(2) of the Transport Accident Act 1983 proposed paragraph (da), which states:

> that any late night surcharge payable by a passenger in a taxi-cab is to be retained by the driver of the taxi-cab …

That clause brought some consternation from various interest groups, particularly Ballarat Taxis Co-operative Ltd in the city where my electorate office is located. At 4.15 p.m. on 3 June Ballarat Taxis Co-operative Ltd faxed me a submission. Its chairman, Stephen Armstrong, asked me to read and consider it before Parliament sat on the following day and to make submissions on his behalf to the Minister for Transport, which I did. In fact, I actioned that matter shortly after receiving the submission from Ballarat taxis.

The Minister for Transport has responded to the submission. I commend the minister for this, because I do not know of too many government departments or ministers who respond as quickly as have the minister and his department. They are to be commended, because it means they are on the ball.

The submission sent from Ballarat taxis has a handwritten cover sheet and is addressed to me. Mr Armstrong's concerns were not with the bill itself, which he understood was more mechanical rather than policy, but that Ballarat taxis vehemently opposed parts of clause 10 of the bill. He said:

> These amendments empower the minister to impose a surcharge on taxi fares that is retained wholly by the taxidriver …

The cooperative's primary objection is that:

> … the proposal is the attempt to use the Transport Act to directly interfere with the commercial bailee-bailor contract between taxi operators and taxi owners.

Its second objection is that:

> … if a surcharge is imposed (20 per cent between 1.00 a.m. and 6.00 a.m.) the already existing surcharge that operates between midnight and 6.00 a.m., and which is shared between the operator and driver, will be removed. The current surcharge for urban-country taxis is $2.20 on each trip.

Mr Armstrong went on to set out figures which he had collated over the past few weeks which establish that:

> … urban-country drivers will in actual fact face a reduction in income in the vicinity of between 1 and 5 per cent.

He also went on to say that:

> This loss in income is because trips in urban-country towns are so short that a 20 per cent surcharge will not make up for the loss of the $2.20 on each trip.
>
> The loss of operator revenue is critical to the survival of taxi operators across the state … In my capacity as chairman for urban-country taxi operators affiliated with the Victorian Taxi Association, I know that many taxi operators are barely surviving now.

He says this is mainly due to a number of causes, such as:

> … massive increases in Workcover, fuel, insurance, the impost of GST, the emergence of community-funded transport and a general 10 to 20 per cent downturn in jobs.

He also noted, and this certainly concerned me, that:

> … taxis are damaged by the poor behaviour of passengers, including panels kicked in, seats slashed, mirrors and aerials ripped off, interior door handles and lights being pulled out and defecation and vomiting in the vehicle. All these costs are borne by the operator of the vehicle.

As I said, the Minister for Transport actioned that submission and his department responded the following day, 4 June, with a letter signed by Steve Stanko, the director of the Victorian Taxi and Tow Truck Directorate. The department acknowledged the Ballarat Taxi Co-operative's concerns and confirmed in writing that the clause 10 late night tariff:

> … will encourage drivers and taxi owners to operate their cabs during the night shift, a time when there is shortage of taxis in central and suburban Melbourne.

Steve Stanko went on to say:

> The recently announced taxi reform package will allow drivers to levy the night tariff in the Melbourne metropolitan and outer suburban taxi zones. There is no intention for this tariff to apply in country-urban country areas, where demand can be met with current taxi fleets.

That confirms the minister has acted on the concerns raised by the industry. His department has confirmed that the late night tariff will not apply to country-urban country areas.

On the same date, 4 June, the Minister for Transport also replied in writing to concerns raised by the Honourable Barry Bishop, an honourable member for North Western Province, on behalf of his constituents. The Minister for Transport covered the issue of the late night surcharge and said:

> I want to make it very clear that the 20 per cent late night tariff will not be applicable to country taxi services but will be applied only in the metropolitan and outer suburban taxicab zones. I have requested Glenyys Romanes, member for Melbourne, to put the government's intention on this issue on record in *Hansard* during the debate on the bill.

The minister also covered three other concerns of the Honourable Barry Bishop, including the fencing of rail land. He noted that there were some 7000 kilometres of railway track across the state. He said the situation has been and will continue to be that landowners abutting railway track are responsible for the fencing. The bill will extend that responsibility to the minister so that he is in the same position as other land-holders abutting railway land.

The minister also addressed the issue of hire car fees and audio recording in taxis. The minister noted that the Privacy Commissioner strongly opposes audio recording of taxi passenger conversations because of concern about the misuse of information and the difficulty of ensuring that the material is kept confidential. The minister said that the emergency response alarm in all taxicabs allows recordings of sounds from a taxi when the driver engages the alarm. Such recording is only made when the emergency alarm is engaged.

I now address the inspector's powers in the Transport Act and in this bill. As honourable members will recall, on 30 May I tabled in this place the Law Reform Committee's report on the powers of entry, search, seizure and questioning by authorised officers. The committee made some 83 recommendations as a result of some 12 months of very hard work on a very difficult subject. In fact, the powers of entry, search and seizure are contained in some 128 acts of Parliament. It was a very thought-provoking reference. Thought provoking too, was the issue of transport inspectors. Chapter 7 of the report is devoted to that and I recommend honourable members read the report because it makes some excellent conclusions and recommendations.

The minister took on board the concerns of the Law Reform Committee as indicated by the provisions in clause 21. That clause, entitled 'Verification of names and addresses', takes in some of the concerns raised by the committee, which made a number of recommendations as set out in chapter 7 of its report, and they flow on from recommendations 62 to 67. Recommendation 62 is:

> That the Transport Act 1983 be amended to allow authorised officers to demand verification of names and addresses of passengers where they believe on reasonable grounds that the passenger has given a false name and/or address.

Further recommendations were in relation to notices being placed at stations, bus stops and trams informing passengers of their obligations to verify their name and address if they are found without a valid ticket on public transport.

The committee also made other recommendations about authorised officers wearing badges or a common identification badge so that the public is well aware who they are. Issues of privacy arose throughout the committee's report and recommendations. That stemmed from the great interest of the Privacy Commissioner, Dr Paul Chadwick, as a result of the Information Privacy Act 2000 being passed by this place. At all times we need to balance the issues of privacy and public interest and the integrity of the public transport system must be considered and balanced against the individual's right to privacy, other issues of detention, arrest powers and complaints mechanisms for public transport inspectors and so on.

Clause 21 inserts into section 218B of the Transport Act proposed subsection (6A) which states:

> If —
>
> (a) a person states a name and address in response to a request made under sub-section (2); and
>
> (b) the authorised officer or member of the police force who made the request suspects on reasonable grounds that the stated name or address may be false —
>
> the officer or member may request the person to provide evidence of the correctness of the name and address.

Proposed subsection (6B) states:

> A person must comply with a request made … unless he or she has a reasonable excuse for not doing so.

A penalty of $500 is imposed. Importantly, proposed subsection (6C) states:

> It is not an offence for a person to fail to comply with a request made … if the authorised officer or member of the police force did not inform the person, at the time the request was made, that it is an offence to fail to comply with the request.

As a result of the Law Reform Committee's recommendations in its report, in particular chapter 7, the minister agreed to convene a meeting of the chief executives of the three transport companies to discuss how the government and the operators will respond constructively to the committee's recommendations. Ticketing inspectors are subject to the law and the Department of Infrastructure has the power to withdraw or suspend accreditation of any inspector found to behave inappropriately.

In section 218B of the Transport Act, relating to the power to require names and addresses, the definition of authorised officer means a person appointed in writing by the secretary for the purposes of that section. The secretary may only appoint a person whom the secretary is satisfied is competent to exercise the functions of an authorised officer, is of good repute having regard to character, honesty and integrity and has agreed in writing to exercise the functions conferred on them. So the power is there and it is something that the minister has said will be actioned and considered thoroughly as a result of the committee's recommendations.

The government and operators are developing protocols governing the behaviour of ticketing inspectors especially about how to deal with young people and target groups, concession cardholders and even those of us who are casual or tourist users of the public transport system and who may not be aware what one has to do to get a ticket or how to validate it. The government will also be looking at improved training arrangements for inspectors and ongoing accreditation and especially the selection criteria for choosing inspectors.

In relation to the recommendation for a public transport ombudsman, as set out in recommendations 66 and 67 of the committee's report, the government has been working for some months on options for an ombudsman and while no decision has been made as yet the government will be consulting with operators and community groups. Certainly I seriously recommend to the department and the minister that the submissions made to the committee, both oral and in writing, come from a large variety of consumer groups, including Liberty Victoria, Those persons have clearly put their positions to the committee and that certainly will assist the minister in this regard.

The bill does not increase the powers of ticketing inspectors. It clarifies the existing powers to obtain and verify a passenger's name and address. As I said, that needs to be balanced against the provisions of the Information Privacy Act and the submissions received by the committee from the Privacy Commissioner.

The bill puts limits on inspectors powers, making it an offence for a ticket inspector to improperly divulge names and addresses or improperly use the information obtained. An inspector can only ask for verification of a name and address if he or she has reasonable grounds for believing that someone is not telling the truth about their name or address.

A few cases have been in the media lately. I will not go through them verbatim. Previous speakers have mentioned the case of Susan Glover, a solicitor, who was charged by the department for failing to give a name and address and hindering inspectors. Last month she was successful in the defence of the charges against her before Magistrate Frank Jones in the Melbourne Magistrates Court.

I followed this case with interest. It ran for about four days. On 22 May the magistrate dismissed the charges on the merits and an article appeared on 23 May in the *Age*. In effect Magistrate Jones said that Yarra Trams inspectors could not act as quasi police and the public transport operators have a responsibility to ensure that the officers are given adequate training in the exercise of what is the equivalent of police powers. He also commented on their rudimentary training. Again that is something the bill — and the minister through ongoing action — will address, and I commend him for that.

I noted the *Herald Sun* editorial of 4 June headed 'Curb their manners', which did not catch my attention at first. It refers to the Law Reform Committee as a 'high-level parliamentary committee'. I was quite surprised by that. Apart from its criticism of public transport ticket machines and the heavy-handed ticket inspectors, it states in the last paragraph that:

> Service and efficiency were billed, after all, as the big gains from privatising our public transport system. That has not yet happened.

Indeed it has not! The Law Reform Committee received praise from the Minister for Transport, and he assured the Victorian public that he will respond constructively to the committee's recommendations. He also noted the number of situations the government is examining and its current operating procedures, selection criteria for inspectors, public complaints regarding conduct of inspectors and the systems employed to oversee and supervise the process.

The minister also said that the government will assist in the training of inspectors and identify areas in which retraining and accreditation would be beneficial. All relevant stakeholders will be consulted as part of that process which includes transport operators, users, the Rail, Tram and Bus Union, Victoria Police and the Victorian Privacy Commissioner.

The minister also publicly noted that in recent months the Department of Infrastructure had been working with the Privacy Commissioner to develop guidelines to control the collection, use and disposal of private information as part of the enforcement process, and that the government in conjunction with operators will also investigate allegations of inappropriate behaviour by inspectors.

The minister noted that the recent settlement of disputes with Onelink, inherited from the previous Kennett coalition government, would go a long way towards improving Melbourne's automated ticketing system. The minister also noted that the new performance standards will require Onelink to take responsibility for vandalism of ticketing machines and meet significantly higher standards of machine reliability. He also noted, as the committee report said, that fare evasion is a serious issue and that it costs the public transport system — in the minister's figures — around $50 million a year. That needs to be addressed and we really need to change the culture of fare evasion in our city. I commend the bill to the house.

Hon. P. A. KATSAMBANIS (Monash) — Other honourable members have covered the operations of the bill in minute detail, so I do not propose to cover the operation of every clause of the bill. However, the fact that I rise to speak on the Transport (Further Miscellaneous Amendments) Bill should indicate to the house that the Bracks Labor government has got a few things very wrong.

I will concentrate on two areas of the bill. The first relates to the implementation of the recently announced package of reforms that the Bracks government has introduced to the Victorian taxi industry.

I make no bones about it. I believe the taxi industry in Victoria is among the best in the world. It is certainly a first-class service, and if anyone doubts that or wants to denigrate the contribution that our taxi industry, from the drivers right through to the operators and owners of the industry, makes to Victoria they should try and catch a cab in a city like Sydney and make a comparison. I put it to the house that there is absolutely no comparison whatsoever and that the people in our industry do a first-class job.

The government last month announced a package of 17 reforms in all, some of which have caused great consternation among the industry. The parties involved in the industry from the drivers right through to owners and operators have sounded very loud warning bells to this government that I trust the government will eventually take heed of. Among the reforms two have caused more concern than most. The first is the introduction of the peak taxi licences — the supposedly green-hooded cars that will be available at peak times. They are to operate from 3.00 p.m. to 7.00 a.m. seven days a week, supposedly to meet times of highest demand. Six hundred of these are proposed to be introduced over a period of six years. I put to honourable members and to the Victorian public generally that on a Monday or Tuesday night at, say, 9.00 p.m. or 10.00 p.m. there is certainly no peak demand for taxis, and you can get a taxi within a couple of minutes of requesting one.

The concept of providing extra cabs at the real peak times — that is, usually at the time of the grand prix, the grand final or the Spring Racing Carnival — may well be worth exploring, but to put an additional 600 taxicabs on to Melbourne's streets 7 days a week, 365 days a year from 3.00 p.m. to 7.00 a.m. is not an appropriate solution to the problem at hand. It is really like taking a sledgehammer to squash an ant. It is ill thought out and ill conceived. It will create more problems than it will solve because as we know the taxi industry already is finding it difficult to find taxidrivers.

I hope the government is not using this increase in peak taxi licences as some form of de facto deregulation of the taxi industry. I notice in the reform package that the government talked about the fact that it was not supporting the deregulation of the industry. However, I also notice that as a result of this package of reforms the government will be receiving more than $170 million from the federal government as a national competition policy dividend. This government cannot have its cake and eat it too. If it is accepting money from the federal government — $170 million for deregulation under national competition policy principles — it should just come out and say that it is putting an extra 600 cabs on the road in order to get a deregulation dividend. It should not be putting out literature that claims it is not deregulating the industry.

I see this move as deregulation by stealth. I see this as an attempt to destabilise the existing taxi industry. I hope that the government will reconsider its position because it will not advantage passengers, it will not advantage drivers and it will not advantage owners or operators, but it will fill the coffers of this government

to the tune of $170 million. That is probably the real reason we are seeing this reform.

The other major point of concern that has been expressed to me by all sectors of the taxi industry is the introduction of the 20 per cent late-night surcharge for taxi trips conducted between 1.00 a.m. and 6.00 a.m. This measure may be well intended if it is to encourage more taxidrivers to drive at those times. Unfortunately everyone I have spoken to in the taxi industry, from drivers right through to owners and operators, has made the point very clearly to me that it will have the reverse effect because it will price taxicabs out of the range of many people. It will force people who might otherwise have thought of taking a taxicab to jump into their cars when they should not — late a night, appropriately — and could potentially lead to the devastating consequence of an increase in drink-driving and all the problems we know that would cause.

The change will certainly price taxicabs out of the range of many people. It will not encourage taxidrivers to drive when there is less demand. In the end it will mean less money in the pockets of drivers and less money being generated by the taxi industry. It threatens the viability of the industry. It is not a measure that will put more taxidrivers and cabs on the road but will take cabs off the road because there will be less demand for them. It will have the additional consequence of potentially encouraging dangerous drink-driving practices when people who may have contemplated taking a taxi will unfortunately choose to drive when they should not because they cannot afford a taxi trip. It is rare that an industry says to the government, 'Do not increase our prices. Don't increase our fares'. When the taxi industry is shouting from the rooftops, 'We do not want an increase in fares', the government should listen.

I noted with interest the comments made by the Honourable Glenyys Romanes on behalf of the government when she suggested that the government will now remove the late-night surcharge as it applies to country taxi services. If it is good enough to be removed for country taxi services because the government recognises the devastating consequences of such a surcharge, I put it to this house that the government should also reconsider its application to metropolitan taxi services, because the same consequences that are in play in country areas will be in play here in the metropolitan area as well.

It is a good thing that the government is removing the surcharge from country taxi services. I hope and trust it will extend that thought process to metropolitan taxi services as well and that this surcharge will not be applied in the ham-fisted way the government has attempted when no-one in the industry wants it**.** It is illogical, it is badly thought out and it will have potentially devastating consequences not only for the taxi industry but also for safety on our roads late at night if it leads to an increase in drink-driving.

These issues should not be taken lightly. The government claims it has consulted widely on the introduction of these taxi industry reforms. However, we have seen that as soon as the reforms were announced the industry itself condemned them and said they were wrong, they were going in the wrong direction and should not be carried out. I trust the government will listen. The majority of the reforms are not being implemented directly by the legislation and can be implemented by the minister and the bureaucrats away from the scrutiny of Parliament. That is sad and does not give us the opportunity to properly scrutinise the reforms, but hopefully the pressure being applied both here and outside by the industry itself will make the government see the error of its ways.

The only other issue I want to canvas in the short time available to me is the powers of public transport ticket inspectors. I too serve on the parliamentary Law Reform Committee that recently tabled its report on entry, search and seizure powers relating to inspectors generally. I must say that the vast majority of the angst and consternation that we heard from the public in relation to the powers of inspectors related to the powers of public transport ticket inspectors. It is clear, as Mr Brideson pointed out in his contribution, that the major barrier at the moment is cultural. There is a cultural problem with the way the ticket inspectors in Melbourne conduct themselves. It is confrontational and it is not conducive to the public transport users having faith and confidence in them. Coupled with that is the unfortunate difficulty of obtaining a ticket.

Ten or 15 years ago there may well have been a clear distinction between deliberate fare evaders and those who got on a train at an unmanned station and therefore did not have the opportunity to buy a ticket. Today that clear distinction has been blurred because of the problems with the ticketing system. The government has been in power for two and a half years and all it has done is bleat and moan about the system it inherited. It has done little to improve or change it. It is time the government acted rather than complaining, whingeing and moaning. It is a government and should act like one rather than as some sort of third party interest group opposed to the principles of privatisation.

The ticketing system predates privatisation. If it were fixed many current issues with ticket inspectors would

go away, but not all. The evidence I heard as a member of the Law Reform Committee led me to believe that there is a cultural and attitudinal problem. Some may be the fault of passengers but the majority is not. Clause 21 gives additional powers to ticket inspectors so that they can demand verification of names and addresses. It may well work; I hope it does. However, I hope it does not increase the angst, consternation and the current confrontational attitude between many public transport users and the inspectors who police the system.

The example Mr Brideson gave about inspectors in Brisbane suggesting to people who did not have a fare that they buy one immediately is a wonderful example for our ticket inspectors to use as an icebreaker between them and the commuting public of Melbourne. Maybe they should go on a charm offensive. Maybe it is time we went back to tin tacks. It would serve everybody's purpose a lot better if the culture and attitude of inspectors was changed so that they did not confront people or extract fines but encouraged the payment of public transport fares.

I note that the opposition is not opposing the bill. However, I ring the alarm bells loudly. The taxi industry reforms are ill considered, poorly thought out and have been widely condemned by the industry as being less than appropriate, particularly as they relate to the supposedly peak hour services, which should be reconsidered, and as to the 20 per cent late-night surcharge, which clearly will not serve the purposes for which it is intended. Conversely it is likely to drive custom away from the taxi industry and create the associated problem of dangerous driving practices from people who should not be in control of a motor vehicle late at night.

I trust the government will take those concerns on board. It has taken them on board in relation to the surcharge for country taxi services, and I hope it will open its mind, hear the loud concerns that are out there and act quickly to stem the concerns of the people involved.

Hon. R. F. SMITH (Chelsea) — I am pleased to make a contribution to the Transport (Further Miscellaneous Amendments) Bill, which addresses a number of issues that are important to public transport users. They are: reform of the taxi and hire car industry, regulation of cameras in taxis and reform of the tow-truck industry. The bill gives the Department of Infrastructure power to inspect medical records and audit the same when it is in the public interest to do so. The bill clarifies the authority of transport inspectors insofar as it gives them the power to demand the identities and addresses of users who have tickets, and to check whether users have validated their ticket or even have a ticket. As we have seen recently, that can be a contentious issue for users of public transport and clearly must be addressed and tidied up. The way to do that is through proper selection criteria for those inspectors and appropriate training, particularly where they interact with the general public. Finally, the director of public transport will have his or her powers extended by the bill. The bill also amends the City Link Act 1995.

The general thrust of the bill is to control entry into the taxi industry by accrediting taxi depots and communication networks that dispatch bookings on behalf of the industry. Previous speakers have raised a number of issues. I want to concentrate on reform of the tow-truck industry. A review of the tow-truck industry was undertaken as a result of national competition policy. The review was initiated by the previous government and completed by the Bracks government in 2000.

The reform package has now been endorsed and some elements require amendments to part VI of the Transport Act 1983. The reforms include inserting objectives into the relevant provisions of the act, including the protection of consumers when dealing with tow-truck operators — as honourable members know from experience, that can be quite harrowing, particularly at the scene of an accidents — and vehicle repairers, the expedient removal of damaged vehicles from accident sites and the prevention of bad behaviour by tow-truck operators.

The bill removes provisions in the act that regulate the towing of motorcycles not involved in accidents. This will deregulate trade towing, breakdown towing and other towing of motorcycles not involved in accidents. The bill extends the cooling off period from 48 hours to 72 hours, and provides for written waivers for another 24 hours to allow quicker repair of vehicles involved in accidents. It gives power to police at the scene of accidents — I was a little surprised that they did not already have the power — to remove anyone, including tow-truck drivers when they see it is appropriate to do so. As I said earlier, one can just imagine that people at some accident scenes become quite emotional, and with people all over the place it can be quite unsafe. I assumed that the police had the authority to remove people from those scenes; they did not but they will.

The bill also provides for the minister to independently assess proposed towing fees — to determine such fees

or fee increases. The bill will protect consumers. An industry code of practice will be introduced and an operators accreditation review will be developed which will significantly help consumers during times of stress.

The prohibition on touting and drop fees is retained — that is, no touting or soliciting is allowed and there is a prohibition on drop fees. I note there is no opposition to those proposals from anyone, including opposition members and operators in the field. A needs basis will be retained for the allocation of accident towing licences. No-one wants a deregulated industry here. It is obvious that if we have open slather and way too many tow-truck operators they will go back to the bad habits of the past, which did not serve anyone.

Bans on dual tows will stay. It is impractical for people to be allowed to engage in dual towing given there are different customers, different destinations, different repairers, et cetera. Because of the low demand and specialised needs it is felt appropriate to remove motorcycles from this act, and that will be the case. There is reform of the allocation system which has worked wonderfully well to date and which will be improved. One way of doing that is to extend the boundaries, and that is being proposed here. The new boundaries will include the Mornington Peninsula, Cranbourne, Pakenham, Whittlesea and Melton.

Heavy accident towing, trade towing and second tows are to be regulated and open to competition. However, the allocation system is regulated by the Tow Truck Directorate of Victoria, which will transfer to the Regulator-General the power to set fees after January this year. A working group will be established to implement various reforms, like codes of practice. The objectives here are to protect consumers, particularly accident victims dealing with tow-truck drivers and repairers. We all know it is a time of great vulnerability when you are involved in an accident. It will also work to prevent undesirable behaviour by tow-truck drivers and the safe and timely clearance of accidents. Others have already addressed the other aspects of this bill. It is good and timely legislation, and I commend it to the house.

Hon. B. C. BOARDMAN (Chelsea) — The Transport (Further Miscellaneous Amendments) Bill is a fairly complicated piece of legislation that addresses a number of issues contained in a vast number of different pieces of legislation. That in itself causes some complication for anyone who wants to try to cover the varied raft of issues contained in this bill. Nonetheless, I will concentrate on one specific clause. Clause 11 raises serious concern; people in the industries affected by this legislative proposal have written to me and voiced their concerns over it. This particular clause aims to provide the minister with the ability to specify part of a taxi fare as a late-night surcharge.

The bill proposes by way of regulation that the responsible minister — in this case the Minister for Transport — have the ability to implement a percentage surcharge on top of a base fare in a taxicab between specified time periods applying on Friday and Saturday nights. I can understand the arguments and rationale for wanting to go down such a path. During those time frames there may be some disruption to commuters because of the lack of taxis on the road, and this surcharge is seen to be an incentive to drivers to get back on the road, thus providing more cabs and consequently allowing greater service to passengers. However, to go down this path with the figure of 20 per cent, which I understand is mentioned in the second-reading speech as the proposed levy, would cause extreme distress to taxidrivers and a high level of confusion to the passengers.

Can you understand and appreciate that the basic consumer who would be in a taxicab between that period of time is probably someone who has been at an entertainment venue and has probably exhausted all other avenues of transport home. The taxicab becomes a convenient and safe method of transport for such people. But these people, because of the circumstances which have led to their availing themselves of this type of transport, would probably suffer from a degree of confusion. If such a regulation were implemented it would require the driver to remove the existing surcharge that applies during the specified time frame and then add 20 per cent by manual calculation. I am sure the average punter who would be in a cab on a Friday night or Saturday night would not be too happy to know that they have to sit through a process that involves a taxi driver deleting and then adding a percentage to try and work out the final fare.

What smacks of even more hypocrisy with clause 11 is that there is no provision from the government, either by assistance or by regulation, to provide for taxi owners to change or adjust their meters to cope with this new regulation. So all these processes as a consequence of this legislation would be done manually, and that is a fairly unusual situation. I raise that point because of an approach from Frankston Radio Cabs, a private company in my electorate, which is very successful insofar as the level of service it provides to its consumers. It is also quite disciplined in the way it approaches its task. It has a high level of professionalism and its staff are a great team who act as both drivers and administrators.

This company has raised with me some direct concerns over this legislation which stem from exactly the points I have raised — namely, how on earth is it going to be practical in any scenario for a driver to go through such a cumbersome manual exercise in order to police a government regulation? This has culminated in some correspondence I received today, which I intend to quote from. It is an email from the chief executive officer of the Victorian Taxi Association (VTA), Neil Sach, who states:

> It has to be said that the VTA does not support the implementation of a surcharge at this time and certainly does not support the ability of government to interfere in the commercial relationship between taxidrivers and taxi operators. Remember always that a taxi driver is merely renting a licensed taxi vehicle from the taxi operator to carry on his or her profession as a self-employed taxi driver.

That statement rings very true. Although the motive of this legislation is to try to provide some incentive to drivers to get back on the road and have more cabs to service the demand that obviously exists during the relevant period, it in fact disadvantages the owners. According to figures that have been presented to me, some owners would be financially disadvantaged to quite a significant extent.

This proposal comes at a time when radio bookings and demand for taxis have not met the projections made in the last financial year. In fact, figures that Frankston Radio Cabs provided to me show their present business activity to be 12 to 15 per cent less than for a comparable period last year. To go through a process that will cause quite extensive inconvenience to the driver, operator and consumer at a time when demand is not as high as expected is another burden which I am sure this industry could do without.

Mr Sach's email goes on to say:

> As stated, our other concern is that if the current surcharge is removed, the revenue to operators in the 1.00 a.m. to 6.00 a.m. time slot will be reduced by some 5.5 per cent. And, as you know, this is the time slot when taxi vehicles suffer a high level of damage from hooligans either in the taxi or attempting to hire the taxi.

That statement basically explains the difficulties and challenges faced by cab drivers during this time. It is important to realise that their operational expediency must not be complicated in the way this regulation is proposing.

I also have a copy of a letter dated 4 June directed to Mr Stephen Armstrong, the chairman of the Ballarat Taxis Co-op from, Mr Steve Stanko, the director of the Victorian Taxi and Tow Truck Directorate. This letter states:

> Section 10 of the Transport (Amendment) Act empowers the minister to impose a 20 per cent second tariff to operate between 1.00 a.m. and 6.00 a.m. payable directly to drivers, be they bailee drivers, owner drivers or operating under an assignment.

It goes on to say:

> The recently announced taxi reform package will allow drivers to levy the night tariff in the Melbourne metropolitan and outer suburban taxi zones. There is no intention for this tariff to apply in country-urban country areas, where demand can be met with current taxi fleets.

So far as I am aware through the evidence I have submitted to this house and because of the forecast figures not being met by Frankston Radio Cabs, demand is certainly being met with supply exceeding demand in most cases. There is, therefore, no need for the Victorian directorate to go down this path. In Frankston the situation is working quite adequately.

Mr Kevin Dunn, the director of Frankston Radio Cabs, replied to Mr Stanko and stated:

> We have not recovered from the major increases of two years ago, with current bookings well down over that period.

He goes on to make a number of salient points to confirm his argument. The message that I want to make loud and clear to the government is that it must come up with some real justification for such an action.

I have had a very good relationship with Frankston Radio Cabs. It is an integral part of the Frankston community, not only providing a great service by way of involvement with its business but also providing a number of philanthropic grants to a number of community groups. The company is not just about servicing the community with a business but about servicing the community through ancillary services above and beyond expectation.

To deliberately go down a path, as this government intends, to disadvantage this company further will have a profound effect on the Frankston community. It is my heartfelt plea that the government review its decision.

This afternoon I received a copy of a petition sent by Frankston Radio Cabs to Mr Stanko. I wish only to refer to it at this stage, but I will read it into the record. It states:

> We the undersigned ask that you do all in your power to have the outer-suburban taxi zone exempted from the provisions of section 10 (amendment) act. This section imposes a 20 per cent loading on fares between 1.00 a.m. and 6.00 a.m.
>
> The country-urban areas have already been exempted. This loading will adversely impact on the livelihood of all

operators at Frankston Radio Cabs Pty Ltd as it has the potential to further erode already depleted client numbers.

A number of names, addresses and signatures follow. I am happy for any member of this house to examine the petition. It has validity and is quite relevant.

Clause 10 needs to be reviewed in the case of Frankston Radio Cabs. This integral part of the Frankston community, a business which has been going on for a number of years, cannot be jeopardised by overt and unjustified government regulation.

I will be asking further questions during the committee stage, but I ask the Minister for Energy and Resources to consider this request, and as a matter of urgency to make inquiries of her colleague to try and turn this unjustified situation around.

Hon. G. R. CRAIGE (Central Highlands) — At the outset I say that the opposition does not oppose the Transport (Further Miscellaneous Amendments) Bill. For those members who can remember, the bill clearly is an omnibus bill. I have had a long association with the taxi industry, whether it be with taxi operators, drivers or the people employed at the Victorian Taxi Directorate, and prior to that Vicroads.

The Victorian taxi industry has been through many changes over the years, none so dramatic as during the Kennett period. I congratulate the government for continuing to review the taxi and hire car industry with the mission always being that it is about serving the public and ensuring that the industry is seen as an important part of Victoria's public transport network.

I wish to make only a brief contribution this evening concerning taxis and hire cars in particular. The bill encompasses many other areas which have been adequately dealt with by other speakers on both sides of the house. It has been recognised that a part of the motivation for the reforms and the considerable work that was done with respect to the taxi and hire car industry prior to the 1999 election was to meet the requirements of the competition policy payments. A committee established by the former Kennett government did considerable work to ensure that the taxi and hire car industry would change in a competitive fashion so that the Victorian payments were not jeopardised. Clearly, those changes can be seen as facilitating Victoria, the Victorian industry and the Victorian government's requirement to meet the competition payment policy. I could be cynical and say it has gone on a little further while the cash cows come home with $170 million.

I also note that this legislation provides for a deregulation of the hire car industry, and a one-off payment will be required by individuals who want to obtain one of those licences. My understanding is that this payment will be assessed on last year's value, which is around $55 000. As I understand it that money will go directly to the government, giving it additional income.

History throughout the rest of the world tells us that if a regulated system for the hire car industry is removed, we will end up with a significant amount of chaos. We also end up placing public safety at risk. The experience in London is clear, and measures to reregulate part of the hire car industry there are being considered.

The public interest test is removed from the legislation, so there is an as-of-right entry to the industry. However, the bill still has provisions regarding probity and requires licence-holders to be fit and proper persons. The government is to be commended for keeping in those provisions. The thing that concerns me is that the hire car industry in this state has a significant reputation, and I would hate that to be dented. Under these changes a wider range of vehicles will be allowed to operate, which is expected to improve access in the industry.

I would like to tell the community, taxi operators, taxidrivers and people who currently have hire car licences that with a lessening of the standards of vehicles and the as-of-right entry into the market, their livelihoods will be even more at risk than they are today. There will be more competition and undercutting of the current arrangements. The hire car and taxi industries were told in no uncertain terms that if they did not accept the changes, the legislation would go through anyway, so there was no point in arguing against it.

I believe there is a real problem in respect of the standards. The government should be put on notice by the Victorian public. It should be told that the public will be watching the impact of the new competition with its wider range of vehicles. Hopefully, with all the checks and balances in place, the public will be served well by the new system, but I have grave doubts about that.

Driver training is fundamental. I sincerely hope that we do not return to the bad old days. During the early years after the Liberal Party came to government in 1992, the taxi depots did the training and people were able to buy licences. In fact, an individual who worked for one of the taxi depots was found guilty of this offence. I hope that the government and the taxi directorate are ever

vigilant. I do not want to look back in five years from now and see that this is still happening. I hope that all the checks and balances are in place to prevent drivers from being able to buy licences rather than having to go through the proper channels. That is an issue which I hope the government continues to audit.

The changes can and should succeed in providing more taxis for passengers at the times they most need them, but it requires a will by government, the Department of Infrastructure and the taxi directorate to ensure that those taxis are out there providing the service to the public during the period they say they will be on the road. The first test should be that every one of the 100 taxi licences that are released each year over six years should be tagged in such a way that the directorate knows the times of operation of every one of those cabs, from the time they are designated to commence and cease operation. If that is not done then this bill is for nothing.

I know the government and the directorate are well aware that there are issues not only affecting drivers and their availability but also of taxi owners who do not want to operate cabs at certain times. It is difficult to enforce taxi licence operators to be on the road when they should be, which is a real issue. On a Friday, Saturday and Sunday night taxicab owners will make a choice that they do not want their taxis to be on the road because of the risk factor; therefore the number of cabs on the road decreases.

I sincerely hope the new taxis and plates that will be issued will be a check and a balance. I have read all of the accreditation issues, and if the depots and owners can get away with it they will. There is no doubt that the folklore, the intrigue and the personalities in the taxi industry are as alive today as they were yesterday and the day before. There are those who will always put governments to the test with respect to the taxi industry.

Other honourable members have covered the surcharge issue, driver availability and cameras. I am a little disappointed with the camera issue; their implementation has taken a lot longer than it should have. I wonder what happened to the intention of the Kennett government to put on the road 100 new ‘people movers’ at a cost of $60 000 per vehicle. In that way $6 million would have been specifically earmarked for the installation of cameras. Members of this chamber today would know that is a fact. Some of them were a part of that conversation and they were willing to ensure that was a real outcome so that the public could get security, drivers could get security and there would be no direct cost to the public or to the taxi owners and operators.

It did not happen, and that is sad, but history will show that somewhere along the line there was a clear intention of the Kennett government that that $6 million would have paid for those cameras. Instead of that, there has been a fare increase of which a percentage has been allocated to the installation of cameras which the public has paid for and will continue to pay for. It is an issue that has not yet been resolved. It is a sad day that it has not been resolved. I can only hope that it is resolved sooner rather than later.

In conclusion, I wish the government well with its changes; I wish the taxi operators and owners and depots well; and I also wish all the hardworking dedicated taxidrivers well, whether they be taxi operators and drivers in the metropolitan area or country Victoria. I wish them well with the outcome. I hope the government has listened to the contributions made by opposition members and that when it analyses these measures a year hence it will make additional changes that need to be made. We should never be satisfied and just move on in respect of this industry, be it the taxi or hire car industry. We should be prepared to make changes no matter what. It is not an admission of doing something wrong. As the Honourable Barry Bishop read from a letter, changes were made after representations by country operators, the Victorian Taxi Association and others in respect of the 20 per cent surcharge, together with other changes the government was willing to make.

I hope the government is willing to continue to make changes so that the industry can still hold its head high and as one which has made a significant contribution to public transport in the state. It has truly done that from the days of the Hackney cabs, of which I do not think any honourable member in the chamber can remember; but it has a long history, one which is proud. I say to the industry and the government, ‘Good luck’. The opposition does not oppose the bill.

Hon. K. M. SMITH (South Eastern) — I rise to make a contribution on the Transport (Further Miscellaneous Amendments) Bill, and express concern about some of the proposed changes to the taxi industry. Like Mr Craige, my involvement with the taxi industry goes back some time as chairman of the former Crime Prevention Committee. Our first inquiry in 1992 was about the safety aspects of the public transport system, and the taxi industry was an addition to that inquiry when a taxidriver had been murdered. It was up to our committee to get a greater understanding of what the taxi industry was about, which we did. We tabled our report, I think, in 1993, and from that a large number of changes took place, in particular changes during the Kennett government era by the then

parliamentary secretary for roads, the Honourable Geoff Craige.

With that background, I have some understanding of the taxi industry and the concerns of the people who operate it. There has been a wonderful improvement from what it was in the past. It has changed from being a part-time job into a profession, something the old-time taxidrivers talked about.

I will raise a number of concerns that had already been expressed and hope at some stage there will be an appraisal of the changes, and if certain aspects are not operating properly they will be adjusted. The government is looking to set up another 600 taxis in the industry on what will be called time licences. Originally it was agreed with the taxi industry there would be only 300 of these implemented, but the government has decided to go overboard and make it 600. I would like to know where the industry will get the drivers from? The taxi industry is now crying out for competent and good drivers, people who can be trusted and who have a knowledge of the area in which they will be driving. You do not want to catch a cab at the airport and find that the taxidriver has a *Melway* on his knee because he does not have a clue where Frankston is and has to read the *Melway* as he drives along the Tullamarine Freeway. That happens so often, and it always worries me.

I caught a cab from Parliament House to Tullamarine one day and I had as a driver a gentleman who I do not think could have been in the country very long. I am not sure how he could possibly have been in a position to go through the proper driver licence testing — and this is in the time since Mr Craige implemented important changes.

Hon. B. C. Boardman — He thought you were Russell Savage.

Hon. K. M. SMITH — He may well have thought I was Russell Savage and wanted to go to Mildura. But the fact was he did not know the way to Tullamarine airport from Parliament House and that gave me a great deal of concern, I can assure you. That was the quality of one of the drivers that I have found. It is not as if Melbourne is the only place this has happened. I heard Sydney mentioned before, and I can remember going to Sydney as part of a parliamentary committee that was investigating the taxi industry. At the airport we grabbed about four cabs — the number needed to accommodate those who were travelling with us and all our baggage.

We were going to Woolloomooloo, which is not such a difficult place to find, but the cab I was in arrived in the middle of Kings Cross. The gentleman who was driving the cab did not have a clue where Woolloomooloo was. We told him to turn off the meter — not wanting to put Parliament to too much expense — as it was running quite high and suggested he look in his *Melway* — or *Sydway*, as I think it is up there — to see where the dickens he was. It turned out Woolloomooloo was just down some steps, but it was down steps that ran for about 2 kilometres. So he was not too far out of the area, it was just that we were not prepared to drag our bags that far, and whilst the meter was still turned off he managed to find his way to our hotel at Woolloomooloo. The other taxis arrived at different stages of the day over about the next hour to an hour and a bit. The poor cabs eventually got to where they were going and we all had a big laugh about the taxi industry we had come up to investigate and how wonderful they were at finding their way around Sydney.

Hon. D. G. Hadden — Was that in the report?

Hon. K. M. SMITH — I think it was in the report, yes.

I must say we were pleased to get back to Melbourne after that. We had gone on to Brisbane, which was quite good, then back to Melbourne. We were actually driven from Tullamarine back to Parliament House, which was quite a thrill for us I can tell you.

But I have concerns about the quality of the drivers and where the government is going to get 600 new drivers. It will probably be more than 600 because the proposal is talking about a time which will run from 3.00 p.m. to 7.00 a.m., which is probably a little bit more than one shift. I would imagine they will probably be looking for 800 or 900 new drivers and I do not think they are going to find them. That will devalue the current taxi licence and cause some grief to the taxi owners who have put a lot of time and effort into getting their businesses and getting them to work properly.

The fares increase will also cause some grief for the taxi industry. People complain now about how much it costs to get a taxi. A brochure or leaflet I have is being handed out by taxidrivers around Melbourne now. It says:

> Fares to rise 20 per cent under proposed Bracks government taxi reforms. Premier Steve Bracks and Transport Minister Peter Batchelor are planning to introduce a range of reforms in the taxi industry. Passengers will be worse off. Drivers will be worse off. Owners will be worse off.

I am wondering who the dickens is going to be better off because of these reforms of the taxi industry. One must question that because fares are going to jump by 20 per cent. I would also like to know, and the minister may be able to help when moving the third reading, what will happen to the $176 million paid by the National Competition Commission to the Victorian government to implement the changes to this industry? I think the $176 million will go into consolidated revenue, so it will be a nice cash jackpot for this government. The drivers themselves will struggle to earn a living, as passengers will soon choose cheaper transport options.

Another part in the second-reading speech concerns me a great deal. It is where it talks about small commercial passenger vehicles. I do not know what small commercial passenger vehicles could possibly be. Will they be small vans? Will they be small cars? Will they offer cheaper fares because they do not have the same costs and expenses? I would be grateful if the minister could answer this at the third-reading stage.

I know of the competition in some overseas countries where different taxi companies compete against one another and there are different standards of taxis. If you have ever been to London you will know of the black old-style cabs, but there are also minicabs that run around in England. It is only a matter of ringing up to get a minicab to come. They are cheaper, they are faster and they are more modern cars. I wonder whether the additional 600 small commercial vehicles will become like the minicabs of London, which would cause huge damage to the taxi industry here in Victoria.

I conclude by saying that I have some concerns. Taxidrivers also have some concerns and they say no to the Bracks government's devastating taxi reforms. If the passengers will be worse off, the drivers will be worse off and the owners will be worse off, I wonder whether these additional taxi reforms will be advantageous to the people of Victoria.

The ACTING PRESIDENT (Hon. G. B. Ashman) — Order! The question is that the bill be now read a second time. I am of the opinion that the second reading of the bill requires to be passed by an absolute majority. I ask the Clerk to ring the bells.

Bells rung.

Members having assembled in chamber:

The ACTING PRESIDENT (Hon. G. B. Ashman) — Order! The question is that the bill be now read a second time. I am of the opinion that the second reading of this bill requires to be passed by an absolute majority. In order that I may ascertain whether the required majority has been obtained, I ask members in favour of the question to stand where they are.

Required number of members having risen:

Motion agreed to by absolute majority.

Read second time.

Third reading

Hon. C. C. BROAD (Minister for Energy and Resources) — By leave, I move:

That this bill be now read a third time.

In doing so, I wish to respond to a matter raised in the second-reading debate. In response I indicate that the bill allows the minister discretion via the imposition of licence conditions to vary the application of the late-night tariff. The implementation committee working on the taxi reforms will consider the situation of Frankston Radio Cabs. This will enable the minister in making his decisions to consider this matter.

Hon. K. M. Smith — On a point of order, Mr Acting President, I asked a couple of questions that I would have liked the minister to answer during the third-reading stage. I wonder if she could give me some answers to the issues I was asking about.

The ACTING PRESIDENT (Hon. G. B. Ashman) — Order! You might need to repeat that; I think people were having difficulty hearing your question.

Hon. Bill Forwood — You had better say what the issues were.

Hon. K. M. Smith — One of those issues related particularly to what is classified as a small commercial passenger vehicle.

Hon. G. R. Craige — Describe it.

Hon. K. M. Smith — How would the minister be that? I am just trying to remember. The papers I had have gone now, but that was one of the issues I raised that I would like an answer to.

The ACTING PRESIDENT (Hon. G. B. Ashman) — Order! This is a little out of order.

Hon. K. M. Smith — It is just that we could have gone into committee, that is all.

The ACTING PRESIDENT (Hon. G. B. Ashman) — Order! I will allow the minister to further respond if she seeks to do so.

Hon. Bill Forwood — By leave?

The ACTING PRESIDENT (Hon. G. B. Ashman) — Order! By leave.

Hon. C. C. BROAD (Minister for Energy and Resources) — (*By leave*) I am advised in response to that matter raised in the second-reading debate that the definition is a vehicle with 12 or fewer seats.

The ACTING PRESIDENT (Hon. G. B. Ashman) — Order! The question is that, by leave, the bill be now read a third time. I am of the opinion that the third reading of this bill requires to be passed by an absolute majority. I ask those members in support 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.

Sitting suspended 6.22 p.m. until 8.04 p.m.

CASINO (MANAGEMENT AGREEMENT) (AMENDMENT) BILL

Second reading

Debate resumed from 30 May; motion of Hon. J. M. MADDEN (Minister for Sport and Recreation).

Hon. ANDREW BRIDESON (Waverley) — The Casino (Management Agreement) (Amendment) Bill is a short, specific piece of legislation that was extensively debated in the other place. No fewer than 14 speakers spoke during the second-reading debate, with 7 from the Liberal opposition, 1 from the National Party and 6 from the government, including the minister. No Independent spoke on the bill. I am setting the scene that this could be a relatively short debate, although I do not know what my colleague from the National Party is going to say. He will get his chance in the fullness of time.

The principal purpose of the bill is to ratify the seventh deed of variation to the management agreement for the Melbourne casino. It is well known that the opposition does not oppose the bill, which could be renamed the Lyric Theatre (Abandonment) Bill. The deed variation provides for Crown Casino to be released from its contractual obligation to build the lyric theatre. The deed variation details are contained in clause 6 which inserts schedule 8 into the Casino (Management Agreement) Act 1993. The clause sets out in great detail the provisions of schedule 8 entitled 'Seventh deed of variation to the management agreement Melbourne casino project'. I do not propose to put the detail of the schedule into the record because it is set out in the bill from pages 3 to 9.

While the opposition does not oppose the legislation, it has an enormous number of concerns and I want to spend some time putting those concerns on the table. The first concern is how was the payment figure of $18 million decided? We would like to know what negotiations took place. We believe Parliament and the people of Victoria are entitled to know all the details and what went on in the negotiation process. The previous deed of agreement which passed through this chamber in 1996 stipulated that Crown Casino was obliged to build the second hotel tower as well as the lyric theatre, which was going to have 1800 seats and was to be completed by November 1999. If it was not completed Crown had to pay liquidated damages of $50 000 per day. When you multiply that by 365 days it comes to some $18.25 million per annum.

In 1998 I am advised that arrangement was changed to extend the deadline to 30 November 2003. This was done on the advice of the Victorian Casino and Gaming Authority. We would like to know when the deed was put together why the authority did not give any advice and nor was any advice sought by the government. It seems strange and curious to us that this was not done. The second concern I raise is whether there is any interest component in the $18 million that is to be paid. The $18 million, according to the deed of agreement, is to be paid in six instalments of $3 million each. It appears there is no interest penalty payments involved in that. One would have thought if the government were a smart negotiator and was trying to do the best it could for the people of Victoria, interest may be charged on the outstanding balance after each instalment is paid, but we do not know the details.

Hon. R. F. Smith interjected.

Hon. ANDREW BRIDESON — We really think, Mr Smith, that you could have been smarter in negotiating this deed.

The third concern I raise is whether the figure was discounted because of the close relationship that now

exists between the government and Crown Casino. In all the debates we have had since 1992 the Kennett government has been pilloried by government members, particularly the now Attorney-General. He maintained he had so much evidence it would be possible to run a royal commission to get to the bottom of all the negotiations and dealings that went on between Crown and the Kennett government. At the end of the day the royal commission did not get off the ground and no evidence could be found of any wrongdoing. The opposition would like to know whether as a result of this cosy relationship any special deals were done. The only way we can convince the people of Victoria is for the government to come clean and tell us what went on behind the scenes.

Another concern I have is why the Auditor-General and, as I mentioned before, the Victorian Casino and Gaming Authority were not involved? Surely it would have been of great assistance to the government to have had the Auditor-General sign off on the agreement and for the advice or expertise of the independent VCGA to have been used. The opposition is concerned that there has been no public scrutiny of these negotiations. On assuming office, after the agreement had been signed with the Independent members of Parliament, the government claimed to be open and accountable, but this is another exercise where no openness or accountability is displayed.

A further concern of the opposition in relation to the $18 million payment is whether it is subject to tax relief. Is the payment to be treated as a donation? What concessions did the government give to Crown? We do not know and we would like to know. The opposition will pursue these issues in the coming months and years until we find out. No doubt we will put in some freedom of information requests. The minister was confronted by the Public Accounts and Estimates Committee.

Hon. R. M. Hallam — He attended the committee.

Hon. ANDREW BRIDESON — I am advised by Mr Hallam that he attended the committee meeting and the visit by the minister to the PAEC raised more concerns than anything else. We are worried that the minister is not on top of his portfolio. I am told that he could not even answer the most basic of questions. He did not know who negotiated the outcome on behalf of the government. It seems extraordinary that a minister of the Crown could not supply an answer to a very simple question. He did not know how the figure of $18 million was arrived at and he did not understand the term 'net present value' of the $18 million.

In clause 4 of the agreement entitled 'Payment to the State', paragraph 4.4 states:

> This clause 4 and clauses 5 and 6 are not conditions of the Casino Licence and their performance is not to be taken into account in the regulation of the Company under the Casino Control Act 1991 or the Casino (Management Agreement) Act 1993. Any breach of these clauses will not be taken to be a breach of the management agreement and in particular for the purposes of clause 25.2 of the Management Agreement.

This is unlike previous provisions in previous agreements where a breach could have led to the cancellation of the licence. One wonders why the government was not strong enough to negotiate a more positive outcome for the Victorian people. In our view this has clearly been a win for Crown's negotiators.

Clause 5 of the deed is entitled 'Alternative Project'. Paragraph 5.1 states:

> The Company agrees to construct or procure an alternative project the nature and the timing of which is to be determined at the sole discretion of the Company. The Company, at its cost, shall be solely responsible for obtaining all permits and approvals necessary for such alternative project.

What alternative project is Crown to provide? Paragraph 5.2 sets out that it will be to the value of $42 million, as determined by a quantity surveyor on 9 March 2001. The nature and the timing of this project is to be determined at the sole discretion of the company. It seems a very one-sided contract. Crown has agreed to build or buy something. We do not know which, but the alternatives are set out in the deed. It will build or buy something the nature and timing of which is to be determined at the sole discretion of the company. It is just amazing that this agreement is so open ended. To our way of thinking the alternative capital project could include the second hotel tower, which I believe is currently proceeding. We do not know that, although it is something the opposition would dearly like to know.

The plans for this second hotel are available for public viewing in the library. As I said, the opposition finds that this agreement is just extraordinary. It does not indicate specifically what is to be purchased or constructed; there is not even a rough outline in the bill. What is even more extraordinary is that there is no time commitment — it is totally open-ended. To top it all off, there does not seem to be any penalty clause for non-completion of whatever this project might be.

As I said at the outset, this bill raises many concerns and leaves many questions unanswered. In fact I do not think it answers any of the questions. The opposition will watch very closely the events surrounding the

developments emanating from the passage of this bill. We do not oppose this piece of legislation.

Hon. R. M. HALLAM (Western) — I am pleased to have the chance to talk about the Casino (Management Agreement) (Amendment) Bill. I begin by making the point that this bill is to me the absolute embodiment of the old maxim that in politics timing is everything. How fortunate is Labor?

Hon. Kaye Darveniza — Lucky!

Hon. R. M. HALLAM — Lucky. How fortunate is Labor?

Hon. J. M. Madden — Very fortunate!

Hon. R. M. HALLAM — Very fortunate indeed, Minister. Labor now negotiates an $18 million compensation package to release Crown from it is its commitment to build the lyric theatre on Southbank and at the same time establishes a substantial pork barrel from which to gladbag its way around the arts community over the next few years. That is a terrible mixture of metaphors, I admit, but it is pretty close to the truth.

Can this be the same Labor Party which from opposition vilified Crown Casino and everything it stood for, particularly the principals, Lloyd Williams and Ron Walker? Can this be the same Labor Party which from opposition complained that the whole casino contract was driven by mateship because Premier Kennett happened to know the two principals, Ron Walker and Lloyd Williams?

Hon. Kaye Darveniza interjected.

Hon. R. M. HALLAM — I am pleased to get the verification, and it just so happens that Ron Walker was the federal treasurer of the Liberal Party. Can I make the point that I personally remember very well that the then shadow Attorney-General, the Honourable Rob Hulls, impugned every facet of the deal about the casino. He even attacked the integrity of the then chairman of the Victorian Casino Control Authority, Mr John Richards. I want this on the record: I have the greatest of respect for the memory of John Richards, who is sadly no longer with us. But the shadow Attorney-General went after John Richards and did everything he could to destroy the integrity of a man that his party had in fact appointed to the position under the previous Labor administration.

Remember in this chamber the incessant tirades from the Honourable David White, the almost weekly attacks on the minister at the time, the Honourable Haddon Storey, QC. I also remember the attacks that were headed in my direction when I assumed the role of Minister for Gaming in April 1996. So can this be the same Labor Party; can it be the same people?

Is this the same party which in opposition convinced the Victorian community that the Kennett government had manipulated the tendering process in respect of the casino and that it had done so on the sole grounds of mateship? Is this the same Labor Party that promised from opposition that on coming to government it would conduct a royal commission into the tendering process to establish the truth? It went out in the marketplace and promised a royal commission. That is how much it had been convinced that the process was inappropriate!

Can this be the same Labor Party which in opposition criticised the government's reliance on the gambling dollar? How many times did we hear that? Again and again. It was a tirade every time the Legislative Council met. This is the same Labor Party which convinced the Victorian community that the Kennett government was living off the earnings of the problem gambler who was pathologically attracted to the terrible device called the electronic gaming machine. As an aside let me remind honourable members that it was in fact Labor which introduced electronic gaming machines to our community!

Hon. P. A. Katsambanis — You tell them, Mr Hallam.

Hon. R. M. HALLAM — I will indeed, Mr Katsambanis. Thank you, I need your support. Is this the same party that gave the specific commitment from opposition that it would reduce government's reliance upon the gaming dollar? Is it the same party which produced the policy document entitled 'Responsible gaming'? Here it is, with the Australian Labor Party emblem on the top, and it is not all that old, Mr Forwood. It was released just before the last election, just before the Minister for Sport and Recreation arrived, but it committed the government to a whole range of fundamental principles. This is the thesis upon which the minister was elected; these are the principles to which Labor committed itself from opposition before the minister arrived. I was a member of this place when Labor gave these commitments. The advantage I have over the minister is that I remember what those commitments were. I was here; I lived through them. What Labor said in respect of gambling was that it would:

> Outlaw inappropriate political involvement with the gambling industry.

Has the minister lived up to that one? I am sorry, we cannot get silence on the record. Labor said it would:

> Insist on better disclosure of political donations by owners and operators.

Has the minister lived up to that one? Again comes the stern reply of absolute silence. Then at page 14 of the document — I am pleased to have the chance to remind the Minister for Sport and Recreation of this — is the commitment that the minister's party gave in advance of achieving government:

> Mr Bracks said that Labor would kick Crown Casino out of the government bed and establish an arms-length relationship based upon responsible gaming policy.

Does the minister recall that at all? No, of course he does not. I will help him out. Whether he remembers or not, let me say he certainly has not lived up to it. Then Labor gave us this gem:

> Victorian Labor wants a gaming policy that works for all Victorians and not only for the Premier's mates in the gaming industry.

Does that not have a particular ring? Does that not strike a chord in the current circumstances? 'We want a gaming policy that works for all Victorians and not just for the Premier's mates' Oh, we might come back and revisit that! How absolutely prophetic. How is that for the pot calling the kettle black in the context of the bill before the chamber? How the wheel has turned!

Hon. Bill Forwood — You are not enjoying this much!

Hon. R. M. HALLAM — Mr Black Adder, how the wheel has turned! The problem in all this — —

Hon. Kaye Darveniza — Do you have a cunning plan?

Hon. R. M. HALLAM — I got there before Ms Darveniza because I remember the facts. The honourable member will not pull the swiftie on me because I was there before her. The problem is that Crown Casino was bought by Publishing and Broadcasting Ltd and is now controlled by the Packer group. Lloyd Williams and Ron Walker have gone and Labor has now befriended Kerry Packer. So we still have mates in the same seats, they just happen to have changed chairs.

Hon. P. A. Katsambanis interjected.

Hon. R. M. HALLAM — Mateship at least to the extent of the much publicised donation of $100 000. How is that for mateship? I ask the minister: why shouldn't we in opposition run exactly the same line that we were tormented with when we occupied the government benches? I get a silent nod. Let that be shown in *Hansard*.

Hon. J. M. Madden — No, it was a wry grin!

Hon. R. M. HALLAM — Are we not entitled to run the same argument? What delicious irony that the wheel has turned full circle — and not 180 degrees; we have gone 360 degrees.

What happened to the royal commission we heard so much about when we were in government? When the Bracks government came to power it rushed off to expose all the so-called mateship deals and all the flaws in the tender process we have heard about. It sent in an investigative journalist and gave him three weeks start. He was given access to all the records, and guess what he came up with? Not one single scrap of evidence that there was anything untoward with the tender process. They went through the records with a fine toothcomb and they came up with zero, zip, absolutely nil! Then the question of the royal commission just passed into the night. We heard no more.

Labor made the challenges from the comfort of opposition. It had the opportunity to prove all its challenges. If it could not, then it should at least do the decent thing and offer an apology. We got no apology, just dead silence; no royal commission, no apology.

When I was challenged as the new Minister for Gaming — before the Honourable Justin Madden arrived in this place — I said on the public record that I had looked at the tender process and had concluded it was pristine. I was proved right. The events that unfolded after the change of government have proved that beyond any doubt. Can this be the same Labor Party that was so vociferous in opposition?

I have another example. We heard all the claims from Labor in opposition about the government's reliance on the gaming dollar. We heard it again and again, every day. It became almost nauseous. But despite all the hyperbole, and all the claims about the promotion of responsible gambling, let's look at the facts. The facts are that after two and a half years of a Labor administration the revenue from gaming in this state continues to climb. It has not moderated; it has not fallen. Despite all the claims about responsible gambling and reduced reliance on the problem gambler, this government still expects the revenue to climb.

If it was honest it would provide a chart to show what the comparisons are, but it is so embarrassed about this reality of tax revenue that it resorts to trickery — smoke

and mirrors. It deletes the GST, takes out the health benefits levy, takes off the new licence fees, gets the best possible spin on the comparison; and forgets to mention that one of the first things it did when it came to power was introduce a brand new form of gaming, one that the Honourable Justin Madden is very familiar with, and I know embarrassed about. It set about trying to capture the sweeps from the tearooms across the state. It tried to get its sticky fingers on the Australian Football League sweeps that are conducted in each of the corporate tearooms, leave aside the question of the new tax rates.

My point is that the Labor Party does not come to the question of the lyric theatre with clean hands — anything but. The facts are that it cannot wait to pick up the additional $18 million that is swinging from the proverbial tree, even though it must now acknowledge that it has been derived from the same gaming industry that it said it would be less reliant on once it came to government. It is the monumental hypocrisy that gets me. I expect better standards from most people. I even expect better standards from those who claim to be members of the Labor Party. It is that terrible hypocrisy that leaves me speechless.

What is worse, in my view, is that when all the hyperbole and rhetoric is stripped away you find that this Labor government justifies its clipping of the $18 million on what it sees as its responsibility to claim the benefit available for the Victorian community. It says, 'This is all right, we are actually out there picking up the $18 million to benefit Victorians'. If it is all right now, I ask the government to tell me what is different between what it is doing today and what we were doing in government in the previous administration?

The difference is that at least we were honest without all this piety we hear from the Labor government today and the notion that it is somehow helping the problem gambler. At least we were up front and said to Victorians that if they wanted to be involved in this industry, if they wanted to put their hard-earned on the line, they should understand that we would guarantee they get a fair shake, that we would look after those who could not look after themselves, but beyond that, when the dollar goes on the line, we want our share for the public purse, with no apology. It is all the doublespeak we hear from the other side of the chamber tonight which I find nauseous because at the same time we are getting all this professed piety we also note that Labor is reaping the increased tax take.

I will spend a moment or two dwelling on the interesting history in respect of the lyric theatre. I begin by pointing out that Lloyd Williams, who was the principal of Crown, absolutely lived the casino complex. He did not just get involved in its construction, he lived it. I remember going to his office on a number of occasions to find him involved in things such as the selection of taps. Lloyd Williams was involved in all aspects of the development. He was involved in all the minute detail. He was a perfectionist and was not afraid to change things on the way. In fact, the construction principal was on occasions seen to be tearing his hair out because Lloyd Williams would want something changed even after it had been constructed.

Beyond that, as minister I had to contend with the fact that Lloyd Williams was not able to come to grips with the political trauma which was associated with a change in the management plan. His view was, 'Look, this thing is great for Victoria. We are putting private money on the line. Why would anybody want to oppose us?'. He could not comprehend why there were critics in the wings. He did not understand the political process. He did not know why it was that Labor was belting him at every turn, because he kept going back to the basics, saying, 'We are providing jobs in Victoria; we turned a dump site on the south bank of the Yarra River into a pristine property; we are turning around the history of the Yarra River'. He could not understand why Labor was so opposed to what was taking place.

The reality was that every time we brought a change in the management plans to the Parliament we got belted mercilessly by Labor. It ran all the old mateship lines again, and I remember it very well indeed. I lived through it; I heard all the nauseous arguments. The thing that really got to me was the thesis that was promulgated by this mob when in opposition. Its line was, 'Never mind about the truth. If you repeat the story often enough people will begin to believe it'.

Hon. N. B. Lucas — The big lie!

Hon. R. M. HALLAM — It ran the big lie! This became the mantra that somehow this was public money going into the site on Southbank. The thesis was that if you repeat the lie often enough people will come to believe it. When Lloyd Williams decided that the original hotel tower would not accommodate the projected patronage even after it had been extended a couple of times he decided that he must have a second hotel tower. That is mentioned in the second-reading speech but it is something of a misnomer because the second hotel tower included 485 suites — nearly 500 suites in what has been dismissed as a second hotel tower. Then he said, 'We want a lyric theatre included, and not just your average run-of-the-garden, everyday variety of lyric theatre. I want one that can accommodate 1800 paying patrons — with 1800 seats'.

It takes your breath away. That was after his organisation had put many millions of dollars of private funding on the line.

I persuaded Lloyd Williams that if there were going to be another round of mateship claims from Labor in opposition there had to be a penalty. I said, 'If we are going to change the plans again we have to have something for our corner because we know we are going to be belted by Rob Hulls and his henchmen in the Assembly'.

Hon. N. B. Lucas — The boy!

Hon. R. M. HALLAM — The bully boy from the Assembly.

I said, 'And we know we are going to have to run the gauntlet of Mr Theophanous and the others in the chamber here'. Eventually the deal was done that there was to be a penalty on the completion of that project of the second hotel tower and the lyric theatre — and it was not small bickies. The associated outcome was liquidated damages of $50 000 per day. As the person who negotiated that deal I can testify that there was some very interesting background to it. But the bottom line tonight is that without that deal the government today would have no leverage whatsoever and this bill would be dramatically different, and it would be nice for someone on the government benches to acknowledge the advantage of the deal done in advance of their ascension to the Treasury benches. They dismissed it, and that is unbecoming.

What we have tonight is hardly a product of Labor's good business administration. It is not that at all! There is nothing smart about the deal done by the new Minister for Gaming; in fact he did not do it but there is nothing smart about it. It is simply a product of the exit clause — the release clause — that was negotiated in the previous contract in advance of the change of government. When the Asian economy collapsed, which we recognise now is part of our economic history, Crown quite predictably sought an extension of the completion date. It is very important to note, and I can tell you that at first hand, that Crown did not come to the government of the day, to the minister directly involved, but was required to go to the Victorian Casino and Gaming Authority. It was that independent authority that negotiated the extension of the completion date. It had nothing to do with Spring Street.

Hon. Bill Forwood — Is that how it still works?

Hon. R. M. HALLAM — Thank you, Mr Forwood, for the reminder. I want to come back to that.

The extension deal was structured with the completion date no longer written in as November 1999 but extended to 2003 — an extension of four years. It just so happened that the Auditor-General, God bless his little soul, decided to offer an opinion as to what that was worth, and he tabled it in this place. He said, 'I think the extension of four years on this completion date is worth $73 million' — in 1998 terms — and Labor had a field day! It ran the argument again that here was more evidence of the Kennett administration simply acknowledging its responsibility to its mates, notwithstanding that the extension deal was negotiated with the authority at arm's length. It said this was the evidence of another deal done for mates. I want to come back to that, and I hope Mr Madden will understand the significance of it when I do.

In the interim the musical chairs have changed and Crown is no longer controlled by Lloyd Williams or Ron Walker or their investors but is now part of the Publishing and Broadcasting Ltd (PBL) stable. It is owned by Kerry Packer — and doesn't that change the slant on the view of how we should recognise the deal? Under its new ownership Crown wants to be released from the lyric theatre altogether — and doesn't it make a difference! Now we have Labor transformed from opposition to government forgetting all its criticism of the past and having the luxury to go and negotiate with its mates. We have now seen Labor negotiate the let-out terms as contained in the bill before us, representing a change to the management agreement. Some very interesting negotiations must have taken place in the background. I cannot believe that Labor has no soul.

Hon. Bill Forwood — Hang on!

Hon. R. M. HALLAM — Very little soul, Mr Forwood, but I cannot believe there is no-one there with any soul and no-one who can remember what has changed apart from the shift across this chamber. I reckon there is a whole company of skeletons rattling in the closets behind us. All the pious promises made from the comfort of opposition are now coming back to haunt the same people. I reckon the hand should have been shaking when the deal was struck.

A number of things are remarkable about the deal embodied in the bill, the first being that it relies on the assessment that Melbourne does not need another live theatre. The Minister for Gaming, no less, is now out there in the marketplace saying, 'We do not need another live theatre. If the clause in the contract with Crown is enforced, heaven forbid a live theatre might be closed!'.

How did the Minister for Gaming become the expert on live theatres? I do not remember him running anything at all that remotely resembled an argument when the same thing occurred with respect to the cinemas on Southbank, and there were plenty of cinema operators who were perturbed about the 14 or 15 cinemas going into the complex. What about the operators of top-class restaurants in this part of the city who now face competition from a new complex across the river? I do not remember Labor saying, 'We cannot expect our restaurateurs to withstand this new competition'. What about the new shops in the complex? Does anyone remember the Labor Party expressing concern about the new competition with respect to that part of the industry? Of course not.

However, the government is now trying to justify its grab for the $18 million on the basis that Melbourne does not need another live theatre. It is interesting that rather than take the view that Melbourne could be even further in front, even more well-known for its theatre precinct, the government is now going to turn its back on a magic investment in live theatre simply to justify the dirty grab for $18 million. I reckon this deal will come back to bite the government again and again.

The situation is not unique to live theatre. As I said, I do not remember any sympathy being shown for the cinema, restaurant or retail trades, nor do I remember Crown complaining when Lloyd Williams's investment bravery turned a dump site into a mecca; when his bravery turned Melbourne's river into an attraction rather than a joke. Where was Labor then? It is now very wise about live theatre. I am not convinced that this assessment of live theatre is any more than a justification of the $18 million the government has picked up.

I turn now to the question of the $18 million. The Honourable Andrew Brideson has also had a go at that. Where did this magical figure come from? Why $18 million? I am told by the Minister for Gaming that it was not the first attempt at a negotiated outcome; there were at least two beforehand. I acknowledge that $18 million is a very substantial sum and rolls off the tongue. It might be a large sum for the average mum and dad but I am not so sure that it is big in terms of the PBL stable.

Hon. Bill Forwood — To Kerry Packer $18 million is a night's gambling.

Hon. R. M. HALLAM — He might have put that sum on the first roll of the roulette wheel but he has been released from a liability that he undertook. We need to have the $18 million in perspective. It represents about one year's worth of the $50 000 per day penalty. By and large it is 12 months, with 365 days by $50 000 being a bit more than $18 million. Whoever negotiated the deal on behalf of the government this time around agreed not to take the $18 million up front, but rather over five years, thus dramatically discounting the value. Who was it who negotiated the $18 million? The bill does not tell us, nor does the second-reading speech. When I asked the minister before the Public Accounts and Estimates Committee he said he did not know; it was some faceless bureaucrat in the Department of Treasury and Finance. He actually said he did not know who negotiated the $18 million and he certainly did not have any idea of the net present value. When I asked him about the net present value over five years it went straight over the top.

He did say he had signed off on the deal and his signature appears on the bottom line of the contract. In that context alone that is a dramatically different level of responsibility from that adopted by ministers during my time in government. I cannot believe a minister of the Crown would accept the negotiations of some faceless bureaucrat, sign off on the deal at the end of the day while having no idea of who negotiated it, how it was struck or what was the net present value. The Minister for Gaming did not know what the deal was worth.

At the Public Accounts and Estimates Committee he stated that the Victorian Casino and Gaming Authority had not been consulted. He did not bother asking the independent authority which he says is so relevant in the gaming industry. I asked him why not; it is meant to be an independent arbiter. Under his direction the minister says the arbiter is more independent than ever so why did he not seek an opinion? I asked him if he had invited the Auditor-General to have a go at it, remembering that the $73 million mentioned by the Auditor-General last time around caused me a great deal of distress in this place. I was told, 'No, the Auditor-General was not asked. We did not get around to that'. Why was the Auditor-General not consulted, particularly when under Labor the same Auditor-General now signs off on the realism of the budget and the assumptions and projections which underpin it?

Here we had Labor saying, 'We are going to change the rules. We are no longer going to ask the Parliament to sign off on a budget on our say so, we are going to take it to the Auditor-General and have him sign off, not just on the bottom line but on the assumptions and projections which underpin it', yet when it came to a deal like this the Auditor-General was not even

consulted. I would love to know what his assessment would be of the $18 million deal. There is not a word — again there is silence. Honourable members on the government benches should be embarrassed because neither of those independent arbiters was in the loop. The government did not even bother to consult them. This government which claims to be open and accountable and which, I say to the Minister for Sport and Recreation, claims to care, could not be bothered to have the deal considered by either of the independent arbiters.

I am not sure what sort of message that sends to other honourable members of this chamber but I for one smell a rat! I do not like what is going on here; something is not quite right. I say to the Minister for Sport and Recreation that if this process has not been 100 per cent clean the opposition will discover what the shortcomings are. I for one have some markers out; I remember what the minister's mob did while in opposition. Do not expect any sympathy from me if the rules have not been followed 100 per cent.

Just to add a sweetener to this torrid little deal Crown has undertaken to replace the lyric theatre with another capital project, again on the general site of Southbank, and to an equivalent value as assessed at the appropriate date. So the government brings in a quantity surveyor who says, 'We think the lyric theatre would be worth about $42 million'. The government says, 'That seems to be a good round figure. Okay, we will commit to replace the lyric theatre with another project of a similar value'. You should read the bill, Mr Deputy President. It is not worth the paper it is written on because there are no time lines, there are no penalties.

Hon. Bill Forwood — Who negotiated that deal?

Hon. R. M. HALLAM — I would love to know who negotiated it — probably the same little faceless person from Department of Treasury and Finance. I said to the Minister for Gaming when he came before the Public Accounts and Estimates Committee, 'I think we should get those villains from DTF back. They have some big questions to answer based upon what you have told us. There are no time lines or completion penalties'. In my view we have now descended to absolutely tokenistic legislation and should all be individually embarrassed by the bill before the chamber because it is an open-ended undertaking. There is no penalty, and we must ask why. Could it just be a deal for Labor's mates? I am sorry that I have become so cynical. How could I be so cynical as to suggest a deal struck with Labor's mates?

I promise to be more magnanimous when Labor swans around the arts community with its $18 million pork barrel. Please forgive me for the mixed metaphors — a swan with a pork barrel! It is all made possible by the penalty clause negotiated by the minister in a previous government. It is no wonder that I am reminded of the maxim in politics that timing is everything. Instead of all this grandiose backslapping at Labor's smart negotiations perhaps someone in the Labor ranks would be honest enough to acknowledge that none of this would have been possible without the penalty clause inserted by the previous government. I am the first to acknowledge that that might dent an ego or two in the government ranks, but wasn't it the leader of this same government who promised greater honesty in government? Here is the chance to demonstrate it.

Let me say in conclusion, Mr Deputy President, that when this matter is put to the vote National Party members will be counted amongst the ayes but you will forgive us if we do not show excessive enthusiasm.

Hon. G. D. ROMANES (Melbourne) — I rise to make a contribution to the Casino (Management Agreement) (Amendment) Bill, otherwise known as the lyric theatre bill. The bill resolves the longstanding issue of Crown Casino's failure to honour an undertaking of the 1993 casino agreement. Under that agreement Crown agreed to construct an 1800-seat lyric theatre at the complex by 30 November 2003. In default of that agreement, as Mr Hallam has explained at great length, Crown would pay liquidated damages of $50 000 per day for each day after the completion date that the lyric theatre was not in operation. The bill includes a seventh deed of variation with a waiver of the provision for the lyric theatre on the payment by Crown to the government of $18 million in six instalments over five years.

One of the key drivers for the resolution and the forging of the agreement to absolve Crown from this obligation was research undertaken by Arthur Andersen into the live theatre market, which demonstrated insufficient demand for a new live theatre in Melbourne and a new theatre of that size. Research showed that a new theatre of that size could be damaging to the wellbeing of the existing theatres in this city, in particular heritage-listed theatres that need support in this city.

The arts community itself has been extremely vocal in its fears of what the outcomes would be if the lyric theatre were to go ahead. The agreement is for $18 million over five years which will be put to use for arts-related facilities in the arts precinct of Melbourne south of the Yarra River. In addition, Crown agrees to construct or procure the construction of an alternative

development project in the vicinity of the originally proposed lyric theatre, a project of approximately the same capital value of $42 million as part of the casino complex. The bill provides for a statutory obligation to construct within a reasonable timeframe.

The $18 million payment to the state from Crown Casino in lieu of building the lyric theatre will help to fund some key projects that will address critical gaps in Victoria's cultural infrastructure. I draw the attention of members to the announcement that the Premier made on 20 February setting out the plans for two world-class arts venues to be built in the Southbank precinct under a new state government major project. They include a 1000-seat recital hall named after Dame Elisabeth Murdoch, a $4 million pedestrian connection between the arts precinct and Southbank, and a small theatre to provide a long-awaited permanent home for the Melbourne Theatre Company.

As part of this announcement, the Premier made a statement that there would be an extra $2 million to enhance regional arts infrastructure programs. The arts community has greeted this announcement, the resolution of this issue and the outcomes, in a positive way.

The Honourable Andrew Brideson said there was no scrutiny of what happened and that people from the industry were not involved, but there is considerable widespread support for the outcome of the agreement among those in the arts community. Areas in Melbourne need a middle-size venue — that is, a recital hall which can provide an alternative to other arts infrastructure which in some cases is too large for some of the performance acts that come to town. It provides the Melbourne Theatre Company with its own space, something that has been needed for many years, and the facility will be near the Victorian College of the Arts, the ABC and the Malthouse complex, and will add to the culture, capacity of and what is on offer in the arts precinct in Melbourne where arts communities work together to enrich Melbourne.

There was great fear among those in the arts community that the building of the lyric theatre would have drawn critical patronage away from other events and other programs that are on offer in this city. The new arts venues are an initiative that has in a timely way provided the possibility of securing the only two remaining sites in the arts precinct that are still not built on and securing them for arts purposes. It has been an important and timely outcome, but there have been criticisms from the opposite side of the chamber about the price and negotiations.

Mr Hallam talked about double standards. It is worth drawing the attention of members to an interview by Jeff Kennett on 20 February this year with Gary O'Neill, the government relations officer for Crown Casino. On that occasion, Mr Kennett made it clear that the Kennett government would have let Crown off the hook. He says:

> … and the lyric theatre. I remember very well, although it's probably not public knowledge, that prior to the last election there had been substantial representation from theatre owners, et cetera, that we did not need another theatre and that we as a government then, I think verbally, had undertaken that the price of the lyric theatre would not have to be met. In other words, the hotel and the other conditions that we had on Crown were sufficient to make good the extra tables that at that time were allocated. Was that correct, do you remember that at all?
>
> O'NEILL: Yeah. I think your recollection of that is an accurate one, Jeff. I don't think that it was made public at the time.

Jeff Kennett was going to let Crown Casino completely off the hook. Instead, the bill provides a resolution of the issue and an outcome that will be good for the Victorian community in general and the arts community specifically. It resolves this issue that we were left with by the previous government. I commend the bill to the house.

Hon. C. A. STRONG (Higinbotham) — I was deeply disappointed at the closing comments of the Honourable Glenyys Romanes. Frankly, although she is on the opposite side of the house to me, she is a person I have considerable respect for as being motivated by conviction. In this world it is important that we as individuals believe in something. Unfortunately, the Honourable Glenyys Romanes was caught up in party politics rather than focusing on the real issues.

The truth of the matter is that this is not an issue of 2002; this is an issue that goes back to the late 1980s. It has a long history, and people who impugn the motives of anybody along that 12 years of history are making a great mistake. Most people who have been involved in the business of trying to get a casino for Victoria have done it from the purest of motives, be it all that the argument has changed from one side of the house to the other. Never forget that this was a project that was started by the Cain and Kirner Labor governments, was picked up and run through by the Kennett government, and is now in the hands of the current Bracks government. This issue has a long history and people who impugn motives to individuals along the way make a great mistake.

I cannot speak for the people who had carriage of this issue under the Cain and Kirner governments, because

frankly I was not here and do not know. But I can speak for those who had carriage of this issue under the Kennett government. There is absolutely no doubt that the Honourable Haddon Storey was a person who was beyond repute and absolutely no doubt that the next minister who took over the casino issue, in the Honourable Roger Hallam, was absolutely totally beyond repute. Any inference that he would have done anything except for what was for the good of this state is just so totally off beam that it says the wrong things about the people who make those comments.

It is unfortunate that people come along in 2002 without any knowledge of the history and background and impute the motives of those people who have gone before them. There is absolutely no doubt that the motives of the people who went before — namely, Haddon Storey and Roger Hallam — are absolutely beyond repute. The Honourable Roger Hallam negotiated the lyric theatre deal — and what a deal it was. He negotiated a deal that said this significant investment of building the theatre had to take place in Victoria and that if it did not a significant high-cost penalty was involved.

If anybody was to suggest that in negotiating that deal the former minister was favouring the owners of Crown Casino, nothing could be further from the truth. This was a fantastic deal for the state which clearly in every way was to the detriment of Crown Casino. For honourable members to come here and cast doubt on the motives of the man who developed that deal, which was demonstrably to the detriment of Crown and to the benefit of the state, is quite disgusting. It simply says that they have not studied the background sufficiently, because if they had they would know that their saying that is beyond contempt. I must put on the record that I think the Honourable Roger Hallam's role in negotiating the deal was absolutely fantastic.

Hon. R. M. Hallam — Thank you.

Hon. C. A. STRONG — When this deal was announced to this house, frankly I was gobsmacked. I honestly do not know how the former minister ever did it. I do not think I would have been game to have proposed it. It is most unfortunate that people should come here — —

Hon. Kaye Darveniza — What has he given you to say this?

Hon. C. A. STRONG — He has not given me anything to say this. It is most unfortunate. The honourable member opposite — —

Hon. Kaye Darveniza — I think he loves you.

Hon. C. A. STRONG — Just calm down for a minute. The honourable member opposite has been here for — —

Hon. R. M. Hallam — Five minutes!

Hon. C. A. STRONG — Two and a half years. When the honourable member has been here long enough to have seen the full pendulum of what happens she will realise that basically most of us, whatever side of the house we are on, are here for the benefit of Victoria. It is unfortunate that in trying to score cheap political points honourable members on either side of the house should seek to put down somebody who has dedicated their life's work, intellect and great skills to the furtherance and benefit of Victoria.

I can remember coming to this place in 1992 when the Honourable David White was here, a man who likewise I have a lot of respect for. Boy, was he a ruthless politician who would cut you off at the kneecaps without blinking. Nevertheless, he was one who in essence had the best interests of Victoria at heart. He tried to turn the casino issue into something that he could turn upon the government of the day, albeit that that was an initiative of the government he was in, which was ejected in 1992 in favour of the government of the day.

He ran that issue very hard. As a result, if you stop and think about it, we have a unique part of the administration of government in the casino management agreement. This casino management agreement is not run by the executive; it is totally in the hands of this house. The Casino (Management Agreement) Act which set out what the casino would do, how it would do it, what it would build, when it would build it, and the arrangements for how many tables it would have and so on, was an act of Parliament and so had to be ratified by Parliament, which is fundamentally the house of the people. It was not left to be ratified by some bureaucracy, it was ratified by the Parliament, and as part of that process any change to that agreement had to come back to this house to be ratified.

It is the ultimate example of a totally democratic system. Nothing in the arrangements and agreements for how the casino is run is left to the executive to deal with. Any change — anything — has to be agreed by this house, the people's house.

It is the most democratic process and is something that we should be proud of. It resulted from two things: pressure from the Labor opposition of the day exerted on the Kennett government through the Honourable

David White; and the acceptance by the Kennett government through its senior ministers in this place the Honourable Haddon Storey and the Honourable Roger Hallam to have this unique arrangement where everything to do with Crown Casino comes before the Parliament. It is not something left for the government of the day; it is not something, as honourable members try to say, left to the Premier to rort or deal with behind closed doors, whomever the Premier of the day should be — Jeff Kennett or Steve Bracks.

Everything to do with the casino agreement has come before this house. It is the ultimate reflection of democracy. As I have said, it is the result of a very active and effective campaign run by the Honourable David White and the then Labor opposition and a function of the belief in our democratic processes of the Honourable Roger Hallam and the Honourable Haddon Storey, who agreed to the arrangement whereby the casino management agreement would be managed by Parliament and not by the executive. That is a unique arrangement.

In many ways it is a great pity that there are not more contracts which are of enormous importance to the state that are managed by Parliament. It is to our advantage to have highly sensitive arrangements or agreements managed by Parliament rather than by the executive. It is a great pity that people have impugned the motives of individuals with a history of something like 15 years here — a history that is a great credit to many people from both sides of the house. It is unfortunate that people who have been here for 5 minutes have impugned the motives of those who have gone before them. We have a unique arrangement where Parliament manages this contract.

I intended to make a short contribution, but having enjoyed the hospitality of the President of Greece I am stimulated to say more. The bill modifies the contract insofar as the lyric theatre is concerned. The theatre was always a doubtful proposition, hence my previous statement that I was amazed that the Honourable Roger Hallam, as the minister responsible, was able to negotiate such a fantastic deal. The fact that the lyric theatre arrangement has fallen over is no surprise to me. It is to the benefit of Victoria that the $18 million penalty was negotiated by the Honourable Roger Hallam on behalf of Victoria — and never let it be forgotten that he negotiated it on behalf of Victoria.

It is a function of the great sweep of history that the Labor government should now be in office when that windfall eventuates. I am sure it will be usefully applied to the performing arts in Victoria. The injection of $18 million over three or four years will be a wonderful thing for the performing arts, but never let those involved forget that that is a legacy of the Honourable Roger Hallam. As part of the bipartisan approach to this measure I say that the next phase of the agreement — that the casino is obliged to involve itself in capital works to the value of some $42 million over the next three or four years — is a good thing which has been negotiated by this government and which will be of benefit to the people of Victoria.

I support the bill and the arrangements. I particularly support the fact that this unique agreement — which is a little akin to the City Link agreement, where these long-term arrangements entered into between the people of Victoria and private enterprise operators are not in the hands of the executive, the Premier of the day or the government of the day but in the hands of the Parliament — is a healthy, positive and great thing.

I have much pleasure in supporting the bill. In so doing I am very upset that the Honourable Glenyys Romanes, a person whom I have had a certain amount of respect for, should seek to use this debate to call into question the motives of the Honourable Roger Hallam, who basically negotiated this $18 million windfall for Victoria.

Motion agreed to.

Read second time.

Third reading

Hon. J. M. MADDEN (Minister for Sport and Recreation) — By leave, I move:

That this bill be now read the third time.

In doing so, I thank honourable members who have participated in the debate and who have drawn upon their experiences accordingly for their contributions.

Motion agreed to.

Read third time.

Remaining stages

Passed remaining stages.

HOUSE CONTRACTS GUARANTEE (HIH FURTHER AMENDMENT) BILL

Adoption of report

Debate resumed from 16 May; motion of Hon. M. M. GOULD (Minister for Education Services).

Hon. M. M. GOULD (Minister for Education Services) — I move:

That the question be not now put.

Motion agreed to.

Recommitted.

Committee

Clause 7

Hon. M. M. GOULD (Minister for Education Services) — I move:

That it be a suggestion to the Assembly that they make the following amendment in the bill:

1. Clause 7, page 5, after line 27 insert —

"(7) The exclusion by sub-section (1)(aa) of a developer covered by a HIH policy from an indemnity under section 37 in respect of building work does not apply to —

(a) a person specified in the Schedule in respect of a claim lodged by that person with HGFL on the date specified in the Schedule in respect of that person;

(b) a developer who lodged a claim with HGFL before 1 November 2001 if settlement of the claim was reached with HGFL before the date on which the **House Contracts Guarantee (HIH Further Amendment) Act 2002** received the Royal Assent.".

The suggested amendment recognises the problems faced by the government in its attempts to assist home owners wanting to access builders warranty insurance policies that were issued by HIH Insurance. The inadequacies of the company are now well documented by the HIH royal commission.

The collapse of HIH Insurance has impacted badly on Victoria. In addition to the liabilities, our community has had to bear the shocking state of the company's records, which has meant that the government has had to develop its rescue package with one arm tied behind its back.

As indicated in the second-reading speech, hundreds of claimants ought to be able to access the HIH rescue package but may miss out because the HIH and the builders warranty insurance environment of the time was so inadequate. The suggested amendment particularly concerns developer claims. It ensures that developers who lodged claims on the HIH rescue package fund after 1 November 2001 will not be able to pursue those claims. For claims lodged prior to that date the suggested amendment ensures that all seven developers caught up in the environment will take their chances and will be judged against the same insurance rules that would have been applied by HIH. The seven companies and individuals listed in the schedule to the suggested amendment are not entitled to any compensation by virtue of their inclusion in the schedule. That is a matter for the insurance process and the courts to determine.

The suggested amendment makes it plain that developer claims in this category will be treated in the same manner as they would have been had the Parliament remained deadlocked on the original government proposal. An ongoing deadlock would have forced the courts at some time or another to determine the eligibility of the developer's claims. Eligibility would be determined under the law as it stands today — that is, prior to the consideration of these amendments. The courts would have eventually considered these claims on their merits effectively resolving the impasse that we have faced over recent months. Of the greatest importance is that this proposal clears the way for 200 frustrated home owners with home defects to get on with their claims and their lives, and the seven developers will be able to pursue their claims in the normal manner.

Hon. BILL FORWOOD (Templestowe) — The Liberal Party supports the action taken by the government in moving the amendment tonight, and I indicate that the suggested amendments that we have been pursuing we will no longer pursue. This result, long in coming, is a testament to the usefulness of the chamber. We always took the position that the removal of legal rights that were already in the course of being exercised was a position that was untenable. We always accepted the rights of around 200 people to have their claims speedily settled and we appreciate the efforts that have gone into crafting the solution.

I note that the bill started its passage in October 2001; went backwards and forwards between the two houses during the last sitting; was formally postponed twice this sitting; and was informally postponed by agreement between the government, the National Party and ourselves on more than two occasions in this sitting. I want to put on the record that throughout that time efforts were going on to achieve the result we have arrived at tonight.

I give credit to the National Party for the role it played in this, to my colleagues in the Liberal Party, and also to the Minister for Finance and the Minister for Consumer Affairs in the other place and their staff. In the end, this is an issue that no-one should play politics with; it is an issue of the rights of home owners to make

their claims and the rights of others who had legally made claims to have those claims dealt with in a fair manner.

This is a good result for the bill; it is a good result also for the Parliament.

Hon. R. M. HALLAM (Western) — I am delighted to record the approval of the National Party of the amendment before the committee. While the process which brought the amendment to the chamber might have been tortuous and long-winded it represents a very good outcome. Like the Honourable Bill Forwood before me, I suggest this is evidence of the Parliament at work.

I thank the Honourable Bill Forwood for his kind remarks about the role of the National Party, but all we were trying to do was to have the Parliament work and to fashion a compromise. When the bill came before the chamber in the first place we reached a stalemate. Through no fault of anybody at the time events turned out to be quite different from those which were envisaged at the time the original salvage package was framed, and we then came across a stalemate. We acknowledged that there were more than 200 Victorian home owners who were disadvantaged by that stalemate.

The question arose as to whether the ranks of those who would benefit from the salvage package should include developers. The government's attempt to solve that issue raised a question of retrospectivity. I have been on my feet on more than one occasion to say that I acknowledge the sensitivities of that issue. I have said on more than one occasion I would have loved to have been standing with my colleagues in the Liberal Party, given that we were seen to be misfits on that question of retrospectivity.

Hon. Gavin Jennings interjected.

Hon. R. M. HALLAM — Let me say, Mr Jennings, and I am pleased to have the chance to do it, that I reckon the outcome does us all credit because it means that people of goodwill have been prepared to work behind the scenes and fashion a compromise that allows everybody to retire with good grace.

The question of retrospectivity has been overcome, but more importantly than that we have now found a way by which we can address questions about the role of developers in the normal course of events as adults should. Beyond that this represents a mechanism by which those average Victorians who were disadvantaged by the hole in the original salvage package shall now see their claims treated in the most appropriate way.

I give credit particularly to the Minister for Finance for his preparedness to negotiate behind the scenes, and I thank my colleagues in the Liberal Party for their eternal patience in this issue, because it would have been very easy to stand on one's dignity and see this salvage package blown apart.

I reckon it is a good day for Parliament. I am delighted to signify our support for the amendments before the Chair.

Hon. M. M. GOULD (Minister for Education Services) — I would like to thank the Leader of the Opposition and the Honourable Roger Hallam of the National Party for their support of these amendments. I concur with comments made about this being a long, drawn out process, but the government is pleased to move the suggested amendments. I thank all those involved — they are too numerous to name, although some have already been named — for their assistance in coming to the suggested amendments tonight.

Suggested amendment agreed to.

New clause

Hon. M. M. GOULD (Minister for Education Services) — I move:

That it be a suggestion to the Assembly that they make the following amendment in the bill:

2. Insert the following New Clause to follow Clause 7:

"**AA.** ***New Schedule inserted***

After Part 6 of the Principal Act **insert** —

SCHEDULE

Saving of Claims

Claimant	**Date of Lodgement of Claim**
ANZ Banking Group Ltd A.C.N. 005 357 522	23 October 2001
Ausland Investment Group Pty Ltd A.C.N. 081 206 340	5 October 2001
Ausvimex Pty Ltd A.C.N. 077 213 917	30 July 2001
Louis Basil Bourazikas	8 August 2001
Forty Fifth Vilmar Pty Ltd A.C.N. 007 164 383	3 August 2001
Leicester Turtle Pty Ltd	1 August 2001

A.C.N. 086 751 224	
Tambo Ash Pty Ltd ACN 067 404 602	16 August 2001".

The amendment identifies the schedule of the seven developers who will be excluded from this bill and will be allowed to pursue their claims in the normal manner.

Suggested amendment agreed to; clause 7 postponed.

Progress reported.

Suggested amendments reported to house.

Ordered to be returned to Assembly with message intimating decision of house.

MAGISTRATES' COURT (KOORI COURT) BILL

Second reading

Debate resumed from 29 May; motion of Hon. J. M. MADDEN (Minister for Sport and Recreation).

Hon. P. A. KATSAMBANIS (Monash) — It is a great honour to speak on this bill and to put on the record the Liberal Party's support and my own personal support. This is one more step in the evolution of our legal system from one that has often been characterised as being rigid and very difficult to deal with to one that recognises that the one-size-fits-all approach to justice simply does not work.

This bill has been a long time in coming. It will implement a pilot program to establish a Koori or indigenous court as a division of the Magistrates Court of Victoria. It has bipartisan support and arose originally from the previous government's big steps in Aboriginal justice and a program that the current government continued, resulting in the Victorian Aboriginal Justice Agreement, a successor to the original Victorian Aboriginal justice plan that was put in place by the previous Liberal–National Party government.

It is a pilot project only and is intended to be implemented first in Shepparton by August of this year. There is the intention to establish by the end of the year a metropolitan program based in Broadmeadows. I have to put on record my sincere hopes and wishes that this program not only succeeds but grows from being a pilot program to being a program that is implemented across Victoria in the Magistrates Court jurisdiction, and hopefully is used as a model across the more senior judicial courts as well in years to come.

There is absolutely no doubt that Aboriginal people in Victoria are significantly overrepresented in the criminal justice system. It is not a problem that is peculiar to Victoria — unfortunately it exists across our nation, as has been highlighted in many different forums. As I said earlier, far too often our justice system has been seen as one that has a one-size-fits-all approach and as a result many individuals who come into contact with it feel disenfranchised. Their feeling is that the system does not work for them in any way, does not cater for them and creates an us-and-them mentality. This pilot project attempts to break down that us-and-them mentality as it relates to Victoria's Aboriginal community.

The Liberal Party does not in any way think that this will be a set-and-forget solution. We do not believe for one moment that the model we are introducing today as a pilot project will be set in concrete, but it is a first step along the way to ensuring that the criminal justice system is responsive to the needs of the people who unfortunately get involved in it.

I have to admit that when I first came to this place in 1996 I was not aware of the specific issues relating to the interaction of our indigenous community with the criminal justice system. However, through my membership of the Law Reform Committee of this Parliament and the review it conducted in 1999 and in 2000 into legal services in rural and regional Victoria the specific needs and issues relating to our indigenous community became very clear to me.

I commend to the house the Law Reform Committee's *Review of Legal Services in Rural and Regional Victoria*, which was tabled in this place. I particularly refer to chapter 6, which relates to indigenous Victorians and their specific needs within the criminal justice system. During the review the committee found that despite the Aboriginal community making up only about 0.5 per cent of the total Victorian population it had a much higher unemployment rate. At the time the committee conducted its review the unemployment rate for Aboriginal people in Victoria was 21.4 per cent. Young Aboriginal men in Victoria have a life expectancy of 18 years less than the state average.

Aboriginal people are overrepresented in our prison population, with adult Aboriginal people being 11.5 times more likely than non-Aboriginal people to be imprisoned. Unfortunately young Aboriginal people — juveniles as they are termed in our criminal justice system — are 14½ times more likely to be

placed in juvenile justice custodial facilities. It is a real tale of woe. One bright figure in that tale of woe is that the overrepresentation of juveniles has reduced from its high point in 1991 of 38 times more likely than the state average to only 14½ times more likely in the year 2000. That is good. It is a step in the right direction, but it is still a long way from being acceptable.

It is clear that in many ways the criminal justice system has failed the Aboriginal community in Victoria. It is not just the criminal justice system; it is a systemic problem of the interaction between indigenous Australians and what they often see as white fellow's culture prevailing in Victoria, and in Australia. I was saddened to hear some of the evidence given to the committee. I specifically recall sitting in the courthouse in Echuca receiving evidence from both the Aboriginal community and also the non-indigenous community. Neither group could give me one example of a young Aboriginal employed by a non-Aboriginal business in the entire town. It seemed that the town had a real problem in integrating its Aboriginal community with its non-Aboriginal community.

I am from inner urban Melbourne and it shocked me. Where I grew up there is a history of tolerance and cooperation between various groups, and it shocked me to see such a divided community. It was my first personal experience of that division between black and non-black Australia. That day in Echuca is still vivid in my mind. It was the same day the Olympic flame came to Echuca. The Olympic flame symbolises unity and worldwide peace — that is the ancient Olympic ideal — and on the day it came to Echuca the Law Reform Committee was receiving evidence on its inquiry into legal services in rural and regional services in Victoria. Rather than receiving evidence about unity, peace and coexistence the committee received contrary evidence when it came to the integration and the cooperation between indigenous and non-indigenous Australians. It brought it home to me that more than 200 years after white settlement in this country we still have a long way to go.

Of course, those problems about the lack of interaction, cooperation, understanding, tolerance and accepting between various communities have their eventual final interface in the criminal justice system. It is the us-and-them mentality which is the dividing mentality that leads to this confrontational approach and which eventually results in criminality and in young people particularly coming before the Magistrates Court. Unfortunately all those difficulties and injustices result in the overrepresentation of the Aboriginal population in the prison system.

We also know from vast experience that once someone is caught up in that vicious cycle of crime and imprisonment it is almost impossible for them to break out. The minute we condemn a young Aboriginal person to a spell in prison we are almost putting them on the treadmill of the vicious cycle of recidivism — a return to criminality and to prison. It is in many ways inhumane. Any step we can take to break that cycle and prevent the leap from someone being a law-abiding citizen to their being imprisoned should be embraced and supported rather than criticised. It is in that spirit of cooperation and support and wanting to find something that breaks the cycle that the Liberal Party offers its wholehearted support for any measure that will try to address the overrepresentation of Aboriginal people in the criminal justice system.

The bill introduces a pilot project that will involve all elements of the community. It will involve respected elders within the individual's indigenous community, community workers, the extended families of the offenders and the magistrates. It will hopefully break down the perceptions that our criminal justice system adequately deals with the needs of Aboriginal people and will hopefully also break down the cultural barriers, thereby enabling young Aboriginal people to break the cycle of criminality and imprisonment.

Some people will see this as a step into the unknown. It is not. Many other jurisdictions in Australia have attempted this. One of the successful projects took place in South Australia in the Nunga experiment, which seems to have worked well. We are trialling similar programs in diversion and the euphemistically called drug courts within our Magistrates Court system to address imperfections in the legal system. This is one more step along the way of getting justice to fit, rather than trying to fit justice to the particular situations with which our old inflexible system is not suited to deal.

That is not to say that the opposition does not have some minor problems with the bill; it does. Firstly, there is the name — the Magistrates' Court (Koori Court) Bill. We know Kooris settled mainly through southern New South Wales and in the northern parts of Victoria, but members of the Wurundjeri tribe, which occupied the land now comprising my electorate, do not consider themselves to be Koori people. They certainly are indigenous people but they do not answer to the word 'Koori'. It may have been more appropriate to call the bill the indigenous court bill or the Aboriginal court bill, rather than using the term 'Koori court'. This is not some sort of litmus test, but I raise it to show how things might have been done better. Calling it a Koori court bill may identify a large part of the Victorian indigenous community, but 'Koori' may

not be a word that relates easily to the entirety of Victoria's indigenous community.

Another aspect that should be considered is the provision of sentencing flexibility. It is a point I made in debate on the drug court bill and I make it again in relation to the Koori court bill — that we need flexibility in sentencing. This bill allows for a diversion program of sorts, an integrated program or a prison term. There may well be circumstances where a magistrate and the elders in conjunction with the offender and their extended family believe it is appropriate to impose some form of prison sentence, albeit a small part of the sentence; they may believe a short time in prison may be useful and then have the offender enter into this program. That is not allowed under this bill; that sort of flexibility should be built in. When we are asking communities and magistrates to think about applying flexible solutions we should not tie their hands. If they believe combined custodial and non-custodial sentence is appropriate they should be able to utilise it under this bill.

The other thing this bill does not address is juvenile crime in Aboriginal communities. This applies to adults, and mainly to those involved in property crimes. It does not apply to sexual crimes, murder or the like, but to the lower range of offences characterised as crimes against property rather than crimes against persons. However, it does not apply to juveniles, and so juveniles will still be stuck in the cycle of the juvenile system. As I said, Aboriginal youngsters are 14½ times more likely to be placed in juvenile justice custodial facilities than the average person in Victoria. That is something we need to address quickly. I know programs are now being introduced through the Children's Court but a Children's Court equivalent of the Koori court may well be appropriate to break the cycle at an earlier stage. Often adult offenders have not offended for the first time as adults but have been caught up in the vicious cycle through the juvenile system. It will be easier to break the nexus right at the start, at a younger age, and it would be good to introduce similar programs right through the justice system starting from the juvenile justice system rather than dealing with problems halfway through when those juveniles enter the adult prison system.

These are just suggestions that may make this bill better. In due course the pilot program will be evaluated. We have not received full details yet from the government as to how and in what time frame this pilot project will be evaluated. I hope the government can provide those answers today or in the near future. From my own recent experience, having participated in the review of legal services in rural and regional Victoria with the parliamentary Law Reform Committee, I know for a fact that the current justice system in Victoria is failing our Aboriginal communities. To sit on our hands and do nothing will be to condemn more Aboriginal people to the vicious cycle of criminality, imprisonment, recidivism, return to criminality and return to prison. I do not want to see that happen, or the division between black and non-black communities that I saw in Echuca become the norm. I do not want to single out that town, but it was the combination of factors, being there and taking the evidence on the exact same day that we saw the Olympic flame being marched down the main street of Echuca. It just brought it home.

Hon. D. G. Hadden interjected.

Hon. P. A. KATSAMBANIS — Yes, I will pick up that interjection. Whilst we were in the courtroom at Echuca taking evidence we saw the flame coming down the Murray River on a paddle steamer. When you see that symbol of unity, peace and co-existence and you hear about the injustice and divisions, the lack of support for and cooperation with indigenous people, it really brings it home that in the year 2002 we still have not got it quite right when it comes to the interaction of our Aboriginal community with the criminal justice system. This is a first step. I do not pretend for 1 minute that this is the be-all and end-all. It is a pilot program and the reason for that is, I imagine, that there will be a bit of trial and error. However, to sit on our hands and do nothing would be to abrogate our responsibility to all Victorians.

Indigenous Victorians are equal to all of us and when our system is seen to be failing them we must take steps to address that failure. We must make sure that, wherever possible, indigenous Victorians feel that legislators not only treat them as equals but are prepared to take steps in this place and out in the community to address injustice and their problems and in any way possible attempt to make the lives of indigenous Victorians better. This is what this bill will do. It will not be a panacea; it is a first step and a good step. It has bipartisan support and I hope as we progress in the next few years to addressing the issues we jettison our one-size-fits-all approach to criminal justice and embrace flexibility to ensure that all Victorians can believe justice will be done in our courts and criminal justice system. I hope we can keep that bipartisanship.

On that note I again put on record the Liberal Party's support for this bill. I add my own wholehearted support for this bill and my sincere wish that those injustices that I saw as I travelled around country Victoria will be addressed and that in the next few years

we will take more active steps in this place such as we are taking tonight to establish programs to make sure that our indigenous Australians are equal citizens in this state — and not only that, but that they feel and believe they are treated equally by our justice system.

Hon. KAYE DARVENIZA (Melbourne West) — I am pleased to speak in support of the Magistrates' Court (Koori Court) Bill. This bill acknowledges that the Bracks government is committed to indigenous communities and represents a fundamental shift in the way that we as a community deal with Aboriginal offenders. It always gives me pleasure to speak on a bill that has the support of the Liberal Party and I understand it is not opposed by the National Party.

This bill will increase the participation of indigenous communities within our justice system and the government will achieve that by establishing a Koori court as a new division of the Magistrates Court. This court will meet the cultural needs of Victorian Kooris and allow indigenous communities to participate in the sentencing process. The introduction of this bill sees the Bracks government once again honouring its commitments which are outlined in the Victorian Aboriginal justice agreement to establish a Koori court pilot program in our state. The Aboriginal justice agreement is the first significant negotiated initiative launched by the Bracks government. The agreement maximises Aboriginal participation in the development of a whole range of policies and programs throughout the justice system.

Victoria is not the first state to introduce such a court. South Australia has the Nunga court which has been operating for a number of years. New South Wales and Queensland have developed similar models. Many overseas jurisdictions have also established courts that incorporate the cultural beliefs and some of the customs of their indigenous people.

It has only been after extensive analysis of the most effective and best features of indigenous courts in other states and overseas that the government has come up with the Victorian Koori court model. This court is unique to Victoria because it acknowledges the cultural diversity of our own indigenous communities. The bill has been developed in the same way this government develops all of its legislation and that is through extensive consultation. On this bill consultation has taken place across the justice portfolio as well as across government agencies and, more importantly, with the Koori communities and their leaders and people from the grassroots. It should be noted that our indigenous community fully supports the bill and the establishment of this Koori court.

As Mr Katsambanis pointed out, the Koori court is not the only answer to addressing the alarming number of people represented within our justice system. It is only one initiative of the government and the Aboriginal justice agreement which covers a whole range of areas such as prevention, accessibility and effectiveness of the justice system as it relates to services as well as rehabilitation. The Koori court will complement a whole range of existing programs that are already in place for our indigenous communities through the justice system, as well as other justice initiatives that are being planned.

It has been some 10 years since the release of the royal commission's report and while the number of Aboriginal deaths in custody in Victoria has decreased Aboriginal people still remain overrepresented in our criminal justice system. It is estimated that Aboriginal people are 11 times more likely to be in prison than non-Aboriginal people and are likely to be remanded in custody far more often than non-Aboriginal people. Police records show that over the past five years the number of Aboriginal people who have been processed by the police has increased by a significant 31.4 per cent, bringing the number to 4676.

In its review of legal services to rural and regional Victoria the parliamentary Law Reform Committee was of the strong view that to address the issue of Aboriginal overrepresentation in the criminal justice system the government should establish an Aboriginal court in a regional location as a matter of priority. To address the recommendation the government will establish two pilot Koori courts over two years located at Shepparton and Broadmeadows. I know something about the community generally in Shepparton and a little bit about the Aboriginal community there, having grown up in that area and remained in contact through my family as well as through my interest in the area. I am sad to say that one of the reasons Shepparton has been chosen as the first regional location for a Koori court is because of the alarming statistics from that region.

While there are alarming statistics about the overrepresentation of Aboriginals in our criminal justice system, Shepparton has also been chosen because of the availability of services to Koori court participants in the area. I take this opportunity to congratulate a number of organisations for the sorts of services they provide and the assistance they give to the Aboriginal community in that region. They are the Rumbalara Aboriginal Cooperative — it has been in operation for a long time; I remember Rumbalara when I was a small girl — and Burri Family Preservation Services, who are providers of a whole range of social

services to the indigenous community. Because of their years of experience and participation their services are well developed. Their range of services will be of great assistance to a Koori court, but more than that they reflect the commitment of the community to participate and be involved in finding resolutions to longstanding and difficult problems. The services they could provide to a Koori court include drug and alcohol treatment as well as programs such as an indigenous women's mentoring program and access to counselling.

The Koori court is an alternative way of administering sentences so that the court processes are more culturally accessible, acceptable and comprehensible to our indigenous community. The emphasis is on the court setting up an atmosphere that is informal and accessible and allows greater participation by the indigenous community. Koori elders, a respected person, Aboriginal justice workers, indigenous offenders and their families can all be involved in the court and sentencing processes. The aim is to reduce any intimidation or cultural alienation that might be experienced by an indigenous offender. It is also about finding the best possible outcomes through the court processes and deliberations to enable the offender to have some form of rehabilitation, but certainly to help them get off the treadmill that Mr Katsambanis talked about previously that so many Aboriginal offenders can find themselves on so readily.

The Koori court is a new way of approaching and dealing with indigenous offenders. The bill provides a framework in which new sentencing practices can be developed by the magistrate and those who are recognised as being eligible to participate in the court, but it is not prescriptive.

The Koori court magistrate will be assisted by a Koori court team consisting of an elder or respected person, an Aboriginal justice worker and a community corrections officer, a dedicated police prosecutor and defence lawyer. The role of the elder or the respected person is an important one because it allows the Koori court participants to understand the consequences of their offending behaviour not only in terms of the law and what it means but also in terms of the Aboriginal community

Not all Aboriginal offenders will be suitable for the Koori court. The offender must be an adult and an Aboriginal who would otherwise be subject to sentences that would be imposed by the Magistrates Court. Individuals will be eligible to appear in the Koori court where they plead guilty to an offence. At this stage, some offenders will be excluded where the offence committed is one of crime, family violence or sexual offences. The reason they are being excluded is because of the services that may be required for dealing with particularly complex offences.

The most likely offences to be considered by the Koori court will be property offences; 55 per cent of the Aboriginal people processed in Victoria during 2000–01 committed crimes against property.

It is important that Koori court participants live in the vicinity of where the Koori court has been established to enable supervision of the offenders to ensure they comply with the orders. If they comply with the orders we hope there will be a decrease in the number of Aboriginal people involved in our criminal justice system because of breaches of orders given through the Magistrates Court.

The Koori court provides an opportunity to divert indigenous people away from becoming more involved in the criminal justice system and ultimately finding themselves in prison. These aims are best achieved with a partnership arrangement with the indigenous community and the justice system. We believe we will get the best results in that way. An underlying cause of criminal activity is lack of trust, and we need to foster trust as well as understanding. The best way to do this is by participation and involvement of those who are part of the community justice system along with the indigenous community working in partnership.

The court and the community must recognise that the present sentencing practices are doing very little to reduce the rate of offending. The bill provides creative uses of a sentencing process and for the leading indigenous community to exercise greater flexibility and control over the sentencing outcomes.

What we are aiming to achieve with the Koori court is to divert offenders away from prison and to reduce their overrepresentation in that system; to reduce the number of appearances by the same offenders; to reduce the rate of failure to appear in court; to decrease the rate at which court orders are breached; and to deter crime in the community generally.

In conclusion, I believe this is a good bill. It sets out reforms to the justice system which will result in a decrease in the number of indigenous people becoming deeply entrenched in our prison system with the associated problems that go hand in hand with that. It will provide for the involvement of indigenous communities in the determination and sentencing that will be given by the Koori court. This bill deserves the support of all members in this chamber, and I commend it to the house.

Hon. E. J. POWELL (North Eastern) — I rise to speak on the bill on behalf of the National Party. While we do not oppose the bill we have some concerns about it. It was introduced by the government that said it was delivering on a commitment to establish a Koori court pilot. The purpose of the bill is to amend the Magistrates Court Act 1989 to establish a Koori court division of the Magistrates Court and to provide for the jurisdiction and procedure of that division with the objective of ensuring greater participation of the Aboriginal community in the sentencing process of the Magistrates Court.

The bill is of great interest to me because the first pilot will be in Shepparton which starts in August 2002 for a period of two years. The second pilot will be in Broadmeadows. My office is located in Shepparton where I have lived for more than 43 years. I feel that I know the community well, both indigenous and non-indigenous; I know the issues that surround the community. As the Honourable Kaye Darveniza said, there have been problems in Shepparton, and it is probably the reason why the Koori court pilot program was first initiated in Shepparton.

Reading through the contributions in the other place, concern was expressed about the word 'Koori' and that the Koori's themselves do not like the word 'Koori' they would prefer the title Aboriginal court. Rather than saying I believe that is probably the case, I shall read from the Aboriginal elders protocol document which I launched in Shepparton It is the first document of its kind in Australia, which makes it unique.

The Goulburn Valley Aboriginal Elders Group had a two-day workshop to speak with young people. The elders of the community put this protocol together because concerns had been expressed about the respect young people held for their elders. The protocol is about how the elders could work with the young people. Halfway through the document it states:

> Elders strongly expressed to their opposition to the use of the word 'Koorie' in referring to Victorian Aboriginal people. There is a distinct reference for individuals to be referred to by the tribal name with which they are associated and recognition of the inherited association with their country, it's sacred sites, dreaming tracks, totems, and other features. The generic term of Koorie does not accord recognition of cultural property and native rights of family clans to their country.
>
> The Goulburn Valley Aboriginal Elders Group wish to inform the government that the use of the word 'Koorie' is unacceptable and that government agencies should not promote the use of the word in referring to Victorian Aboriginal people.

I put on record comments from the Goulburn Valley elders. I hope that the government consulted widely with the Aboriginal community to ensure that it accepted the word 'Koori'.

It is obvious that what is happening in the justice system is not working; we know that in Shepparton, Echuca, Swan Hill and other regions throughout the state. We are told that there is an overrepresentation of Aboriginal people in the judicial system. The government believes the answer is to establish a Koori court to be available for Aboriginal and Torres Strait Islanders only.

When I first read this bill I had some very strong reservations about the implications of a Koori court, for a number of reasons. One is that it means there is a reverse discrimination in the courts. The Aboriginal people are treated differently from non-Aboriginal people. There are separate laws according to people's skin colour and culture. You need to ask: is it in the best interests of the Aboriginal community to have separate laws, and what message does it send to our young people?

We should be concentrating our efforts and money into prevention programs. A lot of work has been done in Shepparton in partnership with Aboriginal people. We already have many Aboriginal services and, as the Honourable Kay Darveniza said in her presentation, we have many good organisations. One such organisation is the Rumbalara Aboriginal Cooperative. It provides health services, aged services, youth services, family services and disability services. The chief executive officer, Justin Mohamed, and the chairperson, Joanne Atkinson, work there with Aboriginal and non-Aboriginal people, making sure there is a strong partnership, that Aboriginal people are seen in a much better light, and that support services are there for Aboriginal people and are available to the appropriate people. The Aboriginal elders also meet there once a month to talk about the issues of the day. So it is a very important organisation.

The other organisations are the Rumbalara football and netball clubs, which have both won premierships. Currently they have a program, which Vichealth and a number of other organisations support, where they play a mentor role to the young Aboriginal people — boys and girls. In the clubrooms they talk to the young people about healthy lifestyles and about the importance of a good diet, of not being on drugs and of not smoking and drinking. They are role models for these young Aboriginal people, and that has worked extremely well.

The Burri Family Preservation Service extended care program, an initiative of the former government, is

working extremely well. But it needs some more support, and it has some problems. It works with Aboriginal families in crisis and tries to keep families together. One of the issues it is currently facing is that if a family is at risk and it needs to remove the children from their home and put them with an Aboriginal family, it is very hard to find another Aboriginal family that will take those young people at risk. So they need to find non-Aboriginal families who are compatible or who have a sensitivity to the Aboriginal culture. They are working on programs to ensure that that is happening.

Lorraine Forrester, the coordinator of Burri, came to see me and asked me to support a parenting centre. There are 30 unmarried young mothers in its program. They need support for parenting and life skills. I wrote to the Minister for Community Services asking for some support for this valuable organisation. To her credit the minister has said that it seems a worthwhile project and that she will look at it and will work with Rumbalara to see if it can find some way through and if it is a worthwhile program.

The Aboriginal leaders are working with the young people in the community on issues such as problems in the mall. This issue has been raised a number of times in the media and it has gained a lot of bad press right across the electorate. Some of the issues are antisocial behaviour and vandalism, and they concern young people in the mall, not just Aboriginal people but also non-Aboriginal people.

We wondered what could be done to try to solve the issue of young people out at night vandalising shops and shopkeepers getting very irate. So we called a meeting at my office, which was attended by the honourable member for Shepparton in the other place, the police, the shopkeepers, the Department of Human Services, the Greater Shepparton City Council and representatives of the Aboriginal community. I refer to some remarks made by Joanne Atkinson of the Hume Regional Aboriginal Justice Advisory Committee about the issues in the mall. She states:

> We take a broad overview where we can see social injustice and how it fits in with criminal justice issues … Our RAJAC —

the regional Aboriginal justice advisory committee —

> has a very committed membership, and we're talking with our elders about the issue of setting a standard — establishing what we believe is an acceptable level of behaviour in our community.
>
> We've identified an increase in the number of arrests in our region as a real concern, because we've got the highest arrest rate outside Melbourne. What we're endeavouring to do is look at how we can forge better communications and relations with the police and the community to address the barriers that exist. We have a local agreement between the Aboriginal community and the police. We also have the Koori court which will open soon.

This is a very important initiative, and we need to see how we can work with the Koori community. One of the initiatives the justice organisation has brought about is the Koori night patrol, which is almost a volunteer organisation. A number of years ago the night patrol used to travel around the streets of Shepparton and take any young Aboriginal people who were on the streets back to their homes. It lacked government funding so it closed up. But it has now started again. Every Friday and Saturday night volunteer drivers cruise the streets of Shepparton picking up kids and taking them home. It still does not receive any government funding; the bus was provided by the Community Development Employment Program and Rumbalara covers the running costs.

The program has been an absolute success. I would like to put on record the wonderful work of the program coordinator, Larry Jackson, and the two volunteer couples — Trish and Allan McGee and Rodney and Sharon Handy. They are doing a fantastic job. It is great that they are picking up young Koori people at risk and taking them home to their families.

The Koori court must have some ancillary services to ensure that people who live in the area and who go to the Koori court are able to meet with services there who will provide case management of offenders. There is the Geraldine Briggs Accommodation Centre and the Percy Green Rehabilitation Centre. Just a short while ago Brian Thompson, the rehabilitation centre coordinator, asked for some government funding for extra funds because the centre has a waiting list. Although the Koori community has drug and alcohol problems, the government would not provide the funds for that, so there is still a waiting list. That needs to be addressed with the Koori court issue, because if there is to be rehabilitation it must be ensured that the services are there.

Another area caused me some concern when talking about the Koori community working with the non-Koori community and trying to find a way of keeping our young people out of courts. A number of months ago some Koori women who are Aboriginal elders came to see me to talk about the indigenous women's advisory committee, which this government set up. They were concerned that that committee did not have a member from Shepparton, which has the largest Koori population outside of Melbourne. So I wrote to the Minister for Women's Affairs and asked

her to look at the issue and make sure a Koori member from the Shepparton region was on that committee.

I received a letter back saying there are nine members on the committee, and no, there is not one from Shepparton, but they still do listen. The nine members on that committee come from Healesville, Mildura, Bendigo, Geelong and Melbourne, from which there are five. It is appalling that a woman from the Goulburn Valley is not on the Indigenous Women's Advisory Committee. I will continue to lobby the minister to make sure that a Koori woman from Shepparton gets on that committee, because we have some unique problems in the Shepparton area and it is important that those issues be addressed.

The former coalition government initiated the Women's Action Plan Consultative Committee, which recommended the establishment of the Koori Women's Task Force to communicate directly with the government. The organisation this government has brought forward is very similar to that one. I commend it for establishing that committee, but I also think a Koori woman from the Goulburn Valley should be on that committee.

We are told that Koori courts already exist in South Australia, New South Wales, Queensland and overseas, and that the government has looked at and initiated an amalgam of the programs and picked the one it believes is in the best interests of Victoria.

It was disappointing that if evidence were available from other courts it was not provided in the second-reading speech. It would have been interesting to see whether those courts, some of which had been going for some years, were working so that we could pick up the good points and not the bad ones.

The Victorian model of the Koori court has a number of requirements. One is that it is a new division of the Magistrates Court and that the defendant must be of Aboriginal or Torres Strait Islander origin. My community has expressed some concern about the definition of Aborigine. I will read the definition of Aborigine as set out in proposed section 3(1), inserted by clause 4:

> "Aborigine" means a person who —
>
> (a) is descended from an Aborigine or Torres Strait Islander; and
>
> (b) identifies as an Aborigine or Torres Strait Islander; and —
>
> (c) is accepted as an Aborigine or Torres Strait Islander by an Aboriginal or Torres Strait Island community …

this is the definition that my community is concerned about —

Does that mean a person could be described as an Aborigine if he or she is living with or married to a Koori person? Could that person be accepted by the Koori community and go to the Koori court? It is a broad definition of the word 'Aborigine'. Before being able to access the court the defendant must plead guilty to the crime and must consent to proceedings being dealt with in the Koori court system. Only certain crimes can be dealt with — for example, property offences and some petty crimes. Crimes of domestic violence and sexual assault will not be dealt with in the Koori court. This is to enable supervision, case management and access to services.

The court team will consist of five people: an elder, an Aboriginal justice worker, the community corrections officer, a police prosecutor and a defence lawyer, who will ensure supervision and be the virtual case manager. The magistrate will make the final decision on sentencing. The code of conduct of the Aboriginal community will need to be taken into account. Funding for the Koori court is committed under the Victorian Aboriginal justice agreement and not the mainstream judicial funding.

Proposed section 17A, inserted by clause 7, deals with the appointment of Aboriginal elders or respected persons. When I launched the Aboriginal elders document one of the concerns they had was the lack of respect of some young people for elders and the fact that in the community the role of elders is not as highly respected as it once was. In speaking to the elders I heard many stories but particularly that when they told the young person to do something that young person did as they were told. At the moment there is a concern that some young people are not as respectful to Aboriginal elders. We must work with the elders to make sure that young people will become more respectful of the elders, because if they do not the Koori court system will not have as good an effect as it should have.

In the Goulburn Valley 40 per cent of the indigenous population are under 15 years of age, 60 per cent are under 30 years of age, and about 32 per cent can be classified as elders. This is a pilot program and is an experiment, but is one that we all hope will work. With any experiment there can be teething problems. I believe two years is too long to just let go without any monitoring. We need to monitor its progress and make sure there are checks and balances so that if there are any glitches in the system we can fix those up along the way. We also believe there should be regular reporting

to ensure that program has the desired outcome, which is to make sure there is reduced crime and less Koori offenders in the judicial system.

The concern I have about the second-reading speech is where it says there is an underlying perception by offenders that when a crime is committed the law that is broken is the mainstream law, which does not form part of Aboriginal culture and community. The speech also talks about the code of conduct, which is about reclaiming and redefining mainstream law by developing standards that are owned by the Koori community. By participation of the elder or respected person it is expected that the offender understands that the offence is not condoned by the Aboriginal or non-Aboriginal community. That is something we should look at.

The broader community in Shepparton already has the perception that Aborigines are treated more tolerantly than non-Aborigines. I hear that through my office time and again: people complain that Aborigines are treated more fairly than non-Aboriginal persons who have committed the same offence. I have also been told by lawyers who represent Aboriginal offenders that some do not turn up for court. I hope one of the outcomes of the bill is that Koori offenders will turn up not just for their own trials but to give evidence as a witness for somebody else. Hopefully with the support of the Koori court team the offenders will be made more aware of the importance of attending the court and carrying out the community work or other judgments passed upon them.

The National Party does not oppose the bill and is hopeful of the outcome. We hope at the end of the day Koori offenders respect the court system and comply with any judgment and that there is a reduction of crime within the Koori community.

Hon. GAVIN JENNINGS (Melbourne) — I am pleased to be part of a government that has taken the initiative to introduce a Koori court jurisdiction within the Magistrates Courts of Victoria. The reason I am pleased that the government has taken that initiative is that it has taken a quantum leap in trying to address the level of disadvantage and concern in our criminal justice system and the way it impacts upon the lives of the indigenous people of this state. I am pleased because it satisfies an undertaking that the government made to the Koori community of Victoria through the Victorian Aboriginal justice agreement which foreshadowed the creation of this court.

I am pleased that we have recognised that there is an ongoing urgent and drastic need for the whole of our community to take responsibility for addressing disadvantage and the unfair implication of legal systems that may impact adversely on the lives of our citizens and, in this case, members of the Aboriginal community. It is a very sorry tale, documented in the Royal Commission into Aboriginal Deaths in Custody over a decade ago that indigenous Australians are far more likely to become exposed to the risk of violence, possibly at the rate of 10 times that existing in the general community on acute and drastic crimes such as homicide, and that indigenous Australians are 11 times more likely to be placed into the prison system than non-Aboriginal people.

The very sorry tale that the Aboriginal deaths in custody royal commission established was that the acute instances of Aboriginal deaths had not been addressed satisfactorily within prison systems around the nation. Regardless of the Aboriginal population within any state there was a repetition in each state jurisdiction of a sorry and drastic sequence of untimely deaths of Aborigines in custody. I am pleased to indicate to the house that last week, as Reconciliation Week, the Attorney-General announced a review of the implementation of the recommendations of the Aboriginal deaths in custody royal commission to be undertaken by a broadly based committee supported by the Department of Justice and headed up by my colleague in the other place, the honourable member for Richmond.

As part of its responsibility it will look at the recent history of interaction between the Victoria Police and the Koori community. The second-reading speech refers to the Victoria Police processing Aboriginal people. It means that in 2000–01 Aborigines came into custody or were dealt with by the police on 4676 occasions, a significant increase of more than 1000 over the year before and a 31 per cent increase over the five-year period leading up to last year. The incidence of interaction between the Victorian Aboriginal community and our judicial system is still way out of proportion with the size of the Koori population in the Victorian community.

One of the reasons I am happy to speak on the bill is that I witnessed the exposure of the Koori community to significant justice and health issues. For some time I worked in the Aboriginal health service in Fitzroy and I also worked in Aboriginal health in the Victorian health department. As part of my responsibilities I established a system throughout Victoria of assessing mortality and morbidity rates within the Koori community. In the early 1980s the distressing results of that analysis were that the health pattern of Aborigines in Victoria was similar to that of the non-Aboriginal population with

one glaring exception. The pattern of the causes of death were basically the same — heart disease, lung disease and liver failure — but the drastic and sorry tale was that in the Aboriginal community these took effect at around 40 to 50 years, well before they had an effect in the rest of the population.

The mortality rates in the Australian Aboriginal community are equivalent to mortality rates for the most deprived and disadvantaged communities around the globe. In most other world communities where that degree of mortality can be seen there are very high rates of infant mortality. They attribute it to low life expectancy. In the Australian Aboriginal community which shares a similar low life expectancy infant mortality barely exists. So the impact on the intersection between the indigenous population and the non-indigenous population is more profound on premature death. Unfortunately to this day that situation has not been remedied.

From my experience of working in the Aboriginal health service I gained exposure for the first time to the court system. As part of my responsibilities I became very familiar with the Magistrates Court, the County Court, the Supreme Court and, if I was inspired, I took part in some proceedings before the High Court. It exposed me to the mental health system, and Pentridge and Fairlea prisons. At that time as a young community worker I encountered many experiences working in an Aboriginal community-controlled health service that led to my exposure to many of the tragedies within this society and made me resolve to pursue justice at every turn. That culminates in part today in my contribution to this debate and my support of this initiative introduced by the government to establish the Koori court.

The bill is intended to do a number of things. Through the delivery of a new jurisdiction of the Magistrates Court, it is designed to produce fairer and more equitable treatment for Aboriginal people in the justice system. By design it is intended to divert indigenous people away from prisons where it is appropriate to do so. It is by its nature and in the way in which it will operate intended to develop and maintain partnerships between the Aboriginal community, the government and the rest of the Victorian community in introducing reforms to the justice system.

An important part of the brief of our endeavour is to address the underlying causes of criminal activity and on the way through, by the way in which we operate and engage with all sections of the community, develop trust, understanding and commitment through the direct involvement and participation of the Aboriginal community in the justice system and change that drastic and sorry history around.

The second-reading speech clearly identifies how the method may be applied to bring to bear the Koori court jurisdiction. We see that an essential part of what is now described as community building as the focus of the bill. In my day, back in Fitzroy, it used to be described as self-determination. We will see a degree of ownership by the Aboriginal community in the way the program will work. In particular we will see an active involvement of Koori elders and members of the community in deciding appropriate levels of court orders and rehabilitation goals. We will see an involvement of the families of Koori offenders in taking responsibility for the implementation of those orders and in setting those rehabilitation goals and by the way in which the court operates provide better access for the families of offenders throughout the court processes.

We intend to develop a greater degree of community awareness about the codes of conduct which are appropriate within indigenous communities. This is something that must be driven by the community itself in finding the appropriate balance between what may be described as mainstreaming of the legal system with a specific overlay of the way in which the court will operate to try to overcome cultural or systematic discrimination that Koori offenders may have experienced in court proceedings up to this point in time.

By adopting this method we would expect there will be a change in the pattern of incarceration. We anticipate a reduction in the number of offenders who will end up in court. We hope that by opening the court in this way we will reduce the incidence of offenders who fail to appear. We also believe there will be a reduction in the number of court orders that are breached. At the end of the day it is I hope Parliament's intention to reduce the incidence of crime within the Koori community and to lessen the impact it has on indigenous and non-indigenous Victorians alike.

This will be a new jurisdiction within the Magistrates Court. It is important for members of the Victorian community to understand that the Magistrates Court has limitations on the types of matters that appear before it, that the more serious crimes will be addressed, as they have been in the past, in the County Court or the Supreme Court, and that no matter dealt with by the Koori court under these arrangements will change the nature of the jurisdictional arrangements that have applied until now.

A magistrate will be designated as a magistrate to the Koori court and will be assisted by a Koori court team comprising an elder of the community, an Aboriginal justice worker, a community corrections officer, a police prosecutor and a defence lawyer. We anticipate that in any court proceedings maximum access would be provided to the families of the offenders. While in no way diminishing the seriousness of any offences being considered by the court or shirking the requirements on any number of occasions to impose quite onerous sanctions or penalties upon offenders, we seek to ensure that wherever possible cooperative, harmonious and indeed productive outcomes are made through the court orders imposed. We hope this will create and maintain a team-based approach to the way the court operates.

The bill requires the court to take into account the offender's Aboriginality not simply in determining the sentence but in adopting the processes and procedures by which the court's deliberations will take place, and ensuring within the scope of the bill and the second-reading speech any order imposed is more than likely to be complied with. This piece of legislation sets for itself an interesting test — to try to find a greater correlation between the orders imposed upon an offender and the compliance with those orders. It is a clear recognition that there has been a sorry correlation between sentences that have been imposed and the way they have been complied with, particularly community orders and non-custodial sentences. Until the present time we have witnessed an unfortunate proportion of custodial sentences applied to members of the Aboriginal community, given the low compliance with the non-custodial sentences.

The courts to be established in Victoria will be established on a pilot basis over the next two years and will be evaluated after that time. The first court will be established in Shepparton and it is expected there will be another in Broadmeadows in six months time. As has already been mentioned in this debate, Shepparton has been selected for good and bad reasons. The good reason is the number of support services that exist within the Shepparton region and the bad reason is that unfortunately the Shepparton community has a sorry track record of offences by Kooris, and Kooris who live within the Shepparton region experience a level of dislocation.

To concentrate on the good reason for establishing the pilot court in Shepparton, the community provides access to a number of services, including drug and alcohol treatment, an indigenous women's mentoring program, a well-developed indigenous community, controlled social services such as Rumbalara Aboriginal Cooperative and the Burri Family Preservation Service. Those longstanding organisations have a very good track record in supporting their communities and interacting with local law enforcement agencies. In the Shepparton region there is also ready access to social and emotional wellbeing counselling. The model that is being adopted in establishing these courts is based upon picking up the best features from a number of indigenous courts throughout the globe, a couple of which have been established in Australia — the Nunga court in South Australia, which has been operating for two years and similar courts in New South Wales and in Queensland.

Earlier today I spoke to an officer of the Department of Justice who indicated to me that the people who have been working diligently on this project have already commenced preliminary work within the Shepparton community to try and ensure the smooth and timely implementation of this initiative. The government takes this issue seriously; it will not be blind to the implementation of this scheme. It is committed to making sure that it works and that it delivers the results we have in mind for it. In fact I respond to the challenge laid out by the Honourable Jeanette Powell by saying, 'Let's make sure we are very mindful of the benefits that this brings to our community. Let's measure them and make sure we learn from them and implement them in other similar endeavours'.

I take the opportunity of thanking a number of people who have played their role in bringing this legislation about. I will start by relating to the house a joyous experience I had in the last six months of renewing the friendship of a person in the Department of Justice who has worked on the development of this proposal. She is a young woman by the name of Rose Coombes. I knew her as a child many years ago and met her recently as a brilliant young woman working within the Department of Justice. I had the privilege of working with Rose's father, Kevin Coombes, in the health department many years ago. Kevin Coombes, an outstanding Australian who represented his country at the Paralympic Games as captain of the Australian Paralympic basketball team, played a significant role in the Koori community in Victoria and across the nation and was a significant part of my education.

It was with Kevin Coombes that I travelled not only to the Rumbalara mission, the Comeragunga mission, Lake Tyers and Lake Conder, but indeed to the mission where Kevin's and Rose's ancestors lived, the Ebenezer mission. In fact we shared many travels and many experiences, and it was with a great deal of joy that after about 15 years I was fortunate enough for my path

to cross Rose's. She is one of the key people who worked on this legislation.

On behalf of the government I also thank the Aboriginal Justice Forum, which worked so diligently in the creation of this proposal. I thank Angela Cannon, Ian Grey, Kate Autey and Paul Grant and all the people within the Department of Justice who worked so diligently with the Attorney-General and the Koori community to make the Aboriginal justice agreement a living, breathing reality within a framework that the government believes will start turning around the degree of disadvantage and dismay that has been so evident in the Victorian community. By adopting this initiative the government intends to bring to bear the experiences, knowledge and values of the Victorian Koori community to improve our justice system and on the way through improve the quality of life for all Victorians.

The Koori court will complement a number of existing and planned justice initiatives such as the adult residential program, the cultural immersion program, the mediation and dispute resolution programs, the Koori family history service link-up and community legal education. It will build on the improved relationships we have witnessed between the Victoria Police and Aboriginal communities and the increased number of indigenous bail justices.

This initiative comes just after Reconciliation Week across the nation and at a time when the Yorta Yorta land claims are currently being considered before the High Court of Australia. These are ongoing issues that the government is alive to and concerned about. It is wanting to ensure a better quality of life for all Kooris in Victoria. I hope the Koori court will play a significant role in improving the quality of life for Victorian Aboriginal communities in the years to come. I commend the bill to the house.

Hon. E. C. CARBINES (Geelong) — As a member of the Bracks government I am pleased to speak in support of the Magistrates' Court (Koori Court) Bill. The passage of this groundbreaking legislation will herald a new era of justice in our state, one whose foundation has been laid through the initiative of the Victorian Aboriginal justice agreement.

The legislation deserves overwhelming support because it seeks to address a situation of deep historic inequity in Victoria born out of the socioeconomic disadvantage experienced by Victoria's indigenous communities. It is to our shame that Victoria's indigenous population is underrepresented in our state's educational institutions but massively overrepresented in the criminal justice system and in our jails.

I refer to the Koori justice publication *Victorian Aboriginal Justice Agreement in Action*, first edition, which was released last week for Reconciliation Week. It summarises shameful statistics about the level of representation of our indigenous population in our criminal system and jails. On page 10 we learn of those glaring statistics released by Victoria Police:

> In 2000–01, 155 445 people were processed by Victoria Police. Of these, 4676 (3 per cent) were Koori people.
>
> Given that Koories account for only about 0.5 per cent of Victoria's population, this means their level of contact with Victoria Police is about six times greater than would be expected on a per capita basis.
>
> This has increased since 1996–97 when Koories were about 5.2 times more likely to be in contact with Victoria Police.

The most damning indictment is the Koori juvenile statistics where:

> Koori juvenile (under 17 years) alleged offenders in Victoria are almost twice as likely as juvenile non-Koori alleged offenders to be arrested for an offence, rather than cautioned.

The article then refers to the number of Kooris in our jails. Under the heading 'Prison', it says:

> Koories in Victoria are currently (and have been for at least the last eight years) around 11 to 12 times more likely than non-Koori persons to be imprisoned. This overrepresentation level is higher than it was in 1988.
>
> While the total number of Koori males in Victorian prisons has remained relatively stable since 1994, the number of Koori females received into prison has increased by 73 per cent from 27 in 1996–97 to 45 in 2000–01.

The bill begins to address this situation with the establishment of the Koori court. This initiative has been negotiated with Victoria's Aboriginal communities and arises out of the Bracks government's strong commitment to advance the course of reconciliation in our state by strengthening our relationships with our indigenous communities.

The establishment of the Koori court will allow for the inclusion of indigenous values, skills, knowledge, and cultural beliefs in the sentencing of indigenous offenders by the Magistrates Court. The Koori court will be piloted over two years, with the inaugural Koori court to be located at Shepparton.

On page 3 of the Koori justice document to which I referred earlier an explanation is given about the theme of the Victorian Aboriginal justice agreement. This theme is the very driver of the establishment of the

Koori court, which is the purpose of the legislation. It states:

> The theme of the Victorian Aboriginal justice agreement is that, at any point where Koories come into contact with any level of the justice system, there are other Koories there.

It is in this spirit that the Koori court will operate. It will provide for advice on sentencing of indigenous offenders to be given to the magistrate by a respected person or a Koori elder and of course the indigenous justice worker. It aims to ensure the sentence given by the magistrate is reflective of the Aboriginal community's beliefs and expectations and also reflective of the wider community's beliefs and expectations. By taking advice in this way there is a greater chance of maximising the opportunities for rehabilitation for the indigenous offenders and thereby hopefully reducing their overrepresentation in Victoria's prison system. Of course, each and every member of the Victorian community would benefit ultimately from a reduction in crime.

Offenders who will be eligible to go through the Koori court must be adult Aboriginals who have pleaded guilty to an offence in the Magistrates Court. Not all offenders will be suitable for sentencing in the Koori court. Where the crime committed is one of family violence or a sexual offence, they will be excluded from sentencing in a Koori court.

It is estimated that the majority of offences dealt with by the Koori court will be property offences. The second-reading speech indicates that 55 per cent of Aboriginal people processed in Victoria during 2000–01 had committed crimes against property.

There has been much consultation with Victoria's Aboriginal communities in relation to the establishment of the Koori court concept. As I have already said, Shepparton has been chosen as the location for Victoria's very first Koori court. In the document to which I referred earlier, a couple of pages are devoted to the Victorian Aboriginal justice agreement in action with a focus on Shepparton. There are some notes referring to the Koori court being piloted in Shepparton.

I have a quote from Ms Joanne Atkinson, the executive officer of the local regional Aboriginal justice advisory committee. She says:

> The Koori court is about addressing a huge need in our community …
>
> We're concerned with the number of people in our community coming into contact with the justice system. How can we reduce the number of arrests? How can we put true indicators in place for rehabilitation? What is the social standard for behaviour in our community?
>
> We want the Koori court to set a standard of acceptable behaviour in our community, and that's where the elders are involved, to help us find answers.

The pilot location of the Koori court in Shepparton and its progress will be evaluated over the course of this year, and later this year a complementary Koori court will be established in Broadmeadows. If, as expected, it is successful it will be used across Victoria. I was very pleased to be watching the television news the day the Attorney-General announced the Koori court legislation and the honourable member for Shepparton in the other place acknowledged the issues facing the Aboriginal community in the electorate he represents and welcomed the initiative the government was announcing that day.

As a member for Geelong Province I know that Geelong's indigenous community, the Wathaurong people, have warmly applauded this Aboriginal justice initiative of the Bracks government. There was an article on page 2 of the *Geelong Advertiser* on Anzac Day, 25 April, called 'State calls for Koori courts'. I quote:

> Geelong's Wathaurong Aboriginal Cooperative is supporting state government plans to create a separate court for Aboriginal offenders.
>
> … Wathaurong Aboriginal Cooperative chief executive officer Trevor Edwards said the cooperative had been directly involved in lobbying for the new court.
>
> 'From our perspective, this is a very good concept', Mr Edwards said.
>
> 'Where this will work best is in a community where the community has been there prior to white occupation and has a direct line of descendants'.

I acknowledge and congratulate the Wathaurong cooperative and its chief executive officer, Trevor Edwards, for their tireless work to assist Geelong's Aboriginal community. I thank them for the support they have offered for this initiative of the Bracks government to establish a Koori court. Their support is significant. I am very pleased to acknowledge that I have a very good relationship with the Wathaurong community in Geelong, and I admire many of their elders and members and count them as my friends.

I acknowledge them here. Elder Auntie Betty Tournier, whom I often meet at functions and out at the cooperative, works tirelessly for the cause of reconciliation and the Geelong community. Chief executive officer Trevor Edwards and various members of the Wathaurong community are also out in our community in Geelong all the time promoting and advancing the cause of reconciliation. I acknowledge people like Lyn McInness, Alan Browning and a very

young member of that community whom I used to teach at Corio Bay Secondary College, Kylie Clarke, who has done much among our young people in Geelong to advance the acceptance of our indigenous community and indeed the cause of reconciliation.

I was very proud to be invited by Geelong's Wathaurong community to be its non-indigenous representative of the Geelong community in raising, with an indigenous representative, the Aboriginal and Australian flags last year during Reconciliation Week. I count that as a very proud moment as a member for Geelong Province.

In speaking on this bill tonight I congratulate the Attorney-General for his tireless work to turn around the inequities in the justice system, especially in relation to justice for our Aboriginal communities. The Koori court initiative is a serious attempt to tackle the issue of injustice inherent in our judicial system for our indigenous people. It aims to maximise the opportunity for the rehabilitation of Aboriginal offenders and it will work to assist individuals. In doing so it will further advance the cause of reconciliation in this state. Each and every member of the Victorian community will benefit from that. I am therefore very pleased and proud to commend this bill to the house.

Hon. D. G. HADDEN (Ballarat) — I rise to speak in support of the Magistrates' Court (Koori Court) Bill. This bill comes into this place as a result of much negotiation and consideration by the Aboriginal communities, the Department of Justice and the Attorney-General. I commend all those persons who have been involved in negotiating their way through an appropriate process for the Aboriginal community for an Aboriginal court in this state.

The Aboriginal justice agreement states that consideration needs to be given to replicating with cultural adaptation the Nunga court at Port Adelaide in South Australia, where the Nunga elders advise the sitting magistrate, and the Koori court model as outlined in this bill will replicate to a certain degree the Nunga court in Port Adelaide. The parliamentary Law Reform Committee, of which I am the deputy chairperson, in its review of legal services in rural and regional Victoria tabled in this Parliament in May 2001 makes the following recommendation 121:

> That the state government establishes an Aboriginal court in a regional location as a matter of priority.

One of the chapters in that review deals solely with indigenous Victorians. It summarises and gives a brief overview of statistics drawn from the 1996 national census data.

The Aboriginal community makes up about 0.5 per cent of the total Victorian population while 50 per cent of Victorian Aboriginal people live outside the metropolitan area. The Aboriginal population is much younger than the overall population with the 1996 census data showing that 57 per cent of Victorian Aboriginal people are under the age of 25 compared with 39 per cent of the overall population. Only 3 per cent of Victorian Aboriginal people are over the age of 65 compared to 12 per cent of the total population. The unemployment rate for Aboriginal people in Victoria is 21.4 per cent, with evidence that this rate is significantly high in rural areas.

The Law Reform Committee in its travels around rural and regional Victoria in the year 2000–01 heard evidence from many Aboriginal cooperatives. For example, in Echuca, youth unemployment in the Aboriginal community was estimated at between 80 and 90 per cent. Bairnsdale, Horsham and Mildura had even higher rates. In some cases the only working Aboriginal people were employed by their own Aboriginal organisations — that is, the cooperative.

In its review of legal services in rural and regional Victoria, the Law Reform Committee used the Nunga court in Port Adelaide as an example in support of its recommendation 121 that the state government establish an Aboriginal court in a regional location as a matter of priority. The Port Adelaide Nunga or Aboriginal court day has been operating since June 1999. I had the privilege of attending that court in March 2001 as deputy chairperson of the Law Reform Committee with some other members of the committee and our staff. It was a very humbling and different experience.

The Nunga court is a separate court building. As a white person you must obtain permission from the court itself to enter the building. Members of the Law Reform Committee were granted that permission. The only other white persons in the Nunga court were the magistrate, the police prosecutor and the defence solicitor. It was a dialogue situation. The magistrate did not sit on a bench that was 12 foot higher than the body of the court; the magistrate was at eye level with the defendant, the defendant's family and relatives. The Aboriginal justice officer and the Aboriginal elder sat beside the magistrate to advise him on cultural and community matters. The defendant sat at a table in front of the magistrate with his partner and children. Some members of his family had absented themselves from the court because of a conflict of interest. Other court officers who were also Aboriginal were in attendance in the courtroom.

It was a very long process, and once accepted into the Nunga court, if the defendant feels at any stage that he or she is not able to continue with that process then they can opt to be sentenced in the Magistrates Court. Initially the Aboriginal defendant must appear in the mainstream Magistrates Court in the general list and then be referred to the Nunga court by the sitting magistrate.

The Aboriginal court at Port Adelaide was established in June 1999. In March 2001 a second Aboriginal court was established at Murray Bridge, and around the middle of 2001 a third court was established at Port Augusta.

In my discussions earlier this week with an Aboriginal justice officer Colleen, who has been with the court in South Australia for 22 years, I was advised that discussions were under way for further Aboriginal courts to be opened in South Australia at Ceduna and Coober Pedy. Colleen said she was very excited about the prospect of a Koori court opening in Victoria and asked me to pass on her request to the Attorney-General that she and her staff at the Nunga court at Port Adelaide receive an invitation. I have certainly passed on the request.

Colleen also said that as an Aboriginal and a justice officer who has worked in the court for 22 years it is very important that the Aboriginal justice officer and Aboriginal elder who are selected for this new pilot Koori court at Shepparton, and later this year at Broadmeadows, should be people who know the Aboriginal ways. She said that unless that is done culturally and sensitively there will be problems.

Colleen also said that so far as success rates go they can only go on the attendance rate of the offenders. When the Law Reform Committee was at the Nunga court at Port Adelaide in March 2001 the attendance rate was around 80 per cent. She said that has increased to around 100 per cent. Whereas they used to have between 10 and 25 regulars in the Nunga court system, it is now about three to four regulars. They do not handle family violence matters or crimes of serious violence. The general offence for which the defendants are charged are aggravated trespass, assault police, drive whilst disqualified, drink-driving and illegal use of a motor car. The Koori court model will be similar to the one in South Australia. In fact the one in South Australia is used as a model throughout Australia, and Colleen said that even people from Perth had visited them to look at their Nunga court as a good example of how a Koori court can work within our white justice system.

The importance of an Aboriginal court has been spoken about by previous speakers. It is important that justice and fairness be served in our judicial system. I certainly wish the Koori courts at Shepparton and Broadmeadows success. However, it should not be looked upon with rose-coloured glasses. I hope those involved with the setting up of the court visit the Nunga court in Port Adelaide because it is an experience and one that needs to be studied further.

The executive officer of the regional Aboriginal justice advisory committee, Joanne Atkinson, in the first edition of the Koori justice magazine, states:

> Shepparton has been chosen for the Koori court pilot, due to commence in August of this year. Shepparton's courtroom 3 is being reorganised as a Koori-friendly space.
>
> The Koori court is about addressing a huge need in our community …
>
> We're concerned with the number of people in our community coming into contact with the justice system. How can we reduce the number of arrests? How can we put true indicators in place for rehabilitation? What is the social standard for behaviour in our community?
>
> We want the Koori court to set a standard of acceptable behaviour in our community, and that's where the elders are involved, to help us find answers.
>
> …
>
> It's important to realise this is about choices — the offender can choose whether or not to be involved and elders can choose if they're involved …

Finally, it is noted:

> Some elders have expressed hesitation, uncertain of the personal impact. This issue is one of many to be worked through by the local community as the long-mooted court becomes a reality.

I support the establishment of this pilot at Shepparton, and Broadmeadows later this year. I wish it success. If the Nunga court in South Australia is any indication then it will be a success. I commend the bill to the house.

Motion agreed to.

Read second time.

Third reading

Hon. J. M. MADDEN (Minister for Sport and Recreation) — By leave, I move:

> That this bill be now read a third time.

In so doing I thank honourable members for their contributions.

Motion agreed to.

Read third time.

Remaining stages

Passed remaining stages.

CRIMINAL JUSTICE LEGISLATION (MISCELLANEOUS AMENDMENTS) BILL

Introduction and first reading

Received from Assembly.

Read first time on motion of Hon. J. M. MADDEN (Minister for Sport and Recreation).

ADJOURNMENT

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I move:

That the house do now adjourn.

Motor vehicles: speedometers

Hon. N. B. LUCAS (Eumemmerring) — A constituent of mine living in Berwick has just recently been booked for speeding just over the speed limit. After a successful 40-year driving record he has been booked. He took his vehicle along to a specialist mechanic, of which there are only five in Victoria, and the mechanic's report showed that when the speedometer was at 70 kilometres an hour he was doing 75 kilometres an hour, and at 100 kilometres an hour he was doing 118 kilometres an hour. This is a government fundraising activity with regard to booking people who are driving at just over the speed limit.

At page 402 of budget paper 3, the revised 2001–02 budget income was $182.1 million. The figure estimated for the 2002–03 budget is $336.6 million, an increase of 84.8 per cent in one year in police fines, most of which are for traffic offences. The opposition agrees there is a need for support of traffic safety initiatives, but this is a grab for money by the government by booking motorists who are just over the speed limit at a time when there is no requirement for speedos to be calculated to a variance of less than 10 per cent.

My constituent says:

> There is … no service book for any car … to get the speedo checked. So whenever you are getting your car serviced nobody ever services your speedo.
>
> So who is aware of the problem? Only those who are getting fined, and that is totally unfair.
>
> If a government wants to introduce zero tolerance for speeding that is fair enough, but it would have to introduce a law which requires that a roadworthy inspector has to check the speedo for its accuracy before the roadworthy certificate is issued.
>
> All cars should be tested for roadworthiness every three years. This would ensure that the speedos would have to be checked every so often.

I noticed also in the May–June edition of *Auto Industry Australia* the fact that low tyre pressure can lead to inaccurate readings; loads being carried or non-standard or modified gearboxes and differentials also can make a difference. Also, long tyres certainly make a difference to the speedometer. So there are a whole range of things which create a situation where cars are not necessarily going at the speed the driver would think. It is just a fact that the Australian design rule 18/01, instrumentation, specifies that vehicles should be fitted with odometers that are accurate to plus or minus 10 per cent above 40 kilometres an hour — at plus 10 per cent a speedo may register 50 kilometres an hour.

I ask the Minister for Transport to consider the practical implications of the government's money-making venture and to contemplate the fairness or otherwise of the current situation, given the absence of any requirement for the initial certification and periodic checking of the accuracy of speedometers.

The PRESIDENT — Time!

Children: farm safety

Hon. B. W. BISHOP (North Western) — My adjournment issue tonight is directed to the Minister for Sport and Recreation to take to the Minister for Workcover. In view of the recent legislation regarding children working, with particular emphasis on children who work on the family farm, I was interested to be contacted by the Loddon Mallee Women's Health Service, Ouyen branch, to bring to my attention an excellent safety forum directed essentially at students.

The local Victorian Farmers Federation branches and Loddon Mallee Women's Health Service are very keen to promote safety on farms. The Ouyen branch of the Victorian Farmers Federation held a very successful farm safety expo for primary school students in 2001. Planning has now commenced for the 2002 Farm Safety Expo, which will be held on 2 to 4 September on Ian and Cathy Hastings's property at Timberoo, near Ouyen.

In conjunction with the Ouyen branch of the VFF, the health service's family health project is planning an extra day at the farm safety expo. This session will target year 8 students and will cover issues such as driving off-road, unlicensed vehicles, chemical safety, safety on farms and machinery, and firearm safety. Farming partners and families will have the opportunity to listen to the speakers and direct questions on topics relevant to safety on farms.

This expo's importance should not be undervalued. It is an initiative to be applauded. However, the Loddon Mallee Women's Health Service branch is appealing for some financial assistance in an effort to get some strong participation and good results from such a staging. Will the minister provide some much-needed financial support to this extremely worthwhile and innovative farm safety expo?

Greater Geelong: rate concessions

Hon. E. C. CARBINES (Geelong) — I raise a matter for action by the Minister for Community Services in the other place. The matter relates to the Bracks government's municipal rates concession, which falls within her portfolio responsibilities. The City of Greater Geelong has this week approved an overall rate increase of 5.7 per cent. However, rate rises of at least 20 per cent will hit residents in booming coastal suburbs in my electorate next financial year.

An article on page 1 of today's *Geelong Advertiser* entitled 'Coastal properties to coast biggest rate rises' says:

> Ratepayers will fork out $6.9 million more in 2002–03, with the burden shifting to coastal areas where property values have shot up in the past two years.

Townships and suburbs in my electorate of Geelong Province such as Connewarre, Barwon Heads, St Leonards and North Shore will be hardest hit after values rose more than 50 per cent. What disturbs me are the comments made in the article by the city's chief executive officer, Geoff Whitbread, in response to claims that pensioners in coastal areas would be worst affected by rate increases.

He said there was nothing the city could do to avoid large increases in some areas and was critical of the Bracks government's $135 rate rebate for pensioners. I am aware that the municipal rate concession applies to pensioners and some veterans and that nearly 90 per cent of recipients receive the maximum $135 concession.

It has come to my attention that several Victorian councils have instituted their own pensioner concessions for municipal rates. Some examples include Port Phillip, Glen Eira, Maribyrnong and Kingston. This would seem to be at odds with Mr Whitbread's claims that there is nothing the city council could do to avoid larger rate increases and their effect on elderly pensioners, who will be hardest hit by the rate hike.

I call on the minister to detail the Bracks government's initiatives in relation to concessions for pensioners and veterans and to advise what action is open to the City of Greater Geelong to relieve the burden on vulnerable low-income earners in my electorate — that is, elderly pensioners.

Commissioner for ecologically sustainable development

Hon. ANDREA COOTE (Monash) — I raise an issue for the Minister for Environment and Conservation in the other place on World Environment Day. I attended a very interesting forum in my electorate on Monday night dealing with conservation and the environment. Many of my constituents are concerned about the environment and are equally concerned about the interaction of the minister and the government. They are concerned that they have not achieved anything.

I am particularly interested in the Bracks government's election promise to establish a commissioner for ecologically sustainable development. In December 2000 the government released its consultation paper and since then there has been absolutely nothing. The minister stated that in that time she received 66 submissions, 64 of which were in favour of the establishment of a commissioner.

I ask the minister when a final decision will be taken on the form of office to be established and how much longer we will have to wait before a commissioner for ecologically sustainable development becomes a reality in Victoria.

Verney Road School, Shepparton

Hon. E. J. POWELL (North Eastern) — I raise an issue with the Minister for Education and Training in another place. A few weeks ago I raised the need for welfare officers in primary schools. Since then I have received some correspondence. One letter was from Pru Dobson, the acting principal of the Verney Road School in Shepparton. She congratulates me on supporting welfare officers in primary schools but alerts

me to the fact that special schools are also in need of welfare support.

The Verney Road School has 78 primary and secondary students, many of whom have been in a mainstream school. She states:

> For a variety of reasons, and often with the help of welfare workers, they have not been able to remain there. All of these students also have an intellectual disability and had some extra funding in the mainstream to help with their educational needs.

When they attend the special school it takes on the welfare issues but without any extra welfare funding, so it has to use its disability funding to buy in welfare support. It has more secondary students than primary students, but they are lumped in with the primary students and so are not eligible for secondary school funding.

The school council president of Verney Road School, Paul Custance, wrote to the editor of the *Shepparton News* today saying the same thing. He states:

> Welfare issues are a serious concern for staff, parents and students.
>
> Verney Road School receives no welfare funding.
>
> 'Special settings' because of their student funding formula are often overlooked; in many cases it seems we are neither a primary or secondary school, yet our students come from your community, with the same problems facing all of us, usually magnified because of a disability.
>
> Something needs to be done to address the welfare problem; start with government funding of a welfare person for Verney Road School.

I am sure the minister understands the needs and uniqueness of special schools, particularly this school, and I therefore ask the Minister to fund a welfare officer for the Verney Road School.

Federal budget: disability pensions

Hon. S. M. NGUYEN (Melbourne West) — I raise an issue with the Minister for Sport and Recreation for the attention of the Minister for Community Services in the other place. The issues of community inclusion, participation and citizenship are at the heart of the Bracks government's policy for all Victorians, including people with a disability. This government's vision is 'One community for all Victorians' — a community where people with a disability are valued in their own right, where people's rights are respected and safeguarded, and where people with a disability have the same opportunities to fulfil their aspirations as do all other members of the community. People with a disability are entitled to feel a sense of belonging so they can actively participate in the life of the Victorian community.

All of that is now under threat. Welfare groups in my electorate believe that the recent Costello budget lacks compassion because it targets people who already face higher living costs and limited job opportunities. The proposed changes to the disability support pension exposes the most vulnerable group to tough penalties for non-compliance with requirements and deprives them of phone and pharmaceutical concessions. Many people in my electorate have expressed concern that they fear the reform will force people with disabilities to take on less work to remain eligible for the pension — an outcome that would ironically lead to further poverty and dependency. Forcing people with disabilities on to the dole means they would be $52 a fortnight worse off than if they were receiving the disability support pension.

An article in the *Western Times* last week highlights these concerns. The coordinator of acquired brain injury support group Bear in Mind West, Ria Strong, said that the Howard government plans to force people on disability pensions, who can work 15 hours a week, onto the dole would hurt those with mental illnesses and particularly those with brain injuries. I am also concerned about the flow-on effects of cuts to public housing and disability services. As more people lose their disability support pension, the $52 a fortnight and other concessions, who will they turn to for support?

I ask the minister to take action to highlight to the Howard government the concerns of disability services clients in my electorate and the extra burden that will be placed on Victorian disability services.

Gunnamatta: sewage outfall

Hon. R. H. BOWDEN (South Eastern) — I bring to the attention of the Minister for Environment and Conservation the Gunnamatta sewage pipeline outfall on the Mornington Peninsula, where it is reported that on average 350 million litres of contaminated sewage by-product is pumped into Bass Strait every day. I give that figure again — 350 million litres of contaminated water into Bass Strait every day!

A government panel supervised by the Environment Protection Authority has recommended that the outfall be extended for a further 2 kilometres into Bass Strait. This proposed extension will cost a reported $170 million. As one of the members of Parliament representing that area I am concerned that the simple solution is to spend $170 million extending the pipeline but to still pump 350 million litres of contaminated

water into Bass Strait. The so-called Melbourne Water plan is to improve the water level, but it would have to be the equivalent of drinking water and even then it would not be terribly compatible with the water in Bass Strait if it is discharged at the rate of 350 million litres a day.

The other thing that concerns me is that there seems to be a lax approach to this. We are talking about a period of seven years, with no realistic alternatives. The report on page 9 of the *Age* says that Melbourne Water will be preparing a management plan to deal with the solid by-products. We cannot expect that plan to be forthcoming until 2017. I suggest to the minister that if she made inquiries of the City of Chicago in the state of Illinios she would be told that they have an effective plan. I have seen it at first hand.

A study will be undertaken to determine the effects on those who surf and swim close to ocean outfalls. The effect is that they generally become bacterially enhanced or encrusted. You do not need to spend a fortune finding out what will happen to swimmers and people in the vicinity.

Several groups in my area are totally dissatisfied and thoroughly fed up with the lack of progress on the matter. The fact that the government puts 350 million litres of contaminated water a day into Bass Strait is reprehensible, and I want the minister to do something about it now.

Traralgon Racing Club

Hon. P. R. HALL (Gippsland) — I wish to raise a matter for the attention of the Minister for Racing concerning the Traralgon Racing Club.

Tonight I joined 700 committed and passionate Traralgon and Gippsland residents at a public meeting held in Traralgon to demonstrate community support for the continuation of the Traralgon Racing Club. Country Racing Victoria has recommended that the registration of the Traralgon Racing Club be revoked effective from 12 June. A Traralgon racing working party has been formed and is capably chaired by Cr Peter Tyler of the City of Latrobe. The working party is exploring all avenues to keep the racing club going. The continuation of the club has the support of the Gippsland racing fraternity, the Latrobe City Council and even the Minister for Racing, who has put some kind comments in the press in recent days. Most importantly it has the support of the community, as was demonstrated by the magnificent attendance at tonight's meeting. The meeting asked that a message be sent to the racing minister and to Country Racing Victoria. I now deliver that message.

Three resolutions were passed at the meeting. The first called on Country Racing Victoria to commence negotiations with the working party to ensure that in Traralgon racing remains as a viable and sustainable operation, to develop a reformed Traralgon Racing Club, to reinstate 11 race meetings and to retain Traralgon Racing Club as a training centre.

The second resolution called upon Victoria's racing minister to develop a policy that will ensure the continuation and sustainability of all country racing clubs across Victoria.

The third resolution called on the Minister for Racing and Country Racing Victoria to defer any decision to deregister the club for a period of one month to allow a business plan to be prepared.

I ask the Minister for Racing to take note of these resolutions, to recognise the strength of community support for the club and to do all in his power to ensure the survival of this fine sporting institution.

Forests: harvesting licences

Hon. C. A. FURLETTI (Templestowe) — I raise a matter for the attention of the Minister for Environment and Conservation in the other place. It has come to my attention that in the next few days letters are to be sent by the minister to those involved in the timber industry in the box-ironbark forests and woodlands areas which will see: firstly, a reduction in the term of fencing material licences from 12 months to 6 months; secondly, a limiting to 12 months the time within which firewood merchants can utilise trees felled before 30 June this year; and finally, the stopping forthwith of the issue of licences for felling trees for further firewood production.

On top of very strong evidence of timber licensees being allocated licences areas which are seriously depleted of resource or are unnecessarily lengthy distances from the base, making it uneconomical for them to pursue their activities, a cynic could conclude that the government is seeking to implement by stealth the Environment Conservation Council's box-ironbark and woodlands report. It appears that this open, transparent and honest government, which is allegedly supportive of country and regional Victoria, is sneakily and secretly forcing out of their livelihoods Victorians who are not qualified or competent to engage in any other activities to maintain their independence and survival.

I ask the minister to direct the Department of Natural Resources and Environment to cease the implementation of policy by subterfuge and to engage in consultation and frank and open discussion with the communities and groups most devastated by the devious manner in which these policy programs are being implemented.

School buses: funding

Hon. PHILIP DAVIS (Gippsland) — I raise a matter for the Minister for Education Services in this place on behalf of the Victorian Ecumenical System of Schools, which represents 15 independent schools and around 10 000 students from the communities of Bacchus Marsh, Ballarat, Portland, Woodend, Cobram, Cranbourne, Sale, Shepparton, Maryborough, Newhaven on Phillip Island, Frankston, Hamilton, Mount Eliza and Hoppers Crossing.

On 18 April VESS wrote to the Minister for Education Services seeking a deputation. It has tried to elicit information from the government about funding of school buses. The particular concern is that these schools as independent schools charge fees. It is important that parents of children attending the schools know what the total costs of school enrolment will be, including the cost of transport to these Christian schools. Clearly it is important given the government's recent announcements in connection with the budget about school bussing arrangements for next year that the information be made available forthwith so that planning can be made by the schools, students and parents. It is disappointing to the Victorian Ecumenical System of Schools that it has not received any response to its correspondence and four weeks have elapsed since the announcements about school bus arrangements.

Will the minister take up the matter of dealing with the correspondence, seeing a deputation and/or providing information to the Victorian Ecumenical System of Schools so that it might be better informed and decisions can be made for the next school year?

Clyde Road, Berwick: traffic control

Hon. G. K. RICH-PHILLIPS (Eumemmerring) — Noting that the Minister for Sport and Recreation is at the table I am tempted to raise the issue of a swimming pool for Cardinia shire. However, I think that can wait for another time and instead I will raise an issue for the Minister for Transport in the other place. I am sure the minister will appreciate that.

The matter relates to Clyde Road in Berwick, one of the major north–south roads in Berwick that was duplicated two years ago under the previous government. However, the southern part of Clyde Road is still a single carriageway, speed limited at 100 kilometres per hour. In recent years a school has been developed along Clyde Road — St Catherine's Primary School. Next year an adjoining secondary school is to be built which will be a junior campus of St Francis Xavier College.

As a result of these schools being built on Clyde Road in a 100 kilometre zone there are a number of vehicles and some pedestrian traffic requiring access to that school, and because the road is zoned at 100 kilometres an hour there are some difficulties with that. As a result the school community is now lobbying for some measures to be put in place to make access to the school much easier for parents dropping off and picking up children and for children exiting the school as pedestrians.

I have taken this matter up with the City of Casey and the chief executive officer has indicated a willingness to consider implementing school speed zones, which were highlighted in the report of the Road Safety Committee of this Parliament in 1999; but in order for those zones to be implemented joint funding between council and the state government is required. Therefore I seek the support of the Minister for Transport to get joint funding between Vicroads and the City of Casey so that school speed zones can be implemented on Clyde Road.

School buses: Burke Hall service

Hon. D. McL. DAVIS (East Yarra) — I direct my question to the Minister for Transport. It concerns a proposed school bus route from Glen Iris and Camberwell East, through Canterbury to Burke Hall in Kew. I received a letter from Katie O'Callaghan, a parent of a child at the school, who is trying to ensure that there are proper services in the City of Boroondara.

The proposed school bus route is important because there are more than 60 children of primary school age who attend Burke Hall which, for those who are familiar with Boroondara, is up in the far corner of Kew and is not as well serviced by transport as are other parts of Boroondara. In fact Burke Hall has also commenced pre-prep classes for four-year-olds and this year will roll out a further group, so there will be a significant number of new students coming in.

The proposed route, which measures 15 kilometres, begins at the southern end of Summerhill Road, Glen Iris, and travels directly north to Toorak Road. It turns

left into Toorak Road and left into Wattle Valley Road and then into Fordham Avenue. It then moves up through Riversdale Road and travels north to Canterbury Road. From Canterbury Road it moves along city bound and then to Burke Road and from Burke Road turns up to Barkers Road to proceed most directly to Burke Hall from there.

I ask the Minister for Transport to consider assisting the school and the school community in funding an adequate bus service for Burke Hall. It is a convoluted route in some respects but it is important to understand that students come to Burke Hall from all over the City of Boroondara and it is important that they do that in safety and with reasonable speed. The proposal has been put to the National Bus Company and drivers, and I would certainly be very supportive of that proposal. I know that my colleague the Honourable Mark Birrell is very aware of this proposal, as is Di Rule, the Liberal candidate in Burwood, who is also very supportive of appropriate and satisfactory school bus services in the City of Boroondara.

It is important that these services are looked at closely. I am sure the school community is supportive of that and I ask the Minister for Transport to give this his early attention and to work with the school community to ensure that an appropriate bus route is found.

State emblem

Hon. B. C. BOARDMAN (Chelsea) — Many Victorians like myself expressed great concern when we woke up one morning to discover —

An Honourable Member — Who is your question to?

Hon. B. C. BOARDMAN — This is to the Premier of Victoria.

An Honourable Member — No mucking around!

Hon. B. C. BOARDMAN — I am so happy that the government takes this issue flippantly because many Victorians did not when the government decided to go down the path of removing the Crown from the Victorian state emblem, irrespective that this state was named after one of the greatest British monarchs ever.

It has been the case that in recent days in the United Kingdom an incredible number of people have turned up to celebrate the Queen's golden jubilee. I am sure that many Victorians would be glued to their television sets tonight to watch the concert which has been replayed from Buckingham Palace and also from St James Palace, displaying the significance of the monarch to the British way of life and the pride with which she is regarded.

Apart from all that, here in Australia we have to remember that Her Majesty is still the head of state. Mr President, that chair that is behind you might also be in jeopardy of losing its crown, so might be the canopy which adorns this place. I do not know whether we might come in one morning and find the crown missing from that canopy. We just do not know, because this government, through no consultation, no action and with no understanding of what the real sentiment of the community is, decides to simply remove from the state one of its most treasured emblems.

Having watched along with many Victorians with a degree of pride and humility the celebration which has been quite a profound exhibition of public outpouring in support of the monarchy in the United Kingdom, I place firmly on the record that that support will flow on to Victoria. On the Queen's birthday holiday weekend no doubt many republicans will take Monday off and they will celebrate it just like the rest of us do — in fact, all those republicans will probably go up to their chalets at Mount Hotham to celebrate the Queen's birthday, I ask the Premier to firmly place on the record his justification for removing the crown that is still a sacred emblem in this state from the state coat of arms.

Sport: code of conduct

Hon. I. J. COVER (Geelong) — It is good to see the Minister for Sport and Recreation is here to respond to the matter I wish to raise with him tonight because yesterday when we were taking note of answers to questions during question time the minister left the chamber and I was unable to speak directly to him about the issue of the code of conduct being developed in response to the so-called ugly parent syndrome.

We all know that the Premier, taking time out from removing the crown from symbols around the state, has given orders to the Minister for Sport and Recreation to develop a code of conduct for junior sport in the state. Following that, I note that a number of Victorian football leagues already have codes of conduct. In fact one league general manager has described the latest proposal as a waste of money. I said yesterday that we want to see codes of conduct developed without politics, but it is interesting to note the comments from Eastern Football League general manger, Craig Braddy, who said that funds that might be used for the proposed code of conduct would be better spent promoting existing codes of conduct rather than regurgitating them. Mr Braddy added:

> We have had codes of conduct that are really well and clearly defined and they are given to all the kids and parents every year.

He continued:

> I am not too sure that codes of conduct and sending them out to people is going to achieve anything other than wasting a lot of money.
>
> Football Victoria's manager of planning and development, Mick Daniher, said codes of conduct for parents, umpires, coaches and spectators covered the 115 football leagues across the state.

I bring these codes of conduct to the attention of the minister, who is carrying out the instructions delivered to him by the Premier, just in case he was not aware of them. No doubt these codes of conduct are worth looking at as the government develops its own. I hope at the same time the government will take into account the suggestion that it may be a waste of a lot of money. We do not want that to occur. I ask the minister if he is aware of the existing codes of conduct mentioned and if he will take these into account when formulating the new codes of conduct he has been asked to develop by the Premier?

Responses

Hon. J. M. MADDEN (Minister for Sport and Recreation) — The Honourable Neil Lucas raised an issue regarding traffic fines. I will refer that to the Minister for Transport in the other place.

I will refer the issue raised by the Honourable Barry Bishop regarding the farm expo proposed by Loddon Mallee Women's Health to the Minister for Workcover in the other place.

The Honourable Elaine Carbines raised rate concession issues in the City of Greater Geelong. I will refer them to the Minister for Community Services in the other place.

The Honourable Andrea Coote referred to the proposed commissioner for ecologically sustainable development. I will refer that matter to the Minister for Environment and Conservation in the other place.

I will refer the issue raised by the Honourable Jeanette Powell regarding welfare officers and welfare support for the Verney Road School to the Minister for Education and Training in the other place.

The Honourable Sang Nguyen raised an issue about people with disabilities on the disability support pension and the adjustments required due to the recent federal budget and associated difficulties. I will refer the matter to the Minister for Community Services in the other place.

I will refer the issue raised by the Honourable Ron Bowden regarding sewage and contaminated water flowing out from his electorate into Bass Strait to the Minister for Environment and Conservation in the other place.

The Honourable Peter Hall referred to the Traralgon Racing Club and other associated issues. I will refer those matters to the Minister for Racing in the other place.

The Honourable Carlo Furletti referred to box-ironbark and licensing issues. I will refer those issues to the Minister for Environment and Conservation in the other place.

The Honourable Philip Davis raised the issue of independent Christian schools and the funding of school bus services and other associated issues. I will refer those matters to the Minister for Education Services.

The Honourable Gordon Rich-Phillips referred to Clyde Road in Berwick and associated pedestrian access issues and speed zones. I will raise that with the Minister for Transport in the other place.

The Honourable David Davis referred to school bus routes through the City of Boroondara, and I think he mentioned Burke Hall. I will raise that matter with the Minister for Transport in the other place.

The Honourable Cameron Boardman raised the problem with his crown! I will refer that to the Premier in the other place.

The Honourable Ian Cover raised the ugly parent syndrome, which I reported to the house on yesterday. I am aware there are a number of sports that have codes of conduct. Mick Daniher and Craig Braddy do fantastic work in their respective sporting associations and groups in that regard. A number of sporting organisations could learn from what they are doing. There is a need for reinforcement of those codes of conduct, strategies of implementation and further incentive for sporting organisations to implement the codes.

Motion agreed to.

House adjourned 12.14 a.m. (Thursday).