PARLIAMENT OF VICTORIA

PARLIAMENTARY DEBATES (HANSARD)

LEGISLATIVE COUNCIL

FIFTY-FIFTH PARLIAMENT

FIRST SESSION

Wednesday, 31 May 2006

(Extract from book 6)

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By authority of the Victorian Government Printer

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Economic Development Committee — (*Council*): The Honourables B. N. Atkinson and R. H. Bowden, and Mr Pullen. (*Assembly*): Mr Delahunty, Mr Jenkins, Ms Morand and Mr Robinson.

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Council — Clerk of the Legislative Council: Mr W. R. Tunnecliffe

Parliamentary Services — Secretary: Dr S. O'Kane

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FIFTY-FIFTH PARLIAMENT — FIRST SESSION

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Member	Province	Party	Member	Province	Party
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Coote, Hon. Andrea	Monash	LP	Olexander, Hon. Andrew Phillip [3]	Silvan	Ind Lib
Dalla-Riva, Hon. Richard	East Yarra	LP	Pullen, Mr Noel Francis	Higinbotham	ALP
Darveniza, Hon. Kaye	Melbourne West	ALP	Rich-Phillips, Hon. Gordon Kenneth	Eumemmerring	LP
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Davis, Hon. Philip Rivers	Gippsland	LP	Scheffer, Mr Johan Emiel	Monash	ALP
Drum, Hon. Damian Kevin	North Western	Nats	Smith, Mr Robert Frederick	Chelsea	ALP
Eren, Hon. John Hamdi	Geelong	ALP	Somyurek, Mr Adem	Eumemmerring	ALP
Forwood, Hon. Bill	Templestowe	LP	Stoney, Hon. Eadley Graeme	Central Highlands	LP
Gould, Hon. Monica Mary	Doutta Galla	ALP	Strong, Hon. Christopher Arthur	Higinbotham	LP
Hadden, Ms Dianne Gladys [2]	Ballarat	Ind	Theophanous, Hon. Theo Charles	Jika Jika	ALP
Hall, Hon. Peter Ronald	Gippsland	Nats	Thomson, Hon. Marsha Rose	Melbourne North	ALP
Hilton, Hon. John Geoffrey	Western Port	ALP	Viney, Mr Matthew Shaw	Chelsea	ALP
Hirsh, Hon. Carolyn Dorothy [1]	Silvan	ALP	Vogels, Hon. John Adrian	Western	LP

[1] Ind from 17 September 2004
ALP from 10 November 2005

[2] Ind from 7 April 2005

[3] Ind Lib from 30 November 2005

CONTENTS

WEDNESDAY, 31 MAY 2006

Wednesday, 31 May 2006

The PRESIDENT (Hon. M. M. Gould) took the chair at 9.34 a.m. and read the prayer.

INFRINGEMENTS (CONSEQUENTIAL AND OTHER AMENDMENTS) BILL

Introduction and first reading

Received from Assembly.

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

JUSTICE LEGISLATION (FURTHER 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).

VICTORIAN URBAN DEVELOPMENT AUTHORITY (AMENDMENT) BILL

Introduction and first reading

Received from Assembly.

Read first time on motion of Mr LENDERS (Minister for Major Projects).

PETITIONS

Numurkah Occupational and Vocational Adult Service: board

Hon. W. A. LOVELL (North Eastern) presented petition from certain citizens of Victoria requesting that the state government immediately intervene to retain the current board of management of the Numurkah Occupational and Vocational Adult Service (588 signatures).

Laid on table.

Lilydale bypass: funding

Hon. E. G. STONEY (Central Highlands) presented petition from certain citizens of Victoria requesting that immediate action is taken to construct a Lilydale bypass to overcome safety concerns and traffic congestion within the township (625 signatures).

Laid on table.

Racial and religious tolerance: legislation

Hon. RICHARD DALLA-RIVA (East Yarra) and Ms ROMANES (Melbourne) presented petitions from certain citizens of Victoria requesting that the Racial and Religious Tolerance Act 2001 be repealed (14 and 37 signatures respectively).

Laid on table.

BUDGET PAPERS 2006–07

Mr LENDERS (Minister for Finance) — By leave, I move:

That there be laid before this house a copy of the following 2006–07 budget papers:

(a) Treasurer's speech (budget paper 1);

(b) strategy and outlook (budget paper 2);

(c) service delivery (budget paper 3); and

(d) statement of finances, incorporating quarterly financial report 3 (budget paper 4).

Motion agreed to.

Laid on table.

Ordered to be considered next day on motion of Mr LENDERS (Minister for Finance).

PAPERS

Laid on table by Clerk:

Auditor-General — Report on Planning for a capable Victoria Police workforce, May 2006.

Planning and Environment Act 1987 — Notices of Approval of the following amendments to planning schemes:

Buloke Planning Scheme — Amendment C6.

Glenelg Planning Scheme — Amendment C29.

Golden Plains Planning Scheme — Amendment C18.

Hume Planning Scheme — Amendment C68.

Wellington Planning Scheme — Amendments C24 part 1 and C31.

Yarra Ranges Planning Scheme — Amendment C42.

MEMBERS STATEMENTS

Crib Point: development

Hon. R. H. BOWDEN (South Eastern) — In recent weeks there has been growing speculation and comment in the Mornington Peninsula press about the possible future use of the area called the Crib Point terminal, which is where the BP refinery used to be. This is a large amount of land that is extremely valuable. It has excellent frontage to deep water, and on the information given to me in the past, I understand there are very few places on the Australian eastern seaboard where such deep water is so close to a large area of land suitable for development as a port. The local community has started a concerted effort to debate this situation, and I want it recorded that I am strongly opposed — I repeat, strongly opposed — to any residential development on that land. It is intended for use as a port. It has always been zoned for that use, and it is entirely inappropriate for housing to rob the community of land suitable for development as a port. Developers are eyeing this land. It cannot be replaced. Developers should go away and leave this valuable, irreplaceable land for the port, as was fully intended.

Moreland: Sydney Road Cyclovia

Ms ROMANES (Melbourne) — Australia's first ever Cyclovia took place in Moreland last Sunday, when Sydney Road was reclaimed by cyclists and pedestrians. The road was closed to cars between Bell Street in Coburg and Brunswick Road in Brunswick between the hours of 8.00 a.m. and 2.00 p.m., although trams continued to transport passengers along route 19. The initiative was supported not only by Moreland City Council but also by Moreland Rotary, Sydney Road traders and many community groups.

The opportunity to reclaim this key thoroughfare for cyclists and pedestrians for a short period produced a jubilant and infectious mood among the participants. Many young children on trikes and many first-time riders felt confident venturing onto the street. People walked and talked together and many noticed how quiet, peaceful and fume-free this normally very busy street seemed. Sydney Road presented a different face to the world. Congratulations to the Moreland mayor, Anthony Helou, and the organisers, Nicholas Elliot, Gael Reid and Daniel Paez, for introducing the Cyclovia to Victoria.

Tatura Netball Club

Hon. W. A. LOVELL (North Eastern) — Last Saturday night I had the pleasure of attending a tremendous function at the Tatura Italian Social Club to support the Tatura Netball Club. Nearly 300 people turned out to attend the function. Tatura has a very strong community spirit and that was evident on the night. It was particularly pleasing to see so many people turn out and so strongly support women's sport. As members would be aware, netball has the highest participation by women of any sport in Australia.

An auction at the function on Saturday night raised in excess of $32 000. The netball club will put those funds towards rebuilding the netball courts in Tatura, which will serve the netball sporting needs of the women of the Goulburn Valley for many years to come. As the shadow Minister for Women's Affairs, I was particularly pleased to see the people of Tatura and district turn out so strongly to support women's sport.

Planning: Geelong development

Hon. J. H. EREN (Geelong) — I call on the Leader of the Opposition in the other place, Ted Baillieu, to drop his double standards when it comes to development in Geelong. I refer to an article in the *Geelong Advertiser* of Monday, 29 May, in which he is reported as saying that the Liberals will oppose the Westfield development in Yarra Street, Geelong, which is in my electorate. I hope this is not how Mr Baillieu plans to do business as the new Leader of the Opposition — that is, making decisions on the hop without assessing the situation properly and putting at risk multimillion-dollar developments that will bring jobs to Geelong.

This $150 million development will bring to Geelong jobs that the Geelong people need. I note that Mr Baillieu appears to support his candidate for South Barwon, Mr Michael King, who is pushing, through private residents and commercial businesses, for the privatisation of the Barwon River. On the one hand, Ted Baillieu wants to stop development in Geelong's city centre — to vie for a handful of votes — but on the other hand he is happy to privatise the Barwon River so that only a handful of residents can use it. The Liberal Party's policy of blocking off sections of the Barwon River for private residential and commercial development is madness and should be condemned.

South Barwon Liberal candidate Michael King is continuing to promote his Barwon River plan, which would see large sections of the river cut off from the public for private development, including residences. This is in total contrast with Mr Baillieu's comments about the Westfield development cutting off views to Corio Bay.

The Liberal Party has a very poor record when it comes to responsible development, and this does not look like changing soon. At best the state Liberals are hypocrites; at worst they are environmental vandals.

Planning: Camberwell development

Hon. D. McL. DAVIS (East Yarra) — My members statement today concerns the government's failed 2030 planning policy. This is about to come to public attention again today at the Henley Honda site in Camberwell where a large rally will be held by the Boroondara Residents Action Group and associated citizens.

That group has been sent a letter by prominent Camberwell citizen Geoffrey Rush in which he attacks the proposals and the government's processes. He is reported by the *Progress Leader* as saying in his letter:

> It is the joke conversion of what everyone knows is simply very bad architecture — the Lego look — ugly, cheap stacked boxes of concrete.

The paper reports Mr Rush as going on to say:

> The developers call it a landmark. I call it an eyesore. It pays no reference to the scale and aesthetic of the Camberwell neighbourhood. It drops Melbourne design and urban planning aspirations into the moron basket.

I think that is the truth of the matter. In Victoria and in metropolitan Melbourne, planning has been dropped into the moron basket in the first instance by the former Minister for Planning in the other place, Mary Delahunty, and now by the current Minister for Planning in the other place, Rob Hulls, with their failure to properly plan our state and their flawed Melbourne 2030 proposal that will allow monstrous and outrageous development across metropolitan Melbourne.

The Victorian Civil and Administrative Tribunal allowed 14 storeys in the city of Whitehorse, and now the government's plan may allow 15 storeys. That sort of huge overdevelopment can occur anywhere in metropolitan Melbourne. The metropolitan planning scheme overrides everything and this government will have to answer for the — —

The PRESIDENT — Order! The member's time has expired.

Budget: breakfast briefing

Mr SMITH (Chelsea) — I want to share with the house the joy I had this morning at a Progressive Business lunch, when I had the great pleasure, along with many of our business — —

An honourable member interjected.

Mr SMITH — Yes, breakfast — time went so fast it almost went into lunch, or at least it felt like it. I shared a very short but pleasant time with a number of business luminaries from Victoria and interstate, and heard a first-class presentation from the Treasurer who in my humble opinion brought down the best budget Labor has ever brought down in the history of this state.

Members opposite must be gagging on their Weeties when thinking about it — and with good cause, because it is clearly something that will put to bed forever their claims about financial management in this state. We clearly have a star as a Treasurer who has produced for all Victorians — both regional and metropolitan — an outstanding budget. It is a budget so good that the federal Treasurer himself, Peter Costello, would be green with envy. This budget sets us up in a very strong financial position to go forward into the future. I commend the Treasurer for his efforts and all those enlightened businessmen and businesswomen who were there this morning.

Manningham Interfaith Network

Ms ARGONDIZZO (Templestowe) — It was my privilege to attend the 2006 Harmony Day celebration at Manningham City Council chambers on 15 May. The celebration was a vehicle for the formal inauguration of the Manningham Interfaith Network, which came together in the wake of the dreadful Asian tsunami in 2004. The different faith leaders in the Manningham region organised a prayer vigil on Australia Day in 2005 for the victims of the tsunami. The participants, who had organised two prior successful gatherings, decided that an interfaith network should be established and hence the network was formed.

The guest speaker, Mr George Lekakis, chairperson of the Victorian Multicultural Commission, was lavish in his praise of this initiative. The keynote speaker, Mrs Sherene Hassan, the executive director of the Islamic Council of Victoria, gave an excellent speech about the importance of keeping lines of communication open within our multifaith community. She outlined her experiences as a Muslim in Australia. After hiding her religion as a child and keeping her beliefs private she has demonstrated courage in difficult circumstances by becoming committed to developing links between all religious faiths.

The City of Manningham is justifiably proud of the development of the Manningham Interfaith Network, and has provided ongoing support for its continuation.

Congratulations to all the religious groups represented and the enthusiasm of all participants.

Gippsland Southern Health Service: funding

Hon. P. R. HALL (Gippsland) — I want to express my bitter disappointment that yesterday's budget announcement contained no funding for the urgently needed redevelopment of Gippsland Southern Health Service's Leongatha campus. I might add that that bitter disappointment is shared by people in that part of South Gippsland. After all, it was expected that there would be an announcement in the budget towards stage 1 of a total redevelopment. Total redevelopment funding is expected to be of the order of $50 million. The hospital community was of the belief that it would receive stage 1 funding of around $9 million or $10 million yesterday. That would have allowed for the complete rebuilding of aged care services at that campus and a look at some infrastructure funding.

It was hoped that next year's budget would have contained funding for the second stage of the total redevelopment. This hospital has not had any major money spent on it since 1991–92. The staff of the hospital have provided an outstanding service but in much inferior conditions than one would expect from a modern hospital today. I say to the government that we are bitterly disappointed. However, I also say to the government that if there is some hidden or secret stash of money that it proposes to announce prior to the election, it should be honest with the people of South Gippsland and announce it now. This is an important project. The people of South Gippsland deserve decent hospital facilities, and this Labor government has obviously failed them.

Rail: Box Hill crossing

Hon. H. E. BUCKINGHAM (Koonung) — On Tuesday, 9 May, I was delighted to attend the announcement by the Minister for Transport in another place, Peter Batchelor, along with the members for Mitcham, Burwood and Forest Hill in the other place, of $54.3 million for the elimination of the railway level crossing in Middleborough Road, Box Hill. A rail underpass will be constructed, with the railway line to be lowered by up to 6 metres and Middleborough Road bridging over the tracks at a slightly raised level. The project will improve safety by removing the current interface between vehicles, trains and pedestrians, which is especially important given the crossing's location next to Box Hill High School. Traffic congestion and delays should also be dramatically improved. As one who often sits there, I am pleased to hear this.

While construction will commence later this year, I was especially impressed to hear that the major construction will take place in a period of only six weeks from January to February 2007, and the project will be completed by May of next year. The reconstruction of the Laburnum station will be included in the project, which will result in much improved facilities, especially for people with disabilities. An added benefit of the project will be the improved visual and noise amenity for residents who live close to the railway line. All in all this is an extremely important project for residents and commuters alike. I note that trains will continue and buses will be used while the train tracks are being rebuilt. The Bracks government will deliver a great result for surrounding road users and the community.

Water: Colbinabbin pipeline

Hon. D. K. DRUM (North Western) — Yesterday in the budget the government announced the funding of a pipeline from Colbinabbin to Eppalock to link the Goulburn and Coliban systems. I want to congratulate the government on its decision because I have been advocating for this option for several months. However, while the decision is a good one the behaviour of the members for Bendigo East and Bendigo West in another place on the water crisis facing Bendigo and Heathcote has been quite bizarre. They did nothing for 12 months while the debate raged around them. Then a couple of months ago, out of nowhere, they announced that the government was going to build a pipeline from Rochester weir to the Waranga channel. After a couple of days discussion they said they would not build the pipeline but would do a feasibility study and spend $100 000.

We then put better options to the government rather than this small pipeline. The government turned around and expanded the consultative process. We finally got the consultants working on the feasibility study, and $100 000 of taxpayers money was allocated to review the various pipeline options. We have called for this review panel to hand down its recommendations. Last week the Minister for Agriculture in the other place, Mr Bob Cameron, told us that we would have to wait until the end of June before the recommendations were in and the government made a decision, but he said that when the decision came in at the end of June the government would be ready to move.

Yesterday the government announced that it is going ahead and will build the pipeline to Colbinabbin, which is a different pipeline from that initially proposed. The government said it had brought forward its proposal and that two weeks ago the Treasurer was in Bendigo finalising the finances. So Bob Cameron was either

telling lies last week or he was telling lies yesterday. There is another option — maybe he did not know what was going on!

Red Hill Consolidated School: The Sustainables performance

Hon. J. G. HILTON (Western Port) — A few weeks ago I attended a performance of the Sustainables at Red Hill Consolidated School. The Sustainables is a group of four actors who perform a play with a very strong environmental message. I will not describe the action of the play, but the messages include recycling, using compost bins, taking shorter showers and walking or riding a bicycle rather than driving to school.

The students at Red Hill Consolidated School who saw the production were in grades 3 to 6. They seemed to enjoy the performance and were enthusiastic enough to ask questions at the end. The performance also fitted in very well with the other work the students are doing to learn about the environment and its protection and conservation. I enjoyed the production. I would like to thank everyone involved, including the Sustainables and Susie McConachie, the teacher at the school who coordinated the Sustainables' visit.

Referendum: abortion and fluoridation

Ms HADDEN (Ballarat) — I call on the Premier, Steve Bracks, to hold a referendum simultaneously with the forthcoming state election on 25 November on two important issues which affect all Victorians: firstly, whether to decriminalise abortion, and secondly, whether to fluoridate potable water supplies in rural Victoria.

The offence of abortion has been decriminalised in Western Australia, South Australia, the Northern Territory and the Australian Capital Territory. Victoria is bound by the 1969 Supreme Court Justice Menhennit ruling which allows abortion on therapeutic grounds if it is necessary to protect a woman's life or physical or mental health. The Bracks Labor government's proposal to decriminalise abortion, which was resolved at the ALP state conference in May, should be decided by all voters at a referendum on 25 November and not left to politicians to vote along party political lines on the floor of Parliament.

The government is barging ahead with fluoridation of potable water supplies across country Victoria in the face of demonstrated community opposition, and without first undertaking an urgent health impact study on the known toxic effects of fluoridation, then releasing it for public scrutiny and letting people make an informed decision whether to allow fluoridation. A recently published Harvard University study has found a direct link between fluoridation of water supplies and a rare bone cancer in young boys. The USA National Research Council's report shows that many of the harmful effects of fluoride result from much smaller doses than the generally believed safe levels and are particularly linked to bone disease, bone fractures, nervous system impairment and tooth damage. Clearly water fluoridation is unethical, unsafe and ineffective.

The government should give Victorians their democratic right to choose whether to decriminalise abortion and fluoridate potable water supplies at a referendum to be held simultaneously with the state election on 25 November.

LOCAL GOVERNMENT: FUNDING

Hon. J. A. VOGELS (Western) — I move:

> That this house condemns the state government for underfunding local government, which has led to massive increases in council rates since 1999, and in particular for its lack of transparency in documenting state government grants to local government by deceptively distributing ever-declining funds through various departments.

This is another good example of where, if you try to follow the money trail to local government, no average person can do it and most local councils cannot do it either. Local government is the closest tier of government to the people. We say it is the third tier of government, but we should probably call it the first tier. It provides over 100 services. Every Victorian is the recipient of a broad range of services provided by local government every day. Victorian councils are collectively responsible for about $40 billion of infrastructure and assets on behalf of their local communities. On top of the core services such as roads and rubbish removal, councils today have much broader responsibilities, including planning, home and community care services, libraries, sporting facilities, crime prevention, environment and health, and the list goes on and on.

We realise local government's role has changed dramatically over the last 30 or 40 years. Once it was known as being responsible for only the three Rs — roads, rates and rubbish — but there is much more to local government now. The community also has much higher expectations of it than it has had in the past. However, major decisions on the structure and finance of local government are made by two different levels of government — that is, the state and federal governments.

As all members know, the Bracks government has, since its election in 1999, made an art form of cost shifting onto local government but without remuneration. I think it has been able to get away with this for quite a while because many Labor councils are very frightened to criticise the government because those councils are part of the ALP; also, they have had very compliant peak bodies. The Municipal Association of Victoria (MAV) and the Victorian Local Governance Association (VLGA) up to this stage have not been very critical of this government. I was pleased to see that change yesterday. I was expecting a media release from the MAV like those it has issued over the last six years stating that yesterday's budget is not a bad one and that there are good things in it for local government. But yesterday the MAV actually came out and said this budget disappoints councils. Those are very strong words for the MAV; it said it is disappointed. The media release states:

> The Municipal Association of Victoria (MAV) said today's state budget fails local government with no new funding to take the pressure off community services or infrastructure.
>
> MAV President, Cr Geoff Lake, said early analysis shows local government has largely been ignored despite mounting cost pressures and crumbling infrastructure.
>
> 'Every year councils have to go cap in hand to ratepayers as they struggle —

for funds. We have already seen in the local papers over the last three weeks that everybody is expecting rates to increase again by between 7 and 10 per cent. I think Whitehorse City Council's increase is close to 11 per cent, and one in the south-west district is talking about a 20 per cent rate increase.

Mr Lenders interjected.

Hon. J. A. VOGELS — The minister would not even know — it is a Bürgermeister, not a Burgomaster. I was pleased to see after the release of the budget that the MAV, the VLGA — although I have not heard from the VLGA — and many councils have criticised the state budget, saying there is not enough funding in it for local councils across Victoria.

Hon. R. G. Mitchell interjected.

Hon. J. A. VOGELS — I will get to national competition policy in a minute, Mr Mitchell. Council rates have increased by approximately 100 per cent since the election of the Bracks government in 1999. In 1999 rates revenue for local government was $1.4 billion; this year it is around $2.6 billion. In six years rates across Victoria have doubled. Over the same period of time the average rate bill has gone from about $600 to well over $1000.

Mr Lenders interjected.

Hon. J. A. VOGELS — Mr Lenders keeps talking about things that happened in the last century. We are now in the next century, and a Labor government has been in office — how long were Cain and Kirner in for? — for about 17 of the last 25 years. Over the years one of the things a Labor government has never addressed is adequate funding for councils.

Mr Lenders interjected.

Hon. J. A. VOGELS — President, can you give me a bit of help here with all the interjections from the other side? Obviously I am touching some very raw nerves opposite.

We all agree that funding of local communities is a three-way street: it should be shared among federal, state and local governments. All should carry some responsibility. If you look at the three tiers, you see there is absolutely no doubt that ratepayers are contributing their fair share. As I mentioned before, rates have increased by approximately 100 per cent since 1999, so ratepayers have put in their fair share.

Let us look at the other two tiers — the federal sphere and the state sphere. The feds are putting in their fair share. I would like to mention a few things about how the federal government funds local government — that is, basically through grants and transfer payments to local councils through the states. It also provides funding for home and community care, and I noticed in yesterday's state budget that the federal government has increased that funding by 7.1 per cent.

Let us look at the Hawker report *Rates and Taxes — A Fair Share for Responsible Local Government*. We need to look a bit into history to see how funding of local government came to be. I quote from page 99 of the Hawker report, under the heading 'Commonwealth funding of local government':

> The payment of FAGs —

financial assistance grants —

> to local government has played a vital role in the local level of governance in Australia … It is important to recall the intention of the Local Government Grants Bill when presented to the federal Parliament in 1974:
>
> > The government's aim is that the grants commission should play the same role in reducing local governing authorities' inequalities as it has between the states since 1933 … However, these funds should in no way be a

> substitute for revenues normally raised by councils by long-established methods such as rates and charges for services, nor should they replace assistance normally provided by state governments.

That is an important point, and that is where the cost shifting has been happening.

Let us turn to the Fraser government. According to the report, in 1975 the Liberal-Country party coalition adopted the provision of assistance to local government as part of its federalism policy. The Fraser government started off with the equivalent of 1.52 per cent of net personal income tax going to local government. It crept up to 1.75 per cent by 1979–80 and it was up to 2 per cent of federal revenue in 1980–81. This sharing of personal income tax receipts with local government continued through to 1984–85.

Then we had the dark years of the Hawke and Keating governments, to use a well-used phrase in here. The Hawke government dropped the sharing arrangements with local government, arguing that the economy could not afford tax sharing with the states and local government, so it decided to stick the boot into local government. In 1986 financial assistance grants replaced personal income tax sharing. In following years the level of assistance to local government, it was said, would be linked to the level of assistance to states. That happened, but then the GST came in — a new tax under the Howard government.

When the minister gets up here and says, 'The commonwealth has decreased its financial assistance grants to local government as a share of commonwealth revenue because commonwealth revenue has increased to' so-many billions, 'so instead of 1 per cent, the figure is now down to 0.7 per cent or something' she conveniently forgets that she counts the GST as part of commonwealth revenue. She conveniently forgets to remove — —

Hon. R. G. Mitchell — Who collects it?

Hon. J. A. VOGELS — As we all know, and as Mr Mitchell would know, every GST dollar goes directly back to the states.

Hon. R. G. Mitchell interjected.

Hon. J. A. VOGELS — You get too much, because you do not know how to spend it properly.

Mr Smith — So Queensland should get a bigger share of our GST — is that what you are saying?

Hon. J. A. VOGELS — No. I have a pie chart from the federal budget, and it shows that this year Victoria alone will get $8.465 billion from GST funding — and according to the state budget paper released yesterday, that is 20 per cent of state revenue.

The Howard government made one mistake when it brought in the GST. It should have called it a great state tax — GST could stand for a 'great state tax'. The revenue is collected by the federal government — there is no doubt about that — but the dividends go back to every state and territory. Every state and territory is better off because of the GST, and nobody — and particularly not the Bracks government — is ever going to say, 'We don't want our share of the GST because it is an inequitable tax and we shouldn't be having it'. There is no doubt it will keep getting its share. According to the forward estimates Victoria is looking at getting $10 billion worth of GST funding next year.

The Minister for Local Government goes along to meetings, and I have a precis of what the minister said at a meeting not long ago with Victorian local government mayors:

> Along with the ministers for local government from other states I've also been pushing the commonwealth to review the funding level to local governments, as I know you have.

In other words, buck-passing.

> Over the years, as you will know, the financial assistance grants from the commonwealth have decreased substantially as a percentage of commonwealth tax revenue.

What the minister mischievously, as I said before, fails to mention is that this is because she is including GST as a commonwealth revenue rather than looking at it as a revenue which is collected by the commonwealth and handed back to the states for on-passing. Then she goes on to say:

> Commonwealth revenue has increased by 62 per cent since the Howard government came to office.

This is approximately the same as the states. Victoria is actually probably well above that. When the Bracks government came to power in 1999 state revenue from all taxes, fees and charges was $19 billion, or about $55 million a day. From yesterday's budget we are now up to $32.5 billion in revenue for the state — getting close to $90 million a day. The state is collecting about $90 million a day, so for the minister to say the commonwealth has increased its revenue by 62 per cent and is not on-passing to local councils is also not true, and I will read some figures out of the budget as to that in a minute.

After all, everybody should recognise that the responsibility for local government belongs with the states. Local government is there as a creature of the

states, and we have the Local Government Act. The government can hire and fire and sack councils, as the minister has already done — that is, under the Local Government Act, not a federal government act.

Starting on page 37 the Hawker report talks about state grants to local government:

> The CGC —

Commonwealth Grants Commission —

> reported that the level of state SPPs —

specific purpose payments —

> has increased over time, but has fallen as a proportion of local government revenue. Indeed, state SPPs have fallen as a proportion of local government revenue from about 15 per cent in 1974–75 to about 7 per cent in 1997–98.

They have nearly halved.

> The CGC report demonstrated that although the amount of state assistance has increased in real terms since 1974–75, its rate of increase (0.4 per cent per annum in real terms) is about one-tenth of the rate of increase of local government own-source revenue —

which stands at about 4 per cent.

> Since the introduction of the act in 1974–75, local government revenue from all sources has grown on average by 3.6 per cent per annum in real terms. The fastest growing revenue resource was user charges —

as we all know —

> Other local government revenue (4.5 per cent), commonwealth assistance (4.3 per cent) and municipal rates (3 per cent) … The slowest growing revenue source was state assistance (0.4 per cent) —

which is basically minimal or nil, and I will show that in the budget figures later on as well.

Hon. R. G. Mitchell — Wake up, John!

Hon. J. A. VOGELS — It's all right. I'm not going to be rushed today.

On page 28 we go back to cost shifting:

> … the Municipal Association of Victoria (MAV) estimated the cost shift in Victoria to be $40 million per annum in the recurrent funding of three major specific purpose programs — home and community care (HACC) services, libraries and maternal and child health. A further $20 million was estimated to be the cost shift on a range of other specific programs;
>
> … the CEO of the City of Stonnington provided a similar indicative figure of cost shifting in Victoria at about $10 per head per annum or $50 million per year …

There is definitely a wide range of cost shifting continuing under this government. Let us have a look at the state budget papers since 2002–03.

Hon. R. G. Mitchell — A beautiful set of numbers!

Hon. J. A. VOGELS — Mr Mitchell says it is a beautiful set of numbers, but in 2002–03 the federal government provided in grants and transfers payments to local government $342 million and the state put in $206 million, so the total grants were $548 million. In 2003–04 the federal government put in $347 million and the state $131 million, so there was a $71 million drop, and councils received $509 million. In 2004–05 federal grants increased once again to $367 million and the state's contribution went down to $125.8 million. In 2005–06, which has just passed, the federal government put in $381 million — another 3 to 4 per cent increase — and Victoria dropped down to $113 million.

That amounts to about a 50 per cent drop over four years in state grants and transfer payments to local government. Every year the commonwealth government puts in more, as it is supposed to, and the state whips it out at the bottom. This year — there was a big fanfare in the budget yesterday — the state has increased its funding from $113 million of last year to $154 million, which sounds good and is about a $40 million increase, but if the two figures are added together, the figure is $547.9 million, which is exactly the same as it was four years ago. Councils have not received one extra dollar over four years to spend on local roads, infrastructure and so on. As the federal government keeps increasing the amount, the Labor government pulls it out at the other end.

I now want to talk about the way state grants are distributed to local government. The money trail is just about impossible to follow. If you want to look up grants and transfer payments received by local government from the federal government, you go to the federal government's web site where you can see what each council gets because the numbers are not hidden; by comparison, it is just about impossible to follow the state government money trail.

I found it impossible to follow where the $113 million the Victoria Grants Commission gave to local government last year went. I asked the MAV, the peak body, if it could find out what that $113 million was spent on. The answer was that public libraries received about $28 million in recurrent funding; public libraries received about $3 million in capital funding; national competition payments amounted to about $17 million, and so on. The MAV could find only about $91 million. The MAV said that the figures were taken

out of this year's state budget with great difficulty. It also said there is a $20 million shortfall. Nobody seems to know where that $20 million has gone.

The MAV went on to say that the reporting of how grants are made to local government is so ambiguous that it is almost impossible to identify the breakdown of the $20 million in question. This is not me making this up, this is the MAV — the peak body — that has experts in the field who cannot chase that money trail. If they cannot do so, what hope has the average citizen?

For interest sake I asked a number of councils if they could give me a breakdown of the grants they received. I got quite a few replies, which I found interesting. I will not mention this particular council's name, but Mr Mitchell talked about national competition policy payments. This year is the last year — and that's it!

Councils knew it, as did the state government, because there was a 10-year agreement. When Paul Keating was Prime Minister he said national competition payments would last for 10 years and that at the end of the 10 years, that funding would go into saving our water resources for the future, which no-one could argue about.

On my list one interesting fact is a reference to an ALP educational program grant of $18 470. Why would a council get an ALP educational program grant? That beggars belief. There are grants which the state government did not put money in for, but obviously the state believes it is something it wants to push for. It has a tobacco enforcement grant and so on. This council applied for 89 grants this year and were successful in 8 grants from the commonwealth, for which it got about $5 million. Most of that funding is untied and can be spent on whatever services that local council believes to be important.

It applied for 60 grants from the state and received approximately $3 million but each one of the grants is tied into a certain bucket of money that the council has to spend on a particular service or it will not receive the grant. We should trust councils much more than that. The government should say, 'We will help you with your funding; spend it wisely because your community knows better than anybody else where it should be spent'.

The biggest disappointment in yesterday's budget for councils was that there is no funding at all for local roads, bridges or libraries. Local roads and bridges have become a catchcry for local government in Victoria because they cannot survive and keep their infrastructure up to date, or renew it, unless there is some financial input from the state government. It is interesting that the federal government, under its Roads to Recovery package, has put in an extra $62 million for local councils in Victoria, which is extra on top of the normal $62.5 million a year. The Liberal Party has said that if it wins government in November, it will match the federal Roads to Recovery funding for councils and that they can spend it on the roads as they wish. They do not have to tell the federal government where they believe it should be spent. Each council will make its own decision.

It is interesting to examine how much the Roads to Recovery funding is worth especially to councils in rural Victoria. Ararat Rural City Council, for example, receives $1 million a year, which is equivalent to a 15 per cent rate increase; Campaspe Shire Council receives $1.8 million, which is equivalent to a 10 per cent rate increase if it had to raise that money from its ratepayers; Colac-Otway Shire Council, 10 per cent; Corangamite Shire Council, 13 per cent; East Gippsland Shire Council, 10 per cent; Glenelg Shire Council, 13 per cent; Golden Plains Shire Council, 18 per cent; and Pyrenees Shire Council, 25 per cent — but it collects only about $4 million in rates. It gets an extra $1 million in Roads to Recovery funding; and Yarriambiack Shire Council would have to raise its rates by 20 per cent. Councils across Victoria are appreciative of the Roads to Recovery funding.

Councils are also looking for more funding for their libraries. In 2004 the recurrent funding for libraries in Victoria was about $5 per head. Councils have been screaming loud and long that this amount is not enough. It used to be 50 per cent from state government and 50 per cent from local government, but it is now 80 per cent from local government and 20 per cent from local libraries. It is not sustainable. Once again the Liberal Party has said that if it wins government, it will increase recurrent library funding to $9 per capita by the end of its first term, which is about a $40 million injection of funding for libraries, which, once again, would be an excellent outcome for councils.

Under the Bracks government ratepayers bear the largest burden of maintaining the services and infrastructure in their local communities. The federal government has continued to increase its funding to councils across Australia by an average of 4.5 per cent a year since 1974, but the Bracks Labor government has withdrawn its support for local government since its election, and the declining funding that it provides is deliberately hidden so that the money trail can basically no longer be properly accessed, which makes it difficult for councils.

It is amazing that you can go to a local council and ask, 'How much funding did you receive from the state government in grants last year?' and that they cannot give an answer. They do not know. Much more of a bottoms-up approach is needed where councils get money to fix services and provide the infrastructure their communities desire, not because someone in Spring Street says, 'This is money you can have but you only get it if you spend it on that certain item'.

A good example would be Warrnambool City Council, which has drainage as its biggest infrastructure funding problem. Every time there is more than an inch of rain in the city of Warrnambool the streets and shops are flooded. The council needs millions of dollars to upgrade drainage, but it cannot get any funding from the state government. It could get some money — I think it was up to $5 million at one stage — to upgrade the performing arts centre. That would be nice, but when councillors say, 'We wish we could use that $5 million to help upgrade our drainage', and the answer is, 'No, sorry, it is the wrong bucket of money', that is ridiculous. Let us treat local government with respect and understand that councils should be able to understand what their own areas want without having someone in Spring Street saying 'This is what you can spend your money on, otherwise you do not get it'.

In conclusion, I hope the Labor Party supports this motion. I am sure it will not, but it should because it is quite clear that the Labor Party has failed completely to finance local government adequately. You have only to look at the budget figures — they are not my figures — to see that there have been no increases in grants and transfer payments to local government in the last four years. In fact this year's budget is still $100 000 under what it was four years ago.

Hon. C. D. HIRSH (Silvan) — I have not heard for a long time such an uninteresting and lacklustre speech. It would seem to me that the opposition is so demoralised by yesterday's state budget that it can raise no enthusiasm whatever for its motion today. I find it quite extraordinary that Mr Vogels showed such a lack of interest and made such an uninteresting and lacklustre presentation on something I do not think he really believes in.

The main aspects of the relationship the Bracks government has with local government — other than funding, which I will go into at some length — are democracy, respect and partnership. I remember that the lowest point in state-local government relations was when the Kennett government used local government as a tax collection agent and forced residents in every municipality to pay $100, which went straight into the state government coffers. No-one will ever forget that $100 tax that was collected by the Kennett government through local government, or the sacking of councillors and the bringing in of compulsory competitive tendering.

I remember a demonstration by residents of the Amaroo Hostel, which wanted to stay under council jurisdiction but was forced into a compulsory competitive tendering situation by the Kennett government. The residents all sat in their chairs along Burwood Highway, with staff serving scones and cups of tea, and held their signs up to the passing traffic and television cameras. It was a wonderful demonstration by a group of people ranging in age from 75 to 102. It was an absolute delight to attend, and the scones were wonderful. It was a very successful demonstration. I remember it because no other tenders were received except for the council one, and Amaroo Hostel continued to be run very successfully by local government.

The Bracks government has moved to dramatically increase funding to local government. Appendix D to budget paper 3 headed 'Local government financial relations' shows a 10.7 per cent increase in transfers to local government between 2005–06 and 2006–07, from $494.9 million to $547.9 million. However, the financial contribution by the state to local government is understated because those transfers do not include funds provided for service delivery, such as home and community care funding and maternal and child health funding, and do not include funding for all the 2006 budget initiatives that are outlined in appendix D at page 419 of the budget paper. I suggest that if members of the opposition read this section they will see massive increases from the various government departments to local government, making the total increase, as I said, from almost $495 million to almost $548 million.

Hon. J. A. Vogels — That is exactly what it was four years ago!

Hon. C. D. HIRSH — These figures include commonwealth government funding of local government, which is passed on to councils through the state government. The trouble is that commonwealth government funding will decrease by a net $4 million in 2006–07 due to the cessation of national competition policy (NCP) payments, which have been hijacked by the Howard government — removed by the Howard government without consultation — for its own policies. The Bracks government has always passed NCP payments on to local government, and they have been the equivalent of up to 5 per cent of rate revenue.

That amount has to be pulled out of local government because the Howard government has pulled this money away from the state. That makes it more difficult for local government to find the money it needs. That particularly hurts small rural councils, which have relied heavily on these national competition policy funds to provide vital services and infrastructure for their communities.

In 2003, the Bracks government recognised local government in the Victorian constitution as a distinct and essential tier of government. This has never happened before in 150 years of Victorian government. Local councils are accountable to their own communities for the services they provide and the level of rates they raise. The Local Government Act was amended to incorporate principles of sound financial management, which councils should follow. A council may say it has no idea how much funding it gets from the state and where it gets that funding, but it really should know where the funding comes from and how much it gets. It is quite extraordinary. Given that sound financial management principles should be part of local government administration councils should know very clearly how much they have got and where it is coming from.

The amount each council needs in rates each year is determined by the amount it considers necessary to spend to meet the needs of its community. Any other revenue received, including state and federal grants, fees and charges, is subtracted. The balance left is the amount that councils need to collect from property owners in the form of rates.

I want to refer to a local government issue now happening in Knox. The newly elected council, which was elected on a policy of not increasing rates beyond the consumer price index increase, brought out a draft budget with a quite low rate revenue, which was to be supplemented by a new tax it called a bin tax.

An honourable member — That would be rates.

Hon. C. D. HIRSH — The bin tax is to be on top of rates. It starts at $116 for households with an 80 litre waste bin and is $144 for those with a 120 litre bin — and it applies to the present green waste and recycling services. That tax will be tacked onto rates; it used to be a part of rates, but it will now be tacked onto the rates.

That means the 3.03 per cent rate rise is a furphy. It is extraordinary and rather horrific that not only has this bin charge been tacked onto rates but because of revaluations, the suburbs that will be paying the highest rates — plus the bin charge — are the lowest-income suburbs within the municipality of Knox. In Boronia, Bayswater and Ferntree Gully — where residents have low incomes, where there are many older people and where many families are struggling to send their children to school and balance their budgets — the residents will face up to 7 per cent rate increases. However, in Lysterfield, a suburb in which, as in Rowville, the residents are generally better off, there will actually be rate reductions — with far smaller increases in rates in Rowville.

I congratulate Cr Karen Orpen who suggested that the new bin charge is a poor tax — that is, a regressive tax on the poor. I am absolutely horrified by the council's action in proposing in a less than transparent way not only to introduce an under the counter — or inside the bin — increase in rates but to shift the burden in such a way that the poorer suburbs will receive big increases and the better-off suburbs will receive smaller increases.

I note that most of the councillors who voted for this redirection of charges live in the areas where there will be a small rate increase or a rate decrease. Given Cr Penna's very upset state after the last time I mentioned his name, I will say that he voted for this tax. He represents the area of Boronia, where many older people are battling on the pension, but he lives in Rowville, whose residents, as I said, will face a much smaller rate increase. I point out that fact because I am rather horrified by this under-the-lap form of rate increases by that local council.

I have spoken about the national competition policy payments, but I want to talk a little bit more about this year's budget and the details outlined in the budget for local government. This new section on local government, which enables councils to quickly find the sources of funding for particular important programs, is a great initiative. It is the first time this has happened and it actually acknowledges generally the funding initiatives which recognise the role that every council plays in maintaining a vibrant and engaged community.

Amongst some of the examples of the Bracks government initiatives which are being undertaken in partnership with Victoria's local councils — and I cannot emphasise enough the partnership that exists between the Bracks government and local government — there is a record $28.7 million boost to neighbourhood houses. We know neighbourhood houses provide grassroots community involvement. There are a number in Knox: there is The Basin community house, Coonara community house, the Mountain District learning centre and one in Rowville. These neighbourhood houses are great, and with local

government they provide a wonderful service to Victoria's community, particularly to women. That is very important, given that women have often found it hard to involve themselves in the larger institutions but have discovered that going to a neighbourhood house is something they can enjoy, learn from and get great pleasure from.

There is $25 million for a new Growing Communities, Thriving Children initiative for community-based child-care and kindergartens services, maternal child health services and services for children with a disability in the growth areas of the Wyndham, Melton, Hume, Whittlesea, Nillumbik, Yarra Ranges — which is in my electorate — Cardinia, Casey and Mornington Peninsula municipalities. Those local government areas are under a great deal of strain. In rapidly growing communities an enormous portion of the community is young children and the requirement for services is very high in those areas.

In particular I would like to congratulate the maternal and child health services that exist in every local government area. They do a wonderful job with parents of newborn babies and young children. Both of my daughters, who have young children, found the maternal and child health services very helpful, particularly on coming out of hospital with the first baby and not knowing what to do. I think a woman who has had children remembers thinking, 'Goodness me, what am I going to do when I get home?'. The wonderful work of the maternal and child health services right through Victoria helps resolve the difficulties young new parents experience. Those services do a wonderful job.

The support for kindergartens provided by state and local government in partnership is absolutely essential. It has been shown that early childhood education is very useful and pays off later on in life. If a child is exposed to a preschool environment, a preschool program, it certainly has been shown to pay off once they get into their 20s. The funding mechanism for these services, which is undertaken in partnership, is a great program.

There has been $8 million provided for the second stage of the rural school bus program so that safer and better bus facilities will be provided for schools in provincial Victoria. This is another partnership program between state and local government. There is $16 million for a new local areas access development program and an additional $5.5 million TravelSmart program to encourage Victorians to switch to public transport. This is again in certain metropolitan and council areas.

In the transit city area of Ringwood the partnership between state and local government is also a vibrant one and a very interesting one; it is very useful. The other week I attended a function where, as a start to rebuilding the Ringwood city precinct, the powerlines in Ringwood Street are being undergrounded by state government, in partnership with local government. The work of state and local government in the Ringwood transit city program is a great example of how partnerships can work.

The redesigning of Ringwood station, which is desperately needed, is being done in conjunction with local government, with very strong input from both local government and local communities through their involvement on an advisory group.

I mention particularly a program that is very dear to my heart, the home and community care program. As people age it is absolutely important for them to be able to stay at home for as long as they can. It is economically sound if people can be supported at home and certainly socially it is extremely beneficial to ageing people if they can stay at home and be supported at home.

The 79 local councils are major providers of home and community care (HACC) services throughout the state. They provide home care, personal care and Meals on Wheels, which we all know about. I am hoping that after I retire I might be able to engage in delivering meals on wheels. I think that would be a really satisfying thing to do.

Mr Smith — Don't drive.

Hon. C. D. HIRSH — Perhaps I should walk from house to house, as Mr Smith suggested by interjection. He might be right.

Mr Smith — Ride a bike.

Hon. C. D. HIRSH — Or I could ride a bike.

However, I think that undertaking that sort of service could be very useful. Some of the people who deliver Meals on Wheels also provide a social contact for the recipients of that program. Volunteer drivers are also very much involved in activities at the Maroondah, Knox and Yarra Ranges municipalities. They provide a great service, particularly in the Yarra Ranges shire, where a lot of older people require transport to medical appointments and so on. The volunteer driving program is also very beneficial.

Another part of the HACC service is property maintenance, which again is quite crucial for older

people who can no longer afford to look after their property or cannot manage it themselves. There is an additional $10.6 million next year, and just over $44 million over four years, for the home and community care program. The program is highly valued by the state government, as is demonstrated by the increase in funding.

HACC is a joint state-commonwealth program. The agreement between the commonwealth and state governments is for 60:40 funding, but Victoria exceeds the 40 per cent requirement. Last year the Bracks government provided $50.7 million more than the matching requirement and which brought the total state contribution to HACC services to $194.6 million or 47.5 per cent of the combined commonwealth-state funding of $410 million. That demonstrates very clearly the Bracks government's commitment to local government and local government's direct service delivery to the people it represents.

In 2006–07 the Bracks government is going to provide $205 million to home and community care services from combined commonwealth-state funding of around $435 million, which is again far more than the 40 per cent requirement. This funding package is intended to address growth in the elderly population and growth in the demand for home and community care services, not just from older people but from people with a range of disabilities, who also benefit from these services.

The services provided by local government beyond what I think Mr Vogels has called roads, rubbish and rates have in latter years — the last 50 years or so — become more and more a part of community infrastructure. It is extremely important that local government services continue and that both rate revenue and state and commonwealth money is provided to ensure that happens. Ratepayers would prefer to have an increase in rates than a decrease in the services that local government provides. Everyone uses some aspect of local government services. Pets are a pretty important part of some people's households and lives. The continued emphasis by local government on cleaning up after pets, registering them and so on is great, because for older people and families the ownership of a pet is certainly of great value and benefit.

Generally speaking this budget has delivered and delivered for local government. The $10.7 million increase in grants and transfers to Victoria's 79 councils speaks for itself. If members go through the budget papers they will see the great commitment of the Bracks government to partnership, to democracy, to the delivery of direct services to the community and to local government throughout Victoria.

Hon. D. K. DRUM (North Western) — I take great pleasure in supporting the motion moved by Mr Vogels. Picking up on the comments of Ms Hirsh, who was telling the chamber how yesterday's budget is very friendly to local government, those sentiments are certainly not shared by the Victorian Local Governance Association, and the Municipal Association of Victoria has left no doubt as to how it views yesterday's budget announcement. Effectively the MAV has said that the Victorian government has ignored local government in yesterday's budget and that the time-honoured tradition of councils going cap in hand to the state government for a range of essential services will have to continue. There is no vision associated with the way the budget is planning to fund local government into the future. The association has said that residents could rightly have expected the state government — we all know it is swimming in GST funding and that the state has never before known rivers of gold such as those that are streaming in to the state coffers from the GST — to take this opportunity to do something.

Hon. D. McL. Davis — This mob opposed it!

Hon. D. K. DRUM — Let us not go back too far, Mr Davis.

Here is an opportunity the government had to redirect some of those funds into local councils so that they could effectively set up some continuity for many of the services they are expected to offer. What we are going to find is that the level of assistance they were looking for simply has not been made available, and the MAV will have to keep advocating to and aggravating this government about getting some additional services on an ongoing basis. Again they are going to be in a situation where project by project, piece by piece, they will have to go back to the state government all the time.

One of the great shames of the current system is the amount of time that is lost by so many people. These are people we meet in our everyday pursuit of trying to engender a more cohesive community who are effectively bound to their desks in the search for additional funds. This is the case in nearly all of our organisations, whether they are locked away in the Department of Human Services or are part of the education system or health systems. We have built up a whole bureaucracy of people whose sole job, especially at the local government level, is to try to source funding through specific grants that become available on an ad hoc basis.

People are adept at that type of work. They have the knack of being able to source funding from a range of state and federal government departments for different programs, but productive time is lost in having to go through that process. Then, if funding is secured, there is also the process of having to monitor and report on the progress of the respective programs. Because we do not have a structure for funding local government in a correct and responsible way so that it can go about delivering the programs we need delivered, we find that untold hours of productivity are lost in the various departments because staff are simply trying to work out how they are going to fund next month's programs.

The situation that is outlined in Mr Vogels's motion is not a new phenomenon. In fact during my short time in Parliament, cost shifting by both the state and federal governments has been spoken about at length, and you would not hear it more often than you do in relation to local government. The practice of state governments initiating programs for local government and then withdrawing them over time leaves local government with very nasty options indeed. It was pointed out by Mr Vogels that at one stage libraries were funded on a fifty-fifty basis. That funding mix between the states and local government has now dropped to the vicinity of 20:80. The state government contributes in the vicinity of 20 to 30 per cent of the total library spend, with local government forced to pick up the rest of the cost.

Meals on Wheels is a program that is certainly right up there as a priority among the programs that various local councils deliver. It is one of the most honourable programs. It delivers nutritious and healthy meals to people who are unable to cook for themselves. That facility to deliver meals to the homes of vulnerable people helps keep those people out of our aged care facilities and enables them to live somewhat independent lives. Meals on Wheels funding also started off with a fifty-fifty mix between the state and local governments, but over time the state government contribution has been whittled away, with the state government now contributing only in the vicinity of 20 per cent of the total cost of the program.

We had a specific program in Bendigo that was initiated by the state government to deliver Internet access through regional libraries. Over time it became an extremely popular program. Many people went to libraries to get onto the Internet to communicate with family and friends. The start-up costs and capital infrastructure for and the ongoing expenses of that service were funded by the state government. However, over a two-year period the state government withdrew that funding, which left regional councils with very nasty options. Those options were to simply cut the service if they could no longer afford to maintain the Internet access, to create a user-pays system, where people who went to libraries to spend a little bit of time on the Internet would be forced to pay for that service, or simply to do what many councils are forced to do, which is to take funding away from other programs. Councils would do that to fund such a program because they saw it as being worthwhile and because it would create much angst in the community if the council were forced to take it away.

The information we receive is that that is the way things continually happen. Good programs are set up and funded by the state government, but over time the funding is taken away and the expectation is that local councils will continue to fund those programs into the future. It is also worth noting that regional municipalities have a far greater reliance on the state government for their funding grants than do municipalities based in and around Melbourne. Properties in city-based municipalities are valued more highly and therefore attract much higher rates, so the income of those municipalities is significantly greater than that of many of our smaller rural and regional municipalities

In addition, they have the ability to raise substantial other moneys through parking meters and parking fines. These funding opportunities, these opportunities to raise money in their own right, do not exist for many of our rural and regional councils. I think it is worth noting that the reliance of many of these councils on state government grants is far greater than that of their Melbourne cousins. We can couple that inability to raise independent funding with the fact that there are many expenses associated with regional areas — the main one is the complex road system that many of our smaller councils are forced to look after.

Councils in my area such as Buloke and Yarriambiack have road networks which extend over many hundreds of kilometres and continually need to be upgraded and maintained. Very few of these councils have national or state-funded highways going through their areas, so the funding of their roads is effectively left to them. These local councils oversee extremely low socioeconomic areas and have very limited ability, if any, to raise funding other than through rates. We need to be very cognisant of the issues and the situation that exists. When we talk about the need for a better deal, for a better funding model and for a fairer go, we need to understand the battles faced by so many local councils in our areas.

This is an issue The Nationals have looked at very carefully. We have already announced a plan to direct 1 per cent of the state's GST funding to local government. This has the potential to put many hundreds of thousands of dollars, and in some cases even millions of dollars, even at the initial contribution of 1 per cent, into local government. We are proposing to send 1 per cent of GST funding directly through to local government. As happens with the Roads to Recovery program, we would have the ability to direct this money straight through to local government. As is also the case with the Roads to Recovery program, this would enable local government to decide which projects had the greater priority. It would give local councils the autonomy over decision making they need to get the jobs they consider to have the greater priority done first, as opposed to money stopping off at state government on the way through and being directed and tagged to be spent in certain ways.

The Roads to Recovery money has been hugely popular with local councils because it enables them to make decisions about what will best affect the lives of the ratepayers living in their regions. It is a very positive program. In The Nationals' policy we have taken the lead on how we intend to fix this problem of inadequate local government funding. By directing 1 per cent of GST, and we know the Victorian government receives in the vicinity of $8 billion a year from GST receipts — —

Mr Smith — Coming out of my taxes — not only do I have to pay them locally but I have to pay yours locally as well. Good grief!

Hon. D. K. DRUM — Mr Smith is talking about the inequality of the GST. I do not think many of his colleagues share the view that the GST is not returning buckets of gold to the Victorian people. An amazing amount of money is coming into the revenue streams of this government. To direct 1 per cent of that would effectively — —

Hon. R. G. Mitchell — Are you saying that is on top of normal funding for local government?

Hon. D. K. DRUM — We are talking about the state government, Mr Mitchell. Do you know that the GST is a state tax?

Hon. R. G. Mitchell — It is a commonwealth tax.

Hon. D. K. DRUM — Mr Mitchell is now saying that the goods and services tax — —

Hon. R. G. Mitchell — Is a commonwealth tax.

Hon. D. K. DRUM — Is Mr Mitchell also saying that the funds do not come to the states?

Hon. R. G. Mitchell — I said, are these rivers of gold that you claim on top of normal funding?

Hon. D. K. DRUM — Mr Mitchell — —

The ACTING PRESIDENT (Hon. H. E. Buckingham) — Order! Through the Chair, Mr Drum!

Hon. D. K. DRUM — It is quite amazing that the Labor backbenchers would like to differentiate who collects the money and who gets to spend it. We all know that the greedy states in Australia have worked out their own formula as to how the GST is distributed. It has nothing to do with the federal government, it has only to do with the states. If the Victorian government cannot work out its own fair share, that is its problem. To not be prepared to share so much of this funding with local government, while espousing the view that it is right behind and supports local government — calling local government an equal partner — is quite inane. What it all boils down to is this state government simply refuses to fund local government in the way it should and in a way which would give it the respect it deserves.

Ms Hirsh touched on some of the exceptional steps that need to be taken by local councils. One she mentioned was the introduction of a bin tax. Quite frankly these local councils would not need to take these steps if they were adequately funded in the first place. Ms Hirsh spoke about neighbourhood houses being funded by this government and that that was somehow going to help local government. She has to understand that the $27 million that was allocated to neighbourhood houses in the budget has been very well received but it was nowhere near as well received as it would have been — —

Honourable members interjecting.

The ACTING PRESIDENT (Hon. H. E. Buckingham) — Order! The chatter across the chamber will cease.

Hon. D. K. DRUM — The $84 million in the neighbourhood houses submission was not forthcoming from the government. We will have to wait and see exactly how this $27 million is tagged as to how it has to be spent. It is incredibly poor form for a government to say to neighbourhood houses that it will fund them for 50 per cent of the time it expects their doors to be open and for half of a coordinator's time — they will pay a coordinator for 20 hours providing they prove they will deliver 40 hours of programs. That is a

funding model that needs to be changed. We will see in the detail of how this $27 million is delivered to neighbourhood houses whether the government has addressed many of the problems associated with neighbourhood houses.

One of the problems with neighbourhood houses that was ignored in the allocation of that $27 million was that 30 neighbourhood houses around the state are not officially recognised by this government. They are out there delivering programs for this government and for their communities but they are not recognised and do not receive 1 cent of coordination funding at the moment. This government does not even have a criteria set down to enable new neighbourhood houses to get up and prove that they qualify as neighbourhood houses and should therefore be eligible to receive coordination funding. That is something this government let slip by in this announcement in relation to neighbourhood houses.

I would like to quickly touch on some of the other municipalities which would be recipients of additional funding under The Nationals' policy. We are continually putting up areas that are struggling to this government and here we have some solutions which need to be looked at. We see that for a place like the shire of Buloke, which is doing it tough and spreads over an enormously long distance, we would put in 1 per cent for the Fair Go grants, which would see an additional $372 000 going into that shire each year. We would also see grants of $442 000 allocated specifically for the roads in that area.

The Campaspe shire, which also has a very complex road system, would have $853 000 made available to it for roads, Gannawarra shire would have $385 000 and the Macedon Ranges shire an extra $411 000. A small rural municipality such as Yarriambiack would have an additional $419 000 made available to it under the roads grants, as well as the $353 000 that would go to local government as a result of a 1 per cent increase. The Nationals believe that to do it properly that 1 per cent would need to be increased over time to 3 per cent, which would enable many of the councils to operate autonomously. It would certainly stop the process that we have seen over recent years of rate rises effectively becoming another tax on the people of Victoria.

Mr Vogels clearly showed where the state government contribution through its grant scheme has dropped by over $100 million over the last four years. Those figures are available on the web site for everyone to see. The state government's contribution has dropped from $206 million to $113 million, and while that has been happening the federal government has been increasing its allocation of grants to local government. It is time the government stopped trying to hide the figures and acknowledge that they are accurate.

At the start of my contribution I failed to state that The Nationals will be giving 5 minutes of their speaking time to Ms Hadden, so that she can speak on this issue.

I will finish by talking a little about the Victorian sport and recreation grants. Many smaller municipalities in my region find those grants are imperative if they are to grow their communities. Four grant categories are available under the sport and recreation grant scheme. They are minor facilities funding, major facilities funding, the Better Pools program and the community facilities funding program. In the last couple of years we have seen a reduction in the amount of money made available, especially in regional Victoria. If you compare last year to the previous year, you see that regional Victoria was short-changed by $1 million from the previous year. In 2003–04 some 93 projects and programs were funded under a sport and recreation minor facilities funding grant but last year that number was reduced to 41. In the last year $1 million has been taken out of regional Victoria and an extra $1 million has been put into metropolitan councils.

Historically councils have been able to apply for five minor facilities funding grants up to $50 000, but in the last two years that figure has been cut to three. Whereas a council that put up 4, 5 or 6 proposals might have expected to get at least three of those proposals granted, we now find that small municipalities, and even some of our large municipalities, are limited to putting up three proposals under minor facilities funding opportunities and one of those grants might be successful if the council is lucky. Bendigo council missed out for two years. It had never before missed out on major facilities funding, but in the two years prior to the one just announced it missed out on that funding. The lack of funding costs the City of Greater Bendigo $500 000 in each year it misses out. This year it was successful in getting the Strathfieldsaye sporting facility funding, and $300 000 will be very well received.

This problem has existed for a number of years. I congratulate Mr Vogels for bringing it to the attention of the chamber. It is time the government acknowledged that it is short-changing local government. Its actions come back to hurt the people of Victoria through what is commonly referred to as cost shifting. People are going to demand that services be maintained. They do not care who funds them. Certainly if local government does not have the voice or the political clout to fight the Bracks government, then it is left to the opposition parties to push hard to

ensure that local government is funded adequately so it can deliver the services that all Victorians desire.

Hon. D. McL. DAVIS (East Yarra) — I am pleased to make a contribution to the debate on this important motion moved by the Honourable John Vogels. The motion condemns the state government for its underfunding of local government and for the massive rate increases that have occurred at local government level since 1999. Those rate increases are in significant measure the responsibility of this state government. They are not occurring in one council alone or in one or two mendicant councils; this is a general pattern across the metropolitan area and the state. Those councils are strained and facing huge budgetary pressures because this government has pulled back funding. It is a cruel and deliberate step that has been taken by this government. It is cost shifting of the most destructive and damaging sort. Over a period I have taken a considerable interest in this matter. Indeed I was responsible for putting it onto the front page of a newsletter I put out in the Burwood electorate recently, calling on people to talk to me about this and making the point that the cost shifting that is occurring is beginning to impact very severely.

I notice Mr Smith is laughing. I do not believe it is a laughing matter when an article that appears in the local paper this week is headed 'Centre loses funds fight'. It states:

> Ashburton's Craig family centre and Ashburton community centre lost their fight last week against funding cuts of up to $45 000 a year.

I do not agree with the City of Boroondara's decision in this case. I don't agree at all, but I understand why the city has been forced to make very difficult choices. This is a very good example of what is occurring. The state government has withdrawn significant funding — $67 500 a year — from the neighbourhood houses and other centres in Boroondara. It is no wonder the city is in a difficult position. It is no wonder it has been forced to make unfair and difficult choices. Those choices have been forced on it by the state government. I single out the role of Mr Bob Stensholt, the member for Burwood in the other place, who is the Parliamentary Secretary for Treasury and Finance. He has had a role in crafting the Treasury position of this government. He has had a role in its funding priorities. He has had a role in framing this budget and previous budgets. He must take a measure of responsibility for, firstly, failing to stand up for his area, and secondly, deliberately crafting the policies that are causing so much hurt.

I am not just talking about the City of Boroondara. The problem is broader, and I want to record some of the rate hikes that are occurring around metropolitan Melbourne. In Boroondara it is 5 per cent; Glen Eira, 4 per cent; Manningham, 5.5 per cent; Port Phillip, 8.3 per cent; Stonnington, 6 per cent; and in Whitehorse it is a whopping 11.5 per cent. Whitehorse is under huge pressure from the state government. Only a few years ago we saw an almost 15 per cent — —

Ms Hadden interjected.

Hon. D. McL. DAVIS — I know, I am aware of it. I have the note. The significant increases that occurred, for example, in the City of Boroondara in 2002, when there was a 15 per cent increase, were also driven by state government cost shifting. I want to record some of the significant impacts on some of my local municipalities, some of which are general and others of which are more specific. The state government initially funded school crossing supervisors but has pulled back. The walking school bus was initially funded by VicHealth. It is a very important program, and one I strongly support. I have had many discussions with VicHealth about it.

We have a massive problem with childhood obesity in our community, yet what does the Bracks government do? It pulls back money for the walking school bus, leaving the City of Whitehorse and the City of Boroondara and other municipalities around the state with a problem as to what they are going to do with those important programs. They either have to dig deep into their rate revenue, raising their rates every year, or they have to cut the program. That is the reality of what is occurring. The childhood obesity problem will worsen because this government has not properly funded obesity programs like the walking school bus.

Mr Vogels has spoken long and loud about the importance of libraries. We had a very good policy on the table to assist councils with libraries. Traditionally libraries have received fifty-fifty funding from the state and local governments, but this government has depressed library funding, holding it at constant levels. In effect because of inflation real funding is decreasing over time and councils are forced to pick up the difference. In large measure they have only one source of revenue — that is, rates. So rates are going up to fund libraries. Mr Vogels made that point very eloquently, and I support him strongly on that.

The state government has applied a different standard to itself than it applies to local government in terms of planning fees and statutory charges. State government now has a system where — unseen by this Parliament — fees and charges are on an escalator every year. They go up. Breaking with the Westminster

tradition whereby appropriations and other budget measures go through the Parliament, these fees and charges are hidden in the corner by the Premier every year without transparency and accountability. But a different rule is applied to local government. Local government is told it cannot increase its charges. I do not expect every local council would behave properly if they could increase charges willy-nilly, but the government is hypocritical in applying a double standard. Local government has a genuine gripe with respect to statutory charges, including planning fees.

I want to return to neighbourhood houses. Mr Vogels spoke at a recent function at my office where more than 20 neighbourhood houses were represented. We discussed at great length the financial difficulties they were facing in the new southern region. Those neighbourhood houses have been essentially screwed by this government; they have been screwed badly. They are suffering, and there is a real issue about their ability to provide the very valuable services that they provide to the community, often to the most vulnerable people in the community. The approach of the neighbourhood house association to the government to receive $84 million over five years — that is, $17 million a year — seemed to me to be a very appropriate one. Certainly it made a very strong case when it was put to me, Mr Vogels and others. The government has come back with a miserly $7 million a year, $28 million over four years — far short of what neighbourhood houses applied for and far short of what in reality they need, and the communities of many areas will be the sufferers because of this.

It is important to put on record today the impact on rates. I will quote Mr Jack Davis — no relation — president of Ratepayers Victoria, about the Boroondara increase. He said:

> The state government must also take financial responsibility for its share of community initiatives and stop piling the burden on councils.

I think that summarises it very eloquently and very fairly. It is piling the burden on councils, and those burdens are quite significant.

I note that my time will be shorter than it would otherwise be because the opposition has made the decision to give Ms Hadden 10 minutes to speak. I am sure she will have important contributions about rural and regional municipalities and the difficulties they face.

In conclusion I want to put a couple of other points on the record. Maternal and child health is a significant area. The government has to look at this very closely. It is unfortunate that it has stopped reporting properly at a budget level on maternal and child health visits in the initial short phase. Again, this is a cost shift that has occurred. The state government cut by $40 000 the payments to the City of Whitehorse. That leaves the City of Whitehorse with a very difficult decision as to what it will do. Will it cut these critical services in those early childhood years or will it be forced to raise its rates? What it is doing is raising its rates, and the people who have to bear responsibility for this are Mr Stensholt, the member for Burwood in the other place, the Treasurer and the Premier. They have caused the cost shifting, they are the root of the problem, and they are the ones who are hurting local communities and families with higher rates and lesser services.

Hon. KAYE DARVENIZA (Melbourne West) — I am delighted to rise to make a contribution to this debate. I am opposing this outrageous motion that has been brought before the chamber by the opposition.

Hon. D. McL. Davis — You know it is true.

Hon. KAYE DARVENIZA — Mr Davis interjected that I know it is true. It is blatantly untrue, and Mr Davis knows it is untrue. It is so far from the truth, and in my contribution — I doubt I will be able to convince him — I will certainly be putting forward the arguments about the excellent job that the Bracks Labor government is doing in relation to local government and the great job that our Minister for Local Government, Ms Broad, is doing in looking after this portfolio.

Let us go back to where we started in 1999. I always have to go back to then because I will not forget what that lot did to local government when it was in government. I know the community has not forgotten what they did. If anybody, particularly among that lot, tries to forget and rewrite history — —

Hon. J. A. Vogels interjected.

Hon. KAYE DARVENIZA — What did you do, Mr Vogels? Mr Vogels has a short memory. What did that lot do when its members were in government? The Kennett government sacked all the democratically elected councillors. Members opposite stand here today espousing what should be happening with local government councillors, showing support for them and singing their praises about the ability to make decisions about what is right for their communities — which they are able to do. I agree with that, but what did they do when they were in government? What did they do when they had some power and authority? They sacked them and put in their mates as commissioners to run the

show. I have not forgotten. Members opposite try to forget, but the community has not forgotten, and I will take every opportunity I can to remind them of it.

What else did they do? They talk about how important local government services are. I agree with them; they are important, they are vital services, and local government should be able to have some control over their services. But what did they do? They contracted them out. They took them right away from local government. They sacked them, took away the services and gave them to contractors. Yet they stand here today talking to us about being accountable and transparent in the way we look after local government. They are an absolute joke. One other thing — —

Mr Smith interjected.

Hon. KAYE DARVENIZA — No, they are a joke, Mr Smith. Not only that, they used local government to collect tax. That was a novel idea, was it not? They used them when they were in government to collect government tax. That is a good job for local government, is it not? Tax collectors — that is a very good one! We have not forgotten about that tax, and, I tell you what, we will not let them forget.

I take up a couple of comments that were made by members of the opposition in their contributions. The first was made by Mr Drum. He talked about The Nationals' policy for local government, part of which is that 1 per cent of GST revenue should go to local government, but Mr Drum failed to say how that 1 per cent would be used. He did not spend any time spelling out how it would be used or giving any indication as to what services would be cut to make that 1 per cent available.

If you are going to give 1 per cent of GST to local government, will it come off health, police numbers, teacher numbers, the number of schools that are built, disability services, sport or recreation — I know that is something close to Mr Drum's heart — or would Mr Drum and The Nationals like to see the 1 per cent cut from funding for neighbourhood houses? To his credit, Mr Drum acknowledged the important role of neighbourhood houses and, even more importantly, that the funding provided by yesterday's budget was welcomed by neighbourhood houses; yesterday a record $28.7 million was given to boost neighbourhood houses. Perhaps Mr Drum wants to take the 1 per cent for councils off neighbourhood houses.

What has not been recognised in the contributions of any members opposite is the state neighbourhood houses were in when the Bracks government came to office in 1999. They appeared to be non-existent. The Bracks Labor government has increased funding to the tune of around 60 per cent. An examination of the sort of funding the former government was giving to neighbourhood houses when it was in government demonstrates what sort of priority members opposite thought the houses should be given. We have increased that funding by around 60 per cent. It has been a record effort, so it is no wonder the councils have welcomed the additional funding provided by yesterday's budget.

Mr David Davis talked in his contribution about rates, the way rates are determined and the way councils determine their funding. One can only think he does not have any idea of what the process is or how it works, because if he did have some understanding of it he would know — and I am sure he does know, but just failed to mention it in his contribution — the financial contribution made by the commonwealth government, which will decrease by a net $4 million in 2006–07. That sum will not be going to local government from the federal government because there will be a decrease in funding. I would like to know what the lot opposite are doing about that and whether Mr Davis is speaking enthusiastically to his federal mates in Canberra. I think he is a mate of Mr Costello, the federal Treasurer. He should have been up there, in his ear and making sure that funding was not decreased.

The decrease is due to the cessation of the national competition policy payments. Mr David Davis knows that, and I am sure The Nationals know that as well. I do not know whether they have been up in Canberra talking to their lot about why this is so important. The withdrawal of the payments will have a significant impact on many local councils. For some councils the payments have been equivalent to up to 5 per cent of their budget — so the decrease will be very significant. Mr Davis knows that as well as I do, but I do not hear him talking about that. I would love to know what he has done to try to convince his mates in Canberra to do something about that — my guess is: very little.

That commonwealth decision will particularly hurt small rural councils, which rely very heavily on these funds to provide vital services and infrastructure for their communities. I know Mr Drum will be interested in this, and I am sure he is well aware of it. However, I heard nothing in the contributions from the Liberals or The Nationals about the decrease in the contribution of the federal government and what they have done about that — that is, attempts they have made to turn this around or rectify it — or what they are doing now. Mr Davis comes in here and howls about the situation in local government in his electorate, but what has he done? They are asking Mr Davis what he has done to

ensure that the federal government puts that money back into local government.

He has done nothing; we all know he has done nothing, and I hope that the people out there in local government know he has done so little.

For Mr Davis's information — and Mr Davis should take note of this as it might inform him a little bit, because from his contribution it would appear that he is very ill informed — the amount that each council requires in rates each year is determined by the amount it considers necessary to expend each year to meet the needs of its community less any other revenue that it receives from state or federal grants and, of course, from fees and charges. The balance is the amount councillors need to collect from their property owners in the form of rates. That is how it works.

Hon. D. McL. Davis — You're a rocket scientist, Kaye!

Hon. KAYE DARVENIZA — You are no rocket scientist when it comes to this, Mr Davis — certainly not from what we heard in your contribution. You show very little understanding at all of how it works and where the funding comes from.

What I can say is that our government has been absolutely committed to local government. In yesterday's budget we delivered a 10.7 per cent increase in grants and transfers to Victoria's 79 local councils. All of those local councils will benefit through access to increased funding for initiatives to assist Victorian children as well as to improve sporting facilities, transport and small business. The budget will really help councils deliver vital services to their communities — to all communities right across Victoria. We provide, through local government, absolutely vital services, and the way we do that is in partnership.

We do it together with the councils so that we can ensure that as needs change, as communities grow and as the population ages we are delivering through local government the best possible services that we can — services that truly meet the needs of the community, including increases in home and community care (HACC) funding. Again the federal counterparts of those opposite have got a lot to answer for in terms of home and community care funding.

We in the state government work in a collaborative way with local government. We believe it is a vital part of how government is run in this state. The motion before the house is a dreadful one. I condemn and do not support it, and I urge all members in the chamber to vote against it.

Hon. DAVID KOCH (Western) — It is a pleasure to make a contribution to the debate on the motion moved by my colleague the Honourable John Vogels. Prior to making my contribution I would like to acknowledge that the Liberal Party will be affording 10 minutes of its allocated debate time to allow Ms Hadden to make a contribution.

We should not be surprised that the minister is not in the house. She is obviously completely out of touch with her own portfolio. No-one should be surprised that no government speakers in the debate, as has been shown from the contributions made so far, have had absolutely any feel for, knowledge of or involvement in local government prior to coming to this house.

There is no doubt that councils across the state are bleeding from this government's continued cost shifting, reductions in grants and shifting of responsibilities as it forces local government to meet compliance costs. This is certainly reflected in government funding for capital works programs, maternal health and child care, kindergartens, libraries, Meals on Wheels — the list just goes on. I will come back to some of these a bit later in my contribution.

There is little doubt that the federal government continues to play a major role. As we are all aware, the Commonwealth Grants Commission increases made by the federal government have been maintained, with increases of 4.5 per cent or better, for the last three decades. It is an absolute nonsense for any member to say in this debate that responsibility is not being taken by the federal government. At the same time, this state government has only maintained a lousy 0.4 per cent during the same period.

It is also important to note that during the last seven years of the Bracks government the state has been making sure that it skims off about 20 per cent in administration charges from any federal grants that pass through the hands of the state government prior to being delivered to local councils.

I do not think it would be news to anyone in this chamber, especially to those with a local government background, that many local government councillors continue to scratch their heads in disbelief as they try to make ends meet. Victorian rate increases remain out of control and, quite obviously, exceed annual consumer price index increases on a very regular basis.

The average increases over the last seven years have regularly been over 6 per cent and have been even

greater in many rural councils that are most affected. I must say that, incredibly, many of the rate increases have been nearer to 10 per cent. It is an absolute blight on the state government that it has allowed increases to get to that order. In the coming year Whitehorse council residents will be confronted with rate increases of the order of 11.5 per cent. Surely the government, somewhere along the line, must realise that rate bases are now to the point of exhaustion and just do not have the capacity to be continually plundered to satisfy government demands.

An example is an expectation that smaller Wimmera councils will meet the cost of fire tappings along the proposed Wimmera–Mallee pipeline. Although it is in the act that those councils should participate and assist with that funding, the government does not realise that those municipalities have been hijacked for the last seven years. They have had troubled years. Historically they would not have had eight years in a row more serious than they been confronted with recently. They have had bad seasons and have experienced a lot of cost shifting during those years. There have been extra expectations that services will be delivered, and those councils are no longer in a position to deliver on those expectations of fire tappings along the Wimmera–Mallee pipeline.

Many municipalities, especially those in regional Victoria, have lost a lot of ground since the removal of local rural road and bridge funding. The state government contributions have been withdrawn, which is reflected in the fact that now councils go out and ask community members to make contributions if they want to continue to use bridges where upgrades are required. It is well acknowledged that statewide council debt is on the increase. Unfortunately we are now seeing something of the order of over $2 billion in debt being serviced by ratepayers on behalf of the state government.

The peak bodies for local government in Victoria, the Municipal Association of Victoria (MAV) and the Victorian Local Governance Association, have until yesterday remained silent. There is no doubt that they have been sitting on their hands and have been happy to be onlookers in what is taking place in the way rate bases across the state have been pillaged. One wonders why councils would continue to pay their membership fees to those organisations, because I can assure members that the yield they get on their investment must concern them. Having been a member of the MAV board, I can assure members that the representation of councils at that level has deteriorated greatly over the last 10 years.

An article at page 16 of the *Herald Sun* of 27 May headed ‘More pain as city rates soar’ — I can assure members that it is beyond the city, because it goes right across Victoria — states:

> Melbourne residents will be hit with rate rises of up to 11.5 per cent under draft budgets before councils.
>
> …
>
> … residents in Whitehorse will be slugged 11.5 per cent.
>
> …
>
> Residents in the Port Phillip council area will be hit with the second highest rise of 8.3 per cent …

Some ratepayers, certainly in Port Phillip, have been very vocal on radio talkback programs because they are not comfortable with the situation that confronts them. The article then goes on to say:

> Municipal Association of Victoria president Geoff Lake —

who is an apologist for the state government —

> said councils had been forced to push up rates because of a lack of support from state and federal governments.

What nonsense. How big a contribution does this state want from the federal government? The Commonwealth Grants Commission has always maintained a contribution of 4.5 per cent or more annually against the state’s paltry 0.4 per cent. Some $8.5 billion is flowing into the state from the GST, none of which is being allocated to local government. In its recent budget the federal government poured another $300 million back into local government for the Roads to Recovery program. In going on with this drivel Geoff Lake is not reflecting the views of the councils he represents.

As I mentioned earlier, the cost shifting over the last seven years under the Bracks government has been unbelievable. I can recite many examples of cost shifting, some of which have been put on the table this morning. Neighbourhood houses have certainly been mentioned by most speakers this morning. Contributions from members opposite left a few of us wondering a little, but with the backgrounds most of them have one would not expect any more. Funding for maternal and child care had historically always been on the basis of a 60 per cent state contribution to a 40 per cent local government contribution. That became 50 per cent and 50 per cent in 1997–98. After five years of Bracks government we now see it being totally reversed, so that the state makes a contribution of 40 per cent and local government’s contribution is 60 per cent. It is the old story — build up the expectations of the home base then pull the state

funding out and leave the majority of the funding regimes to the rate bases.

As has been said this morning, originally municipal library funding started at 50 per cent and 50 per cent but has moved down to 60 per cent and 40 per cent over many years under various governments. Today we see that has been whittled away and that the Ararat Rural City Council receives 17 per cent from the state government and makes a local contribution of 83 per cent. This leaves us in little doubt that there is absolutely no fairness. The Minister for Local Government, when this is put in front of her, continually suggests that funding has been maintained in rural municipalities. I can assure members that no allowances have been made in that funding for annual consumer price index increases, so obviously there is far more pressure being put on small rural libraries that are continuing to deliver their services. We have seen the continuation of the service provided by the Glenelg regional library being eroded to the stage where it has been necessary to look for a further service.

Beyond that, in home and community care and road funding — the list goes on — this government has done over local government. Cost shift after cost shift has seen rate bases exhausted, yet this government demands more. I say enough is enough. I seek the support of this house to carry the motion before us this morning.

Debate interrupted.

DISTINGUISHED VISITOR

The ACTING PRESIDENT (Mr Smith) — Order! The Chair recognises in the chamber the presence of the Honourable Rod McKenzie, a past President of this house.

Debate resumed.

Mr SOMYUREK (Eumemmerring) — It is a pleasure to speak on this substantive motion moved by Mr Vogels. Opposition members needed to display a great deal of creativity and ingenuity to spin this motion as a negative for the Bracks Labor government. As I predicted, it has not managed to do so. This motion is very much a dorothy dixer for us. The Bracks government's record speaks for itself; the federal government's record on the issues canvassed in the motion also speaks for itself. Our record is satisfactory; the federal government's record is poor. The fact that the opposition has chosen to debate this motion is a good thing, because implicit in it is agreement that strong and vibrant local government is important for our democracy. It is important to the welfare of all Australians and Victorians, whether they be ratepayers, citizens or constituents — whatever description we may like to choose.

The Bracks government genuinely believes that all Victorians deserve access to decent council services. It has worked hard from September 1999, when it came to government, until the present time to ensure that council services have been propped up. It has expended extra resources to ensure there has been focus on maximising the benefits of the cooperation between local government and the state government and to ensure that waste and duplication are removed from this tier of government.

We have also invested heavily in local government services by way of grants and direct services. Consequently the Bracks government has made significant investments in strengthening local government. It has deployed resources to ensure that the environment is ripe for local government to function efficiently. The amendment of the Local Government Act in 2003 to incorporate principles of sound financial management and the inclusion of objectives to ensure transparency and accountability in council decision making are also examples of that.

I will discuss more specifically the Bracks government's record in terms of funding local government in a moment, but before I do that I would very much like to touch on the Howard government's record in delivering to local government. It is possible to get an understanding of the scale of the underfunding of the local government tier by the Howard government by quickly examining the destruction by stealth of two very important sources of local government funding. I speak of the financial assistance grants (FAGs) and the national competition policy (NCP) payments. Commonwealth FAGs as a percentage of commonwealth taxation revenue have decreased from 1.2 per cent in 1992 — I know that is before the Howard government took office — to 0.7 per cent in 2006. That is a big decrease, and it represents — —

Hon. J. A. Vogels — Is that before or after GST?

Mr SOMYUREK — The local government association has expressed a view that the commonwealth FAGs should be pegged at a minimum of 1 per cent of commonwealth taxation revenue. Because we are currently running at 0.7 of taxation revenue whereas the minimum, according to the local organisation, should be at 1 per cent, that represents a shortfall of $640 million. That is $640 million that could otherwise have been expended.

Hon. J. A. Vogels — That was expended!

Mr SOMYUREK — That is not our report; that is a report by Hawker. That is $640 million that could have otherwise been spent on infrastructure. It could have been spent on key services such as health, education, and community safety — key services that Victorian and Australian ratepayers have no access to.

Furthermore, since the Howard government has come to power taxes have increased by 94 per cent. I am not necessarily saying that the Howard government has artificially raised taxes, therefore tax revenue has gone up — that is an indication of a booming economy — but tax revenue has gone up by 94 per cent. When you look at the increase in FAGS revenue you would expect that to be comparable to the 94 per cent, but no, instead it has increased by only 34 per cent. That represents something like a 33 per cent increase in overall taxation. That is remarkable, and I am sure had the Honourable John Vogels seen these figures before he decided to move this motion he might have had second thoughts.

The killing off of the national competition policy is also a major blow to local government and the ratepayers of Victoria. During the 2004 election campaign the Howard government decided to engage in policy on the run and therefore, without any consultation, announced that it would strip $1.6 billion in NCP payments from all states and territories. The Bracks government was the only state or territory to have passed on the NCP payments to the tune of about $18 million to councils each year through the local government improvements incentive.

As I said, these funds were valued at about $18 million, so that is $18 million that councils in Victoria will no longer have access to as a result of the Howard government making policy on the run during the 2004 election campaign and deciding that it wanted to strip $1.6 billion from this particular scheme. The NCP will actually run out, will be killed off at the end of this year, and the result of that for the Victorian government will be $200 million less revenue, less money to spend on key services such as health, education, community safety. So Victorians have certainly had a hard deal from the federal government's ill thought-out policies.

I return to talking about the Bracks government's record on funding of local government and start with the magnificent budget handed down by the Treasurer yesterday. I refer the house to page 419 of budget paper 3, where appendix D, headed 'Local government financial relations', delineates how the Victorian government is working with Victorian local government — and it has been doing so for the last five or six years — in making sure that there is good governance, that there is no duplication of services and that funding revenue is maximised by councils.

On page 420 members will see that for the first time the Bracks government has clearly separated out details of spending on local government. Therefore I cannot understand why Mr Vogels has moved his motion, suggesting that we are somehow obfuscating the grants given to the local government sector.

Hon. J. A. Vogels interjected.

Mr SOMYUREK — We have provided a whole section — appendix D. That has not happened before.

Hon. J. A. Vogels interjected.

Mr SOMYUREK — I am a bit bemused. I cannot understand it. I would not have moved this motion but would have withdrawn it as soon as I saw the budget. Nevertheless, Mr Vogels has moved it and, notwithstanding, I again refer members to table D.1, headed 'Grants and transfers to local government', on page 420 of budget paper 3. The last line entry of 'Total grants', highlighted in bold print, has $494.9 million as the 2005–06 revised figure. The next line entry figure for the 2006–07 budget is clear — it is $547.9 million.

Hon. J. A. Vogels — Which is exactly the same as it was four years ago.

Mr SOMYUREK — I do not know how Mr Vogels does his maths, but according to the maths that I did at school, that is an increase of 10.7 per cent. I rest my case.

Hon. J. A. Vogels interjected.

Mr SOMYUREK — There is no need to continue. State government funding to local government has increased by 10.7 per cent, whereas the federal government has decreased funding to local government by $18 million in one program and $200 million in another. Members should compare the two! Compare the federal government's treatment of local government to the state government's treatment of local government, with its 10.7 per cent increase in funding. I will not even go into all the new initiatives, but rest my case on that fact.

Hon. B. N. ATKINSON (Koonung) — I rise to support the motion before the house. It has been an interesting and fairly wide-ranging debate, a debate which has obviously touched on the budget that was delivered yesterday. Government members are clearly

rather cock-a-hoop about the largesse distributed by this government in an attempt to woo voters while approaching an election at the end of this year. But the interesting thing is that the test of the budget, and indeed of this motion, will not be the response from cheerleaders from the government back benches, nor indeed the response from the cheerleaders in associations like the Municipal Association of Victoria — where one of Labor's future bright lights is firmly ensconced at this point in time — nor indeed the response from the Victorian Local Governance Association, which has hardly offered an objective and independent body of thought in terms of debates in the community on local government matters.

The real test of this government's activity — the real test of the outcomes, the real test of the financial support that has been directed to local government — will be determined by the councils themselves. I believe many members on this side of the house — and, I know, some members on the government benches who share the geography of Koonung Province with me — have been advised by their local councils that they are not happy with the state government's position, that they believe they are going steadily backwards in funding terms and that they are concerned about cost shifting on a whole range of services.

Mr Somyurek interjected.

Hon. B. N. ATKINSON — I am invited by Mr Somyurek to name one. Perhaps we can start with the City of Knox; then perhaps we can move on to the City of Monash; then perhaps onto the City of Whitehorse; then perhaps, if I look to the future in terms of the eastern metropolitan region, I could move on to the cities of Manningham and Maroondah, then to the shires of Yarra Ranges and Nillumbik.

An honourable member interjected.

Hon. B. N. ATKINSON — Indeed, I have talked to those councils, and the reality is that they are all concerned about cost shifting.

There has been some real furphies in this debate. Mr Somyurek and Ms Hirsh both mentioned the national competition policy funds and said it was dreadful that the federal government had actually taken this money away. No such thing has happened. The reality is that the national competition policy program was designed to go for a specified period and create a specified outcome, and it has simply been completed. It is not as if the money was taken away; the money was only provided for a particular program and that program has completed its cycle.

A number of things that have been said in this debate are simply not true. As my colleagues have said, there are issues like school crossing supervisors, libraries, the walking school bus program, roads funding and particularly planning costs in new areas.

With my Liberal colleagues I met recently with City of Knox councillors — and I know some of the Labor members representing seats in that area were also called to meet with that city's councillors. One of the key issues on their agenda concerned the additional costs they are facing in meeting strategic planning obligations under this government's ever-changing planning policy. The fact is that they have to prepare exhaustive programs, planning scheme amendments and documentation because if they do not they get crunched at the Victorian Civil and Administrative Tribunal, absolutely crunched at VCAT, and they were seeking support even in that area.

One of the interesting things about this government is that it is absolutely flush with funds, as we have said, because it has actually generated an enormous amount of money courtesy of the GST and very high taxation in a whole range of areas like stamp duty, land tax, payroll tax and so forth.

Hon. C. D. Hirsh interjected.

Hon. B. N. ATKINSON — Yesterday I had Karak over here. Today I have a Golden Galah!

The fact is that these government members cannot take the criticism nor will they actually look beyond the press releases. Even Ms Hirsh today quoted again from press releases. This is a government that rules by press release. The press release is king! Local councils do not accept government press releases because they actually understand the fine print. They realise that the government rhetoric in press releases do not come to fruition when you look at what it actually delivers for vital services that local councils provide across a whole range of community services, particularly areas like home and community care, libraries, school crossing supervisors and so forth.

It was mentioned that there are some new programs the government is suggesting for local councils now. I can tell members that local councils are very wary of new programs. They are very wary of starting to get involved with new programs, particularly with this government, because what they say to us and I am sure what they said to Ms Hirsh a couple of weeks ago was that whenever they get involved — —

Hon. C. D. Hirsh — They want us to provide cultural centres.

Hon. B. N. ATKINSON — Yes, I know about that and we told them no. But the interesting thing is that when they talk about those programs they say, 'We get involved in these programs the state government sets down and then the state government backs away with the funding, or caps the funding at a level, and does not meet the demands that have been generated in the community'. The result is that local government's funding commitment is considerably greater.

Given the amount of money that this government has from increased taxation and charges and from GST revenue, there ought to have been a review of the total taxation package in this state to establish a fairer and better position for local government, particularly with its involvement in the delivery of so many services to the community. This government has failed local government. It is certain that the vote on this particular motion will not simply be determined in this house today by members of the opposition; it will also be determined by the votes of local government people as they assess this government's continued refusal to address their needs.

Hon. P. R. HALL (Gippsland) — This has been a good discussion we have had on an important topic. Funding for local councils and their financial ability to deliver services is extremely important. It is a serious topic and well worth the time of this chamber to have this discussion this morning. I congratulate the Honourable John Vogels for bringing on this discussion. Contrary to — —

Mr Somyurek — Well done, John!

Hon. P. R. HALL — While trying to put aside some of the politics that have floated throughout the chamber during the course of this debate, I do not think any of us would doubt the fact that local government — and I am talking particularly about country councils because they are the ones that I know best — are struggling to make ends meet. What we are seeing typically in country municipalities are annual rate increases of significant magnitude. The very smallest rate increase I can think of in recent years is around 5 per cent, but it has not been uncommon to have a double-digit-rating increase of 10, 11, 12 or even 13 per cent in recent years. So local government have a problem in terms of obtaining the appropriate funds to deliver these services which country people expect.

This problem, as I have said, is greatest in country municipalities. For the interest of the chamber and to support my views I want to quote some comments made by the Municipal Association of Victoria in its submission to the Commonwealth Grants Commission when it spoke about rural councils and their ability to provide equitable levels of services. In this submission it said:

> To maintain current levels of service rural councils already strike higher rates than metropolitan councils, relative to both valuations and especially household incomes (metropolitan rates average 2.3 per cent of median household incomes, while rural rates are 3.9 per cent) …

It also makes this comment:

> Rural councils have much larger road networks to look after, with an average 200 kilometres of roads for every 1000 residents, compared with 6 kilometres of roads for every 1000 metropolitan residents. Road spending therefore takes a higher proportion of rural councils' annual budgets (43 per cent compared with 20 per cent in metropolitan Melbourne) , and this is the major reason that rural councils spend more per resident ($943) than do metropolitan councils ($505) …

Those two points point out the particular difficulties country municipalities have in terms of providing services expected of them by their ratepayers. We can argue until the cows come home about what should or what should not be an appropriate level of assistance provided by state and/or federal governments to local councils. In terms of the revenue they can generate local councils are restricted to predominantly rate revenue. They do not collect much in other fines, fees or charges; it is predominantly rate revenue. The government's budget papers suggest that on average three-quarters of the revenue received by local councils comes from generated rate revenue. I suggest that is probably not quite as accurate for country Victoria. I suggest less than 75 per cent of revenue generated by country councils actually comes from rate revenue and therefore they are more reliant on grants coming through from state and federal governments.

State and federal governments have a far greater ability to raise revenue than do local councils. Both state and federal governments collect revenue from taxation and they also have the ability to collect revenue from fines, fees and charges. A lot has been said in this debate about the goods and services tax and it is true that GST revenues now coming back to state government are at record levels. I also note in the budget papers — I think I am correct in saying this — that the GST flowing back to the state government in this budget has increased by a massive 8 per cent, and certainly that gives the current government scope to do a great deal in introducing initiatives.

The Nationals say that local government should have a direct share in that GST revenue. We have clearly enunciated — Mr Drum spoke about it earlier today — that 1 per cent of GST funding should immediately be given directly to local government. In its first year of

application that would be a significant amount, but we believe it should increase over a period of time to 3 per cent.

We also say there should be some special provisions to assist local government with what is probably its greatest cost component, particularly in country municipalities — that is, the maintenance of roads and bridges. There should be a direct fund to assist municipalities in that regard. For example, a council like the Shire of East Gippsland, which I think is the second biggest municipality in the state of Victoria and three-quarters of which is Crown land, has thousands of kilometres of local roads and many hundreds of bridges to maintain and should receive benefits from the proposals put forward by The Nationals. Shires like the East Gippsland shire would immediately get a $2.33 million income increase under the proposals I outlined — that is, to direct 1 per cent of GST directly to local government and also to provide a special fund to assist with local road and bridge maintenance. That would vary across municipalities depending on their size, population and the number of kilometres of roads they are expected to maintain, but it would be a significant boost for them.

I noted some comments from Ms Darveniza questioning this policy in response to Mr Drum's outlining of it. She asked where the 1 per cent of GST revenue would come from. She asked whether we would cut schools, whether we would cut hospitals and whether we would cut police numbers. The clear answer to those questions is no, no, no. We would not make any of those cuts. The capacity to give 1 per cent of GST directly to local government comes from within the growth of the GST itself. The budget that was tabled yesterday provides for an 8 per cent increase in GST revenue flowing to the state. We say one-eighth of that can go directly to local government to provide it with these extra funds it so greatly deserves. We reject the argument put forward by Ms Darveniza that any increase in funding to local government would be at the expense of other services. It simply would not be. There is plenty of growth capacity in the revenue flowing to the state to fund this excellent initiative of The Nationals.

I also hold the view that the state government should contribute to local councils according to the amount of land in each municipality. It is my view that when it comes to national and state parks and state forests, the state government should make a rate-in-the-dollar payment to local councils for those areas or at least a payment in lieu of rates for them. After all, the greater population of Victoria benefits from the large expanse of national parks in local government areas like East Gippsland and Mildura, and therefore should contribute. The state government, as the owner of those national and state parks and state forests, should make a contribution towards them.

I want to leave time for my colleague Mr Bishop to talk, particularly about transport issues and the responsibility of local government in regard to those things, so I will not go on any longer except to say again that country councils in particular are struggling to make ends meet, that country people are paying more in rates than people in metropolitan Victoria and that there needs to be a wholesale redistribution of public funds collected by way of taxation in this state by the forwarding of a portion of it directly to local government. The Nationals' policy provides for that, and I hope the people of Victoria will embrace it at the next election. The Nationals will be supporting the motion moved by Mr Vogels. This is an important subject. It is such a critical issue that we need urgent measures to address it.

Ms HADDEN (Ballarat) — I rise to speak in support of the motion moved by Mr Vogels, and I thank him for bringing such a very topical and relevant motion before the house. It impacts very clearly on local government, especially in rural and regional Victoria. Again, my thanks to the Liberal Party and The Nationals for giving up 10 minutes and 5 minutes respectively of their valuable time to enable me to make a contribution. This house has heard from me ad nauseam, and it will continue to do so until the election is called. As an Independent member I am not recognised, even though I represent a very large rural electorate. I am not recognised by the Labor government in this place, and it is an absolute disgrace.

Hon. C. D. Hirsh interjected.

Ms HADDEN — Ms Hirsh has had her turn, Acting President. I ask you to ask her to keep quiet and allow me to make my contribution.

Honourable members interjecting.

Ms HADDEN — Thank you, Acting President, for supporting me!

The Bracks Labor government handed down a budget on Tuesday that clearly shows the government is awash with money. It really is a shame that there is no rate relief for rural councils, there is no increased appropriate funding to help rural councils survive. There is certainly no increased funding for rural and regional councils to repair and maintain bridges and road infrastructure. There is certainly no increase in

funding to appropriately accommodate the rural library scheme.

Of course there is $60 million to spend on a big wheel, on Mary's big idea — that is, Mary Delahunty, the former planning minister and member for Northcote in the other place. She and the current Minister for Planning in the other place, Rob Hulls, who is also the Attorney-General and the Minister for Industrial Relations, are quite happy to spend $60 million on a big wheel at Docklands for city people. A sum of $60 million would go a long way towards repairing country bridges. Shortly I will discuss the condition of the 59 bridges in the Hepburn rural shire.

Local government is in desperate straits as far as state government funding goes, and the allocation in the budget was certainly very short-sighted. A very poor deal was given to local government in the budget, and this will have a huge and detrimental impact on ordinary Victorians who have to live, work and raise a family, especially in rural and regional Victoria.

As I said, state government coffers are bulging with cash, but the majority of the state budget has been given to the government's Labor mates in the outer suburbs of Melbourne to make sure they vote the right way on 25 November. The government will continue this year to spend in excess of $80 million on self-advertising, self-aggrandisement and self-promotion on television and in the newspapers. That $80 million would certainly have gone a long way towards repairing bridges and roads in the country and towards maintaining our libraries.

Cr Geoff Lake, the Municipal Association of Victoria (MAV) president, who is also a member of the ALP and a councillor with the Monash council, was scathing about the state government budget handed down yesterday. He said it has failed local government. He said in a press release dated 30 May that no new funding has been announced in the state budget to take the pressure off community services or infrastructure within local councils. He went on to say that:

> … early analysis —

of the state budget —

> shows local government has largely been ignored despite mounting cost pressures and crumbling infrastructure.

He also said:

> Ratepayers are increasingly bearing the costs of roads, public libraries, maternal and child health services and infrastructure as highlighted by the Municipal Association of Victoria in its budget submission to the state government.

Clearly that budget submission from the MAV — and one of its own, ALP member Cr Geoff Lake — was ignored. Cr Lake also said:

> In light of this disappointing budget, the MAV will vigorously pursue commitments … in the lead-up to the state election in November.

On 30 May the Ballarat *Courier* said that this state budget is a big-spend budget — and clearly it is evidence of pre-election spending mania. The newspaper also says:

> The government will continue to reap the benefits of payroll taxes, stamp duties and gaming taxes, all of which will contribute a combined total of more than $7 billion to the state's coffers.

Where in the budget was the money for local government? There simply was none! I requested a massive injection of funds to local government for urgent road and bridge maintenance and upgrades, as well as for local planning policy reviews. Clearly that funding has not been forthcoming. The government has ignored my requests for an allocation in the state budget for local government, which would have gone towards providing services and maintaining roads and bridges, especially across my electorate, Ballarat Province.

In a statement to ABC regional radio and through newspapers on 29 May, Jack Davis, president of the Victorian Ratepayers Association — a very large lobby group — blamed the state government for the statewide local council rate rises which we are all experiencing at the moment. He is reported as saying on behalf of the association:

> … the government is cutting funding to local governments, as well as taking away their revenue sources.

He is also reported as saying:

> … local government should not need to raise rates above 5.5 per cent, but many have no options.

Those of us who are ratepayers, especially in rural and regional Victoria, know that if councils do not raise their rates above the consumer price index (CPI), they have to borrow, but mostly they have to do both. That impacts on the services that are delivered, and it impacts on the ability of country people to pay their rates.

The other issue I want to highlight is that rural councils have slammed the state government's neglect of country rail. That fact was highlighted in an article by Xavier Duff in the *Weekly Times* of 24 May 2006 in response to the government's *Meeting our Transport Challenges — Connecting Victorian Communities*

statement. The article states that rural councils are being ignored, especially in respect of country rail.

There have been two recent tragic crashes on rural railways — the Ercildoun Road level crossing at Trawalla at the end of April and the Lismore train crash just last week, that resulted in deaths and serious injuries. They are proof that this government does not care about country Victoria. It is proof that this government places a higher monetary value on people who live in Melbourne and the outer suburbs because they are Labor Party voters. But when it comes to country Victorians, our lives are worth less under the regime of the Minister for Transport in the other place, Peter Batchelor, and under the regime of the Bracks Labor government — and they should be ashamed of themselves.

I also raise the situation with libraries. Country communities are being done out of the opportunity to read books and participate in this very important social service. Libraries are out of sight in the Moorabool shire, which has three or four Labor Party hacks as councillors around the Bacchus Marsh wards. What have they done? Four communities are about to lose their mobile libraries, courtesy of the Labor-dominated Moorabool Shire Council which predominates in Bacchus Marsh.

The towns that will lose their libraries from 1 July are Lal Lal, Dunnstown and Bungaree. Yendon lost its mobile library service in 2001, courtesy of the Bracks Labor government. The Bracks government pays the Central Highlands Regional Library Corporation $5.43 per head to provide a library service. The MAV says it needs triple that amount to provide a service to the community, so councils stop services to outlying country communities and only maintain them in the larger centres such as Ballan, Bacchus Marsh and Gordon; although Gordon has had its weekly library service cut back to a fortnightly one.

This isolates students. It isolates the elderly. It isolates the disabled who either have no transport or cannot leave their homes without special attendants and special transport. It is absolutely crucial that country communities get the same services as the outer suburban and Melbourne centres.

The Ballarat City Council is looking at raising its rates to around 7.5 per cent at the moment. It says it will have to raise the rates that much, which is more than double the CPI, to be able to make ends meet. I must say that I could very easily make the council's ends meet by getting rid of a few of the hopeless officers at the top who are Labor Party hacks placed there to control the populace. That would be a really good start, and then perhaps we could have some real work done in the city of Ballarat. At the moment Ballarat City Council can only concentrate on Ballarat city — it is city centric. The outlying areas such as Learmonth, Invermay, Buninyong and Miners Rest get a very poor deal because there are not enough rates dollars to go around.

Ballarat City Council has a budget of, in round figures, $110 million. It also slugs the businesses a special rate levy of between 70 per cent and 100 per cent on top of their commercial rate. That is killing businesses. There are many empty shops in Bridge Mall and Sturt Street and other areas around town because businesses cannot afford to pay the rates and Ballarat City Council's special rate levy. All that could be alleviated if the Minister for Local Government, Ms Broad, could get the Treasurer to release a few dollars to local government to enable it to provide the services it needs to provide to its local communities. This government is very strong on cost shifting. It has got to the point where councils, especially rural councils, simply cannot cope. It is a sad time for local government under the Bracks Labor government.

Hepburn Shire Council is a rural shire in which I live and pay rates, as I do in Ballarat. The ratepayers in Hepburn will be slugged more than three times the CPI because this poor council cannot even afford to pay its staff. It has to borrow to redevelop the Hepburn spa bathhouse, which is on Crown land and is a state government responsibility. The poor Hepburn Shire Council has to borrow $1.2 million, which the ratepayers will have to pay the interest and repayments on. It also has to borrow up to $500 000 to build a recreation centre at Daylesford Secondary College, because this government will not properly fund local government services. The Hepburn Shire Council is considering handing back the Hepburn pool, an historic site which has won many awards. It has been well known and well used for over 150 years at the Hepburn Mineral Springs Reserve. The council will have to close that pool and hand it back to the government because it cannot afford and cannot get public liability insurance.

The situation in Hepburn shire is dire. It is dire in many councils across rural and regional Victoria which are trying to repair bridges, roads and footpaths. The Hepburn Shire Council's budget is in the vicinity of $18 million. Its rates, fees and charges revenue is about $8 million. It can only afford to spend 19 per cent of its annual budget on local road maintenance, road construction, kerb and channel and footpath maintenance and bridges. That does not go anywhere near what is required. There are 59 bridges in the

Hepburn shire alone. There are 53 major culverts, and 90 per cent of them do not comply with the safety standards set by VicRoads. Five major bridges need literally reconstruction, at a cost of $4.5 million; that was the cost estimated in 2004. These are major bridges which take people in and out of the Hepburn shire, they are not over little backwater creeks. They are on main local roads. They require a large injection of funds from the Bracks Labor government under the Road Management Act. Hepburn Shire Council is bleeding from a lack of money from this mean-spirited Labor government.

The ACTING PRESIDENT (Mr Smith) — Order! The member's time has expired.

Ms HADDEN — I haven't finished.

The ACTING PRESIDENT (Mr Smith) — Order! The member will resume her seat.

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

Business interrupted pursuant to sessional orders.

QUESTIONS WITHOUT NOTICE

Snowy Hydro Ltd: sale

Hon. PHILIP DAVIS (Gippsland) — I direct a question without notice to the Minister for Energy Industries. In so doing I refer to the sale of Victoria's stake in Snowy Hydro Ltd. What assurance will the government give to Victorians that this decision will not adversely impact peak power supplies, environmental flows and water entitlements for irrigators?

Hon. T. C. THEOPHANOUS (Minister for Energy Industries) — I thank the member for his question. I will answer the question but I want to preface my answer by saying that the arrangement of the sale is being done by the Treasurer and my involvement through my department is not in the direct sale process itself.

However, as Minister for Energy Industries I obviously have an interest in relation to peaking power, and in relation to ensuring that Snowy Hydro continues to perform its duties. I think the best way to describe this is to say that Snowy Hydro has operated autonomously for many years since it was corporatised and an independent board was put in place. The decisions that have been made over the course of time by the board were not referred to me as Minister for Energy Industries in Victoria, or to anyone else.

Hon. Bill Forwood — They should have been.

Hon. T. C. THEOPHANOUS — No, I do not agree with that, Mr Forwood. I do not think that is correct — for example, a decision was made by the Snowy Hydro board to build the Laverton power station, a gas-fired peaking station of 320 megawatts. That decision was made independently and autonomously by the board when it was considering its energy profile and the contractual arrangements that it had entered into in relation to the provision of energy. It wanted to mitigate its risk even further and so it set about making this decision. I think that is the appropriate way for a corporatised body to operate, and that is how it does operate.

I expect that when the sale occurs the board of the newly privatised business will do exactly the same thing. It will operate in an autonomous way and will make decisions to ensure that it provides ongoing service to Victoria and New South Wales. It is a big part of our energy system, and it is a very important part. I believe it will release some capacity for further investment by the newly privatised business, just like when the Kennett government privatised many of the businesses involved in generation in the Latrobe Valley and in other places; that generated some more investment in later years as well.

However, the member made some comment about the proceeds. The other part of this that should not be forgotten is that the Treasurer, on behalf of the government, has announced that as a result of this sale the biggest ever injection into our school infrastructure will take place in Victoria. We are talking about $600 million injected into our school infrastructure to fix up the legacy of neglect by the previous government, which spent virtually nothing on school infrastructure. It set about closing schools. Here we have an opportunity and we are going to take that opportunity with both hands in order to spend $600 million on Victorian schools.

Supplementary question

Hon. PHILIP DAVIS (Gippsland) — I thank the minister for his answer, but I would like him to explain to the house how Victorians can be confident that their long-term access to the vital resources of peaking power, environmental flows and water entitlements for irrigators can be secured.

Hon. T. C. THEOPHANOUS (Minister for Energy Industries) — The issues raised by the member were issues that were vigorously discussed between Victoria and New South Wales during the decision-making

process when Victoria agreed to the sale process. I can tell the member that during that process our Treasurer, John Brumby, who is the best Treasurer in Australia, was able to negotiate — —

Hon. Bill Forwood — What about Mr Stockdale?

Hon. T. C. THEOPHANOUS — He is much better than Mr Stockdale ever was, that is for sure! He was able to negotiate in a way that secured all of the things the member has raised.

Budget: aged care

Mr PULLEN (Higinbotham) — My question is addressed to the Minister for Aged Care, Mr Jennings. Can the minister inform the house how the Bracks government is continuing to deliver quality aged care services across Victoria?

Mr GAVIN JENNINGS (Minister for Aged Care) — I thank Mr Pullen not only for his unswerving commitment to older members of the community but also his unswerving commitment to members of his electorate. I have no doubt about Mr Pullen's enthusiasm, as he takes every opportunity to stand up for his electorate and every opportunity to stand up for the needs of older members of the Victorian community.

Mr Pullen is not alone, because the Bracks government recognises its obligation to provide quality services to older members of our community. I have had the good fortune to be associated with the irresistible rise in expenditure in health and ageing which has been applied throughout the history of the Bracks government. In fact on coming to office we spent just over $5 billion — the budget we inherited — on health and ageing. The budget that was released yesterday contains just over $9 billion — some $9.062 billion — —

Hon. B. N. Atkinson — On a point of order, President, I hate to stop the minister mid-stride, but the rules of the house are that a speaker should address the Chair. I am not sure who the minister is talking to — perhaps it is the wide blue yonder — but I suspect it is more to the gallery.

The PRESIDENT — Order! The member is partially right. When members are addressing the house they should address their remarks through the Chair.

Mr GAVIN JENNINGS — I know that members address the Chair, President, and should not speak when the Chair is on her feet. I am pretty clear about the protocols in this place, and I know I will respond to you and the chamber and provide respect to this community.

The interesting thing about the Liberal Party is that it did not want to hear the message that during the life of the Bracks government it has increased health and ageing expenditure from $5 billion to $9 billion. What a surprise that Mr Atkinson should jump to his feet to stop us telling that story! But there is no way that we are going to be stopped from telling that story because our government is absolutely committed to improving the quality of services throughout the state. So it is not only the redevelopment of aged care facilities in Mr Pullen's electorate, including the redevelopment of the Kingston Centre and the development of a new aged care facility in Doveton to serve the catchment needs of those communities but it is right across the state.

About two years ago Mr Koch asked me a question about when the project in Warracknabeal was going to be funded and whether it would comply with 2008 accreditation. I can tell Mr Koch that although he may have forgotten that, I have not. The Bracks government made a commitment in yesterday's budget to ensure it provides for a new 60-bed facility in Warracknabeal, and $21.8 million was allocated for that project. But it is not alone. The shadow minister asked me a question about the ongoing expenditure to support the Grace McKellar Centre, and in yesterday's budget we announced a 108-bed facility in Grovedale to augment — —

Hon. D. McL. Davis interjected.

Mr GAVIN JENNINGS — You do not want to listen to this because you know that the people of Victoria are having services built right around the state to respond to the needs of older members of our community. You do not want to hear — —

Ms Hadden interjected.

The PRESIDENT — Order! Ms Hadden!

Mr GAVIN JENNINGS — We have committed to redeveloping projects, and time and again I have stood in this chamber and reported that the Bracks government is committed to redeveloping residential aged care facilities throughout the breadth of Victoria, and we have added to that facilities ranging from Rochester to Caulfield and in Warracknabeal as I have indicated.

During the life of the Bracks government we have redeveloped 42 facilities, 39 of which are in rural and regional Victoria, which demonstrates our commitment

to providing for the needs of older members of the community regardless of where they live. But we are not alone there because there is a whole range of other positive ageing programs that we are associated with — those that are designed to enhance the quality of life for people who are living at home.

There has been a subsequent rise in demand for the home and community care program and personal alerts. Personal alerts play a role in providing security and support for people who may be vulnerable in their own homes. We have added to the stock of personal alerts. There will now be over 20 000 personal alerts. When we came to office there were about 9000 and we have added to those cumulatively over the years.

We are supporting people through our investment in Land Bank, and we are assisting younger people in nursing homes. We have made a significant commitment to ensure a better life for members of our community.

Snowy Hydro Ltd: sale

Hon. PHILIP DAVIS (Gippsland) — I direct a further question without notice to the Minister for Energy Industries concerning the sale of Victoria's stake in Snowy Hydro Ltd. I refer to his extensive answer to my earlier question during which he elucidated the government's commitment to provide $600 million to education from the proceeds of the sale. Market analysts anticipate a net yield to Victoria of the order of $900 million. Therefore I ask: will the minister advise the house whether the government has committed the additional proceeds above the $600 million to education or any other projects?

The PRESIDENT — Order! The Leader of the Opposition has asked the Minister for Energy Industries whether, in relation to the sale of Snowy Hydro Ltd, $600 million will go into education, which the minister alluded to in his last answer — —

Hon. Bill Forwood interjected.

The PRESIDENT — Order! If there is one more comment from Mr Forwood, I will use sessional orders to remove him from the chamber.

Also in his opening statement the minister said that that was the responsibility of the Treasurer. Now Mr Philip Davis has asked a question about the balance of the $900 million above the $600 million going to any other projects — the balance between the $600 million and $900 million, which market forces indicate might be the total amount. The minister, in responding to that question, can only refer to it if it is within his area of portfolio responsibility and not outside of it.

Hon. PHILIP DAVIS — On the invitation you have given me to elucidate the question, President, I put the question to the minister in terms that are relevant to his answering of the earlier question. The issue is that the minister was asked a question about the security of the resources in respect of the sale of Snowy Hydro Ltd. The minister chose to give to the house an extensive response, which went to the whole policy principle around the sale of a major energy asset — —

An honourable member interjected.

Hon. PHILIP DAVIS — The point is that we are speaking about a point of order which has been raised. The issue is clearly this: the minister has accepted responsibility for a policy role in relation to Victoria's 29 per cent share in the Snowy asset, and I am seeking advice from the minister about what will occur with the proceeds on disposal of that asset, which is an energy asset.

Hon. T. C. THEOPHANOUS (Minister for Energy Industries) — I thank the member for his supplementary question to the supplementary question. I am going to take the opportunity offered by the question from the honourable member to make this point — it never ceases to amaze me how the opposition can come in here and seek to make some kind of political point about our spending $600 million on schools. When was the last time the opposition put up even $60 million of spending on school infrastructure, let alone $600 million of additional spending — over and above — on school infrastructure?

This is about our kids; it is about the education of our kids. It is about their being able to be educated in proper facilities. Somehow they have suddenly been converted to not wanting to sell energy infrastructure; I do not know how that happened. If that is their position and they do no want to sell energy infrastructure, that is fine, but you would think they would at least come in here and say — as the Honourable Damian Drum did — 'Whatever disagreements we might have, the money is going to a good cause.'.

The Honourable Damian Drum has said it is a good cause; they should at least acknowledge that much. We can have a debate about whether they think the decision is right — Mr Drum might think that we should not sell the infrastructure — but they should at least acknowledge that where we are putting the money is

good. We have an historical opportunity which we might never have had if not for the sale.

It is an important initiative. As to how much the proceeds from the sale will ultimately be, that will be a matter for the market. I do not think the Leader of the Opposition is able to predict it any more than anyone else can. What we have said is this: irrespective of all of that, we are putting $600 million from the sale proceeds into schools.

President, let me tell you, it will not have any detrimental effect — getting back to my own portfolio — in relation to the provision of energy in this state. It will not have a detrimental effect, because the Snowy will continue to operate. It will continue to provide the bulk of its power into New South Wales, and it will continue to provide substantial amounts of power into Victoria. It is a very good match for the Victorian system, and as we move to increasing our production from wind and other sources of renewable energy, the source from the Snowy will be an important backup.

Ms Hadden interjected.

Hon. T. C. THEOPHANOUS — We will even provide power for your neck of the woods too — —

An honourable member — Wherever that is.

Hon. T. C. THEOPHANOUS — Wherever that is, yes!

Ms Hadden interjected.

The PRESIDENT — Order! Ms Hadden!

Hon. T. C. THEOPHANOUS — We are proud of this scheme. We are proud of what we are going to achieve with it.

Ms Hadden interjected.

The PRESIDENT — Order! Ms Hadden will stop interjecting.

Supplementary question

Hon. PHILIP DAVIS (Gippsland) — I again thank the minister for his extraordinarily expansive answer. In relation to his answer and his acknowledgment that there may indeed be additional proceeds beyond the $600 million to which he has referred a number of times, I ask the minister to advise whether or not those proceeds — that is, those in excess of $600 million — will be invested in water projects.

Hon. T. C. THEOPHANOUS (Minister for Energy Industries) — I have only one thing to say: wait and see.

Budget: housing

Mr SOMYUREK (Eumemmerring) — My question is addressed to the Minister for Housing. Can the minister inform the house how the 2006–07 Victorian budget is investing for low-income families through better housing?

Ms BROAD (Minister for Housing) — I thank the member for his question and for his interest in the investment for low-income families through better housing in the Bracks government's seventh budget. The 2006–07 Victorian budget delivers for families who need a hand to get a roof over their heads. The Bracks government is delivering a $79 million boost to the housing budget in order to build more homes, improve ageing public housing infrastructure and provide more help for homeless people. In total $314 million will be allocated in 2006–07 to buy and build new public and community-managed housing and to improve the quality of existing housing. Of the new funds $25.5 million will flow to Victoria's new not-for-profit housing associations because we know that by investing funds in this way we can build more homes for the families who need them. As a result we will again increase the supply of social housing across the state.

In total the Bracks government will build, buy or lease 750 new homes across metropolitan and regional Victoria. That means more social housing properties than we ever had under a Liberal government — indeed more social housing properties than we have ever had before in Victoria. We also want tenants to feel safe and comfortable in their homes, and that is why $25 million in additional funding is allocated this year to fund a blitz on maintenance and upgrade works across the public housing portfolio.

Because some Victorians do not have homes of their own, the budget also includes $28.6 million in new initiatives to help homeless Victorians. In total more than $130 million will be allocated in 2006–07 to assist Victorians who are homeless. With winter starting tomorrow, I ask all Victorians to think about how they might assist Victorians in need. Over four years $6.7 million of the new funds will flow to a new Youth Futures initiative to provide new homes and intensive support for 200 young Victorians who leave refuges but are not yet ready to live independently and need support.

Over the next four years we will also provide $4.2 million of the new funds for practical advice and advocacy to help young people who want to rent in the private market. Of the new funds, $4.1 million over the next four years will go to providing housing support for Victorians who have mental health issues and who are at risk of homelessness.

In this budget we are also delivering on our promise to homeless support agencies across Victoria to fund the $13.8 million gap left by the Howard government as a result of its disgraceful cuts to the supported accommodation and assistance program last year. The Bracks government will continue to advocate that the federal government meet its responsibilities in this area. This budget delivers a great investment for housing and a great investment for families. We make this investment because we believe every Victorian deserves a decent place to live.

Hazardous waste: Nowingi

Hon. B. W. BISHOP (North Western) — My question is directed to the Minister for Major Projects. Today on the front steps of Parliament House — and I am sure the minister would have had an invitation — we witnessed a flag handover driven by the words of the environment effects statement (EES) planning panel chair, Professor Bill Russell, to the effect that the proposal by the Bracks government to site a toxic dump in the Mallee will be assessed in terms of natural justice. However, I note that in budget paper 3 provision is made for the long-term containment facility — better known to us as a toxic waste dump — and also for the appointment of an operator for the proposed facility at Hattah-Nowingi, and I ask: does the action during the EES panel hearings demonstrate natural justice or simply confirm that the government intends to proceed regardless of the outcome of the EES?

Mr LENDERS (Minister for Major Projects) — I will say one thing: if Lawrence Springborg prevails over Mark Vaille and the New Liberals do form — The Nationals do join the Liberal Party — at least we will have someone in that parliamentary party who knows where Nowingi is and gets their paperwork in on time. I give Mr Bishop that much credit. That would be an improvement in the New Liberals. On the other hand, if Mr Howard prevails over Mr Quinn and wants nothing to do with the marriage between The Nationals and the Liberal Party in forming the New Liberals, we will probably still have the same issue we have at the moment.

Mr Bishop asked a serious question about the relationship between budget paper 3 and the environment effects statement (EES) process that is happening at the moment in Mildura, Bendigo, Melbourne and a range of other places where the hearings are being held. It is a serious question, because the Parliament and the community expect an open and transparent government to say how and when it will do things if certain circumstances arise: what its performance targets are, what it is budgeting for and a range of other things. On the other hand, the executive government does not control an EES process. The best it can do is estimate when it will be completed and make provision for what will happen if the government's plan proceeds — which is the location of a long-term containment facility at Nowingi, subject to the EES outcome.

Mr Bishop may raise the question of whether putting the dates in budget paper 3 is being a bit too eager. That is his premise. Mr Bishop well knows the government has had a series of dates in the budget papers for when it expects this project to go ahead.

Hon. B. N. Atkinson — Yes, we know. They keep changing it, don't they.

Mr LENDERS — I take up Mr Atkinson's point — that we keep changing it.

Hon. D. McL. Davis — You are not only arrogant, but you mismanage things.

Mr LENDERS — Mr David Davis calls it arrogance. I would say, on the contrary, this government puts in place a series of time lines, and because of its commitment to the EES process, and because at various times Mr Bishop, Mr Savage, the Mildura Rural City Council and others have requested extensions to this, we have extended the EES process. If the EES process does not match with the budget papers, to me it just confirms that the EES is an independent process — if Mr Bishop had any doubts whatsoever; otherwise, if it is a creature of the executive government as he implies, it would have slavishly followed the predictions in the budget papers of last year, which it clearly did not.

Mr Bishop has a legitimate issue — that is, how does an EES process relate to budget paper 3? The answer is it is the best estimate of the executive government. The fact that we got it wrong last year just goes to show that the EES process is independent, controls its own destiny and makes it more difficult for a government to make decisions, because it needs to get answers to these important questions. It needs to deal with the

24 substantial papers that have been put before it and with the 6 supplementary papers.

Supplementary question

Hon. B. W. BISHOP (North Western) — I must say I have read all the budget papers pertaining to this particular issue, and it is interesting to note that it is said that the budget is not contingent on the outcome of the EES process but rather on the completion of the EES process. I am sure that sent a bit of a shiver up and down the spines of people in the area where the proposed toxic waste dump is to be sited by the government. Therefore I ask: does the enormous effort that has been put in by the local communities and the cost of opposing this project through the EES process amount to nothing more than an empty gesture by the government?

Mr LENDERS (Minister for Major Projects) — I know Mr Bishop's agenda, and that is, amongst other things, to stir up the community of Sunraysia, to do everything he possibly can as a member of The Nationals to knock off Mr Russell Savage, the member for Mildura in the other place, and stop the Liberal Party winning that seat. That is what he is all about. I do not doubt that he genuinely wants to oppose this, but he is stirring up fear in the area as part of a political campaign for Peter Crisp.

I was not born yesterday; I know what Mr Bishop is doing. But his material point here — and I go back to my substantive answer — is that the government reports in the budget papers what it thinks will happen in a year. If he has any doubts or concerns about how this government responds to an EES process, under his scenario this would have happened last year regardless of the outcome of the EES process. The fact that it has not means that the government is waiting. The fact that it has not means that the government will respond to the EES process — and he can take confidence from the budget papers rather than be anxious about them.

Budget: information and communications technology

Hon. J. H. EREN (Geelong) — My question is to the Minister for Information and Communication Technology, the Honourable Marsha Thomson. Can the minister provide the house with details of how the information and communications technology (ICT) initiatives in this year's budget will boost Victoria's status as Australia's leading ICT state?

Hon. M. R. THOMSON (Minister for Information and Communication Technology) — I thank the member for his question — —

Ms Hadden interjected.

Questions interrupted.

SUSPENSION OF MEMBER

The PRESIDENT — Order! I have warned Ms Hadden on two previous occasions. Therefore, pursuant to sessional order 31, I order that the member remove herself from the chamber for 30 minutes.

Ms Hadden withdrew from chamber.

Questions resumed.

Hon. M. R. THOMSON (Minister for Information and Communication Technology) — At the budget breakfast that was held this morning it was interesting to note that the Treasurer was asked how a non-mining state like Victoria was able to have such a strong economy, and he pointed out as part of his answer that in fact it was because of the strength of the key knowledge-based industries such as information and communications technology (ICT) and biotechnology. Under this government Victoria has become Australia's leading state for ICT. We are committed to not only growing the Victorian ICT industry, but we are also committed to providing better services through innovative use of advanced ICT. That is what this budget is delivering on. Over $800 million has been allocated to a variety of key e-government projects that will be implemented by agencies, and funding has also been provided to industry and research initiatives.

As part of the budget $15 million has been provided to double our commitment to the Victoria Research Laboratory of Australia as our contribution to National ICT Australia, the national ICT research centre. Victoria Research Laboratory is recognised as a global leader for advanced communication technologies, including ultra bandwidth fibre, wireless broadband and sensor networks. This budget will allow it to effectively double its research efforts, increasing its number of researchers from 80 to 160 and expanding its major research programs from 6 to 12.

Half of these new projects will focus on cutting edge ICT applications for advanced life science research, further enhancing Victoria's reputation as a global leader in this area. The creation of the new Victorian life sciences program will combine Victoria Research Laboratory's ICT expertise with the Melbourne

biomedical research precinct in the areas of neuroengineering, biosignal processing, biosensor networks and analysis of complex biological systems. To be a global leader in the ICT industry is vital, and it is vital that we engage in research to enhance that reputation. With 43 per cent of Australia's private sector research and development in ICT already occurring in Victoria, this commitment absolutely cements Victoria as Australia's leader in ICT research.

In addition a further $10 million has been allocated to create new e-research centres, allowing researchers across disciplines to connect with other Victorian, national and international researchers. This puts Victoria ahead of the rest of Australia when it comes to e-research infrastructure. This budget brings together the ICT industry plan. It is a great budget for the ICT industry and will help to ensure that the Victorian ICT industry gives a world-class performance.

RMIT University: WorkCover investigation

Hon. B. N. ATKINSON (Koonung) — I refer my question to the Minister for WorkCover and the TAC. I refer to the alarmingly high incidence of brain tumours and other reported serious illnesses among people working on the 16th and 17th floors of the Tivoli building and a current investigation by the RMIT University, which is a tenant on those floors.

There has been some initial concern about the possibility that telephone towers and/or associated plant and equipment on the roof of the Tivoli building may have been a contributing factor in the reported illnesses. I also note union concerns about potential risks of exposure to telephone towers and radiation emission levels, and RMIT's actions to vacate the two floors pending the outcome of the investigation.

I ask the minister if he could provide details to the house on the progress of the WorkCover investigation into the RMIT health scare, together with details of any interim directions given to RMIT and the timetable for the issue of a final report on the findings of his investigation?

Mr LENDERS (Minister for WorkCover and the TAC) — I thank Mr Atkinson for his question. In commencing my answer I advise Mr Atkinson that I will be watching very closely how he pursues his portfolio in asking questions in this area. There is a long history in this place of how former ministers such as Roger Hallam and a number of others dealt with WorkCover and Transport Accident Commission matters. We have been very careful in this area to try to depoliticise where these questions go and how we deal with them. In all of these areas we are dealing with individuals who, in some cases, are terrified of what is happening. We are also dealing with a range of government instrumentalities and organisations which are responding to the issues as rapidly as they can without adding to the fear in the community at an uncertain time.

Parliament is an absolutely legitimate place to debate issues of the day, and I welcome the debate at any time and at any stage. I advise the house and Mr Atkinson that I will be watching very closely how this develops, because a lot will depend on how I respond to this as to an assessment of where we are going.

The issue of telephone towers that Mr Atkinson has raised is of considerable interest to the community. I imagine every person in this place has a mobile phone, and I do not think there is anybody in the community who has not at some stage or other reflected on what the various signals, antennas, broadband, radio, or any of the frequencies can do to them. It is an area in which a lot a medical work has been done and which involves a lot of medical science.

These particular areas are regulated by the commonwealth through two of its bodies, which regulate what are and what are not acceptable levels in these areas. As to this particular episode with RMIT, and the two floors that Mr Atkinson has referred to, WorkSafe inspectors have been on the premises working collaboratively with RMIT University and, I understand, the commonwealth authorities. I was interested to hear the other day some media commentary from RMIT about the status of the situation and what it thought the health safety of those areas was. I will certainly inquire of the Victorian WorkCover Authority as to where it stands on this.

I make a general comment that this government has gone out of its way to empower the Victorian WorkCover inspectorate to proactively go into workplaces. We have actually given powers to union representatives — the authorised representatives of registered employee organisations, or ARREOs — and to health and safety representatives to intervene in workplaces when we think things are unsafe.

It goes without saying in the public debate on this issue that we have been pretty alone on this side of the house in giving these powers to deal with workers safety issues — not just 'pretty alone' but 'absolutely alone'. This side of the house has supported these increased powers, and I will leave my comment at that. I am happy at any stage in a bipartisan sense to work forward in improving this.

Hon. D. McL. Davis interjected.

Mr LENDERS — I did not quite pick up Mr Davis's interjection, but I probably should not have tried to, anyway. I will happily work with Mr Atkinson to proactively, on a bipartisan basis, try to find answers to work on this. I advise the house that this is not an area I want to lightly start playing with or to be having a debate on when people out there are terrified of this or there is fear about whether the government is moving or quickly enough on dealing with these safety issues. We will continue to give the WorkCover inspectorate the powers it needs. We will work cooperatively with it and with the commonwealth government. We want outcomes and we want workers to be safe. We do not want a divisive debate on this issue.

Supplementary question

Hon. B. N. ATKINSON (Koonung) — I thank the minister for his answer to the question. I note his admonishment. I put on record that I do not seek to politicise these cases, and I certainly share his view on the legitimate concerns of many people about illness that might arise in these sorts of circumstances. But at the same time I will not be stopped, nor will my colleagues, from pursuing matters of concern simply on the basis that they might be inconvenient to a minister. On this occasion I take his answer as a genuine one. I ask him as a supplementary question when he might expect that there would be some findings available on this investigation.

Mr LENDERS (Minister for WorkCover and the TAC) — I will take the supplementary question on notice.

WorkCover: premiums

Hon. J. G. HILTON (Western Port) — My question is to the Minister for WorkCover and the TAC, Mr Lenders. Can the minister advise the house of any new developments in the WorkCover portfolio that will assist businesses in Victoria?

Mr LENDERS (Minister for WorkCover and the TAC) — I thank Mr Hilton for his question and welcome his ongoing interest in occupational health and safety and WorkCover, and how the scheme operates and functions. We know Mr Hilton's background as a chartered accountant; he knows more about these things than many others of us in this house do.

Yesterday in the Treasurer's budget speech he referred to a decision of the Victorian WorkCover Authority to recommend to government, to me as the minister and then further to the Governor in Council, an average 10 per cent cut in WorkCover premiums to take effect as of the next financial year.

That will mean that employers in Victoria will have an average premium of 1.62 per cent of salary. This will be the third cut in premiums in three years under the Bracks government — 10 per cent, 10 per cent and 10 per cent — as well as, under my predecessor, now the Minister for Agriculture in the other place, Bob Cameron, the initial freeze we had on small businesses. We have started to phase out some of the more ridiculous cross-subsidies that were in the scheme.

This is something I can report with great pride to Mr Hilton and the house: that the Bracks government — working closely with the Victorian WorkCover Authority and its staff, working with employers, unions and also with various other stakeholder groups, be they plaintiff lawyers, insurance agents or others — has achieved a collaborative response to a scheme that brings down premiums.

We can bring down these premiums, which will assist manufacturing industry in this state to remain competitive against some of the pressures our manufacturers are facing, whether it be because of the Australian dollar and our competitiveness with Brazil, Russia, India and China — known as the BRIC countries — or because of the uncertainty as to where we go in the manufacturing sense. It adds confidence and helps businesses make decisions to stay in Victoria. That is a great fillip for business to stay in this state, to do business in the state — —

Hon. M. R. Thomson — Investing in this state.

Mr LENDERS — Investing in this state, as the Minister for Consumer Affairs says. It shows that the government is focused on their doing that. It will also attract business to this state. However, the government can do this — be economically responsible — only because of the way the WorkCover system has been managed with good claims management, reduction in claims and reductions in injuries.

We have managed to make the benefit system more generous for injured workers. Firstly, there was a package announced by the Premier and me last year, and legislation will be introduced in Parliament this week to carry out that package. Secondly, we have managed to have efficient claims management. Thirdly, we have brought down the number of injuries.

There is a simple formula: lower injuries leads to lower business costs, and lower injuries is better for Victorian families because when a worker goes to work they

come home — and come home safe. The lower number of injuries has come about because of a cultural change following the Maxwell review. I pay full tribute to my predecessors in this portfolio, the Minister for Agriculture and the Attorney-General in the other place, who commenced this work; and also to the Victorian WorkCover Authority. The number of injuries is coming down, and premiums are coming down. Let us not forget that connection.

The reason for the number of injuries coming down in a growing economy is the occupational health and safety laws and the inspectorate put in place by the Bracks government. They have led to the number of deaths and injuries coming down, and from the business perspective workplaces are safer and happier and premiums are down. The formula is working. It is a pity that Kevin Andrews, the federal Minister for Employment and Workplace Relations, and the commonwealth do not look to Victoria rather than being Sydney-centric.

Aged care: medication administration

Hon. ANDREA COOTE (Monash) — My question is to the Minister for Aged Care, Mr Jennings. When the minister recently introduced the Drugs, Poisons and Controlled Substances (Aged Care Services) Bill into this chamber we supported the bill but we had several concerns. The Australian Nursing Federation has contacted me to say it has huge concerns over the administration of drugs. Has the minister published the final guidelines, and do they define 'manage', as requested by the ANF?

Mr GAVIN JENNINGS (Minister for Aged Care) — I have lost a wisdom tooth during the course of the day, or half thereof.

An honourable member interjected.

Mr GAVIN JENNINGS — That is right, we could all do with some wisdom, and I am sharing mine, unfortunately. At this point in time I am extremely — —

Hon. Andrea Coote interjected.

Mr GAVIN JENNINGS — Exactly; that is right. I am pleased to be given the opportunity to provide the member with the answer, and I am very pleased to say that she can go and have a look at the Nurses Board of Victoria web site as we speak — —

Hon. Andrea Coote interjected.

Mr GAVIN JENNINGS — No, the Nurses Board of Victoria, which is charged with the responsibility under the Nurses Act. As was discussed with us when we were in the chamber, it has always been very clear that the Nurses Board of Victoria is charged with the responsibility of establishing the guidelines.

Hon. Andrea Coote interjected.

Mr GAVIN JENNINGS — I am happy to take a supplementary question. I can go through this for 6 minutes, no problems at all, because the guidelines, as was foreshadowed at the time, are on the web site as we speak. We were obliged to have the guidelines in place by 31 May, which was always the date that they were going to come into play. That was always the date that we foreshadowed in this place when the bill was being discussed, and they are there in place to apply from today forward.

Hon. Andrea Coote interjected.

Mr GAVIN JENNINGS — The final guidelines are on the web site as we speak. They are there, and they deal with the range of responsibilities within the management of medication and the delegated responsibilities for administering medication. They are totally consistent not only with what is in the bill but with what I have been saying on every public occasion for the past two years about trying to ensure that we have increased coverage of the regulations, because we had a regime that applied to only about 14 000 high-care residents in just over 300 facilities throughout Victoria.

I am pleased that the spokesman for the opposition remembers that the Liberal Party and The Nationals supported this piece of legislation for all the right reasons, because we are increasing the coverage of the regulations to a further 9500 residents and a further 300 facilities throughout Victoria. For the first time we are going to have a comprehensive regime for administering medication in a way that draws on the skills of the work force within the aged care sector. For the first time they will all be within a consistent regulatory regime. The Nurses Board of Victoria has done a great job on behalf of all the people in residential aged care and the Victorian community in establishing those guidelines under some duress and intimidation on many occasions — often quite mischievous — during the public consideration of this matter.

Hon. Andrea Coote — Who by?

Mr GAVIN JENNINGS — I think it has occurred in a number of ways — in advertisements that have

appeared in the paper, through talkback commentary and through quite mischievous and scurrilous contributions by a number of people.

Hon. Andrea Coote interjected.

Mr GAVIN JENNINGS — I am very pleased that to date members of the Liberal Party do not seem to have joined the mischievous chorus — they may be on the cusp of doing so — that has been misrepresenting the fact that nurses are protected to ensure that when delegating responsibilities to do with the administration of medication the prime responsibility is given to division 1 nurses. They are protected by the law that this chamber passed in the last sitting week to ensure that nurses are not intimidated or encouraged to act in any way that is inconsistent with their professional standards. Those standards will be established and maintained by the guidelines that are the subject of this question.

Supplementary question

Hon. ANDREA COOTE (Monash) — Does a division 1 nurse have to be on the premises at the time of the administration of a drug?

Mr GAVIN JENNINGS (Minister for Aged Care) — The member knows that the circumstances relating to the delegated responsibility of supervision and the management of the regime to do with medication administration have always been predicated on a clear line of responsibility.

An honourable member interjected.

Mr GAVIN JENNINGS — I will answer the question in any way I like, and the way I want to answer this question is in a comprehensive way that deals with the issue. The guidelines which have been established and which are on the web site today say that a division 1 nurse is charged with the responsibility of managing the treatment regime for all high-care residents regardless of where they live. It is a nurse's responsibility to delegate any responsibility within their supervisory role that complies with the care needs of the resident and with the skill attributes and training of the staff to which the delegation takes place. That is the important question. It is a nurse's call to determine who is the appropriate member of staff to manage that administration within the guidelines.

Budget: electricity prices

Hon. H. E. BUCKINGHAM (Koonung) — My question is to the Minister for Energy Industries. I refer the minister to the announcement yesterday, as part of the excellent and well-received budget, that Victorian families are set to receive electricity bill savings and financial help. I ask the minister if he can outline to the house the details of this initiative and how it will benefit Victorian families.

Hon. T. C. THEOPHANOUS (Minister for Energy Industries) — I thank the member for her question and for her interest in this area. The house would be aware that on previous occasions I have announced real reductions in electricity prices over a four-year period of up to 5.6 per cent. I am pleased to be able to announce to the house that as a result of negotiations which occurred with the three major electricity retailers a further reduction in electricity prices of between $33 and $57 can be expected by Victorian households and small businesses over the remaining two years of the price path.

We started with a 5.6 per cent reduction, and we are now able to say that the reduction is up to 12 per cent in electricity prices for the four years of the price path. It is a fantastic result for Victoria. If you consider that the federal government has allowed petrol prices just to go up and up — well past inflation rates — then for us to be able not only to hold electricity prices but to reduce them in real terms by these significant amounts means that there is a very large saving for Victorian families.

I also want to talk about the initiatives we are taking in relation to consumer hardship, because I think they are an important part of the package. We on this side of the house care about families that are in energy hardship and cannot afford to pay their bills. Recognising that, the Bracks government announced in the budget a further $4.6 million allocation over the next two years to support Victorian families in financial hardship. This brings the total allocation under the utility relief grant program to $11 million over two years and involves expanding the eligibility criteria to allow more families to apply for grants to help pay their energy bills when they are in financial difficulty. We have also allocated $600 000 to train financial counsellors in energy issues to help families better manage their budgets.

But we did not want only the government to be involved in this, we also wanted the retailers to play their part. As part of negotiating reductions in prices to all Victorians, we wanted the retailers to give something else back. What they have agreed to give back is $9.6 million over the two years. If you think about it, that is a total of $21.2 million to help Victorian families that are suffering from energy hardship. This is a breakthrough program, and it will be backed up by legislation that will be introduced into the house. It is a program whereby we want to establish the principle

that no Victorian family should be disconnected from power in this state purely because of their incapacity to pay. It is a principle that we want to embody and have guiding policy in this area in the future. This shows once again the difference between us and the opposition. We care for Victorian families; they do not.

The PRESIDENT — Order! The minister's time has expired.

QUESTIONS ON NOTICE

Answers

Mr LENDERS (Minister for Finance) — I have answers to the following questions on notice: 5349–59, 5370, 5372, 5807–13, 5819–27, 5858–69, 6524, 6526, 6527, 6538–43, 6545, 7403, 7406, 7407, 7410, 7412, 7413, 7417–20, 7445, 7446, 7480, 7488, 7489, 7547, 7549, 7908, 7909, 7950, 7951, 7955, 7956.

LOCAL GOVERNMENT: FUNDING

Debate resumed.

Hon. B. W. BISHOP (North Western) — I have much pleasure in rising to support the motion moved by the Honourable John Vogels. Over the past few years, and of course during this budget, we have noticed how our third tier of government in Victoria has been largely ignored by the Bracks government. It certainly has not provided any vision for councils for the future.

I want to concentrate, in the very short time I have, on a couple of issues. One is roads, which of course are the bread and butter of local government in the country. The other issue is libraries. The lack of grant funding is making substantial inroads into our country libraries, particularly in their ability to provide a service that is so important to our country people.

Key to The Nationals' policy thrust in relation to local government in the future is that we would allocate 1 per cent of the GST that comes to Victoria to local government and would increase that in the years to come. This is a key move, because it gives local councils independence so that they can plan progressively and can utilise those funds to the best advantage to enable them to be in control of issues such as roads. Part of that revenue stream would go to roads and would give local government the capacity and independence to plan ahead.

It is a real task for local government to be in charge of road programs. This task has not been made any easier by the Road Management Act, which was put in place some time ago. Some local councils are now allocating more than one person to do the administrative work that is required under the Road Management Act.

Roads in country Victoria are extremely important. I remember debate in the house — it must have been last year — that was relevant to this issue. I cannot remember who the speaker was, but they made the very good point that although in metropolitan areas the allocation per head on road spending might only be a handful of dollars, in country areas like the far-flung council areas in my electorate — such as Buloke and Yarriambiack — ratepayers might be up for hundreds and hundreds of dollars per head in road contributions. The road funding processes are tremendously important to local government.

I draw to the house's attention the tremendous difference in how local government is treated by the Bracks government as compared to how it is treated by the commonwealth government. The stark difference in relation to the Roads to Recovery program is, I think, an excellent example. Just the other day I noticed that my local federal member, John Forrest, the member for Mallee, provided the information that in his electorate there had been an additional $8.6 million advanced for the Roads to Recovery program. That has been welcomed very much by municipalities, and that creates the difference between the Bracks government and the federal government in relation to how they treat those very important issues of roads.

I quickly go on to the library situation where a longstanding deterioration of funding has occurred over a number of years. It was highlighted to me in a letter I received from the Mildura Rural City Council. It was looking for some funding to redevelop the A. S. Kenyon Library at Red Cliffs. It would be a great thing to do for a vibrant community that needs its library redeveloped. I note in the letter sent to me by the mayor, who thanked me for my support in their submission for these grants, that:

> We have now been notified that this submission was not successful even though the project met all the selection criteria. We were advised that there were not enough funds to cover all the projects submitted. The community of Red Cliffs and the surrounding area will be disappointed as it has clearly indicated over several years that the library requires renovation.

It then goes on to say:

> The Living Libraries grant program, through the Department for Victorian Communities, has provided an excellent opportunity for the upgrade of public libraries. There is a possibility that this program will not continue past this latest round, therefore Mildura Rural City Council is writing to

Minister Candy Broad requesting the continuation of this successful program.

It is a sad state of affairs if our libraries, already struggling for funds, miss out on this program which made grants available to particular areas.

With the few seconds I have available I indicate that I support the motion put forward by the Honourable John Vogels. It is about time the Bracks government realised the significance of our third tier of government — local government — which does an excellent job. In fact the other day I attended, at Ouyen, the Municipal Association of Victoria Rural North West Region's meeting and it was an excellent meeting. It reflected the interest those councillors put into their tasks, which they do particularly well on behalf of their communities and their constituents.

The PRESIDENT — Order! The member's time has expired.

Mr SMITH (Chelsea) — Where to start? What nonsense this motion is, particularly coming from those opposite. I could not resist taking the opportunity to rebut some of the things I have heard, particularly the comments of Mr Koch and his reference to Mr Lake as being an apologist for the state government.

Hon. David Koch — And he is!

Mr SMITH — That is news to us. The fact of the matter is that the state Labor government cares a great deal about local government and has a very strong view about the democratic processes that currently exist. In fact the record shows that we have been an extraordinarily strong supporter of local government.

I might also add that that does not necessarily flow to my personal view about councillors. There have been plenty of councils that occasion I have had strong opinions about, particularly with regard to some of the decision making they have involved themselves in, but I will talk particularly about the contributions of members of The Nationals and their grand plan of taking 1 per cent of all goods and services taxes and allocating it to local government. The Nationals would get a job down the road at Trades Hall in the old days with that sort of mentality and financial management — or mismanagement, I might add. I thought to myself, 'This is a bit strange, I already pay rates as a local ratepayer for services for government; now I am expected to pay as a general taxpayer other forms of revenue from the state'. What nonsense. I just could not believe it! The Nationals want to set up a whole new bureaucracy to oversee this — ombudsmen, different departments et cetera. This is just puerile.

In addition I will mention examples of some of the things we are doing to improve the ability of local councils to function. It was only about six or eight weeks ago when the Minister for Planning in the other place decided to remove a number of areas where permits were required for — —

Hon. J. A. Vogels — Cubby houses?

Mr SMITH — Cubby houses is an example offered up by the opposition. We are doing away with those; you no longer need them. It is about efficiency. It is about improving the system and freeing it up.

In the budget the Treasurer talked about an ongoing commitment to reduce red tape in government, which will again dramatically improve the system both at the state and local level. I will refer first to some of the hypocrisy we get from those opposite. The other day I was informed about the impact on local government of the industrial relations changes being brought in by the federal government. My wife, who happens to work in local government, tells me that every worker in local government who earns $50 000 or more will have every hour they work or take off for luncheons or whatever recorded. I would have thought this recording is a bit of a bureaucratic nonsense which will engage a number of people in extra work and take them away from work they currently do. The changes will have a huge impact on the flexibility in local government workplaces. Women in local government in particular, who now have very flexible work arrangements, which is appropriate, will now come under pressure because it will become very difficult to record those sorts of flexibilities. Who knows what the rationale for it is?

We heard the H. R. Nicholls Society's comments about the federal government's industrial relations laws when it said the best of Marxist Russia could not do better than this. It has created an administrative nightmare for local government and other businesses too, not to mention workers and their families. To have to put up with the nonsense we have had today in the arguments put forward by the opposition about our capacity or lack of will to fund local government is a bit beyond the pale.

I have some notes from The Nationals' policy announcement with regard to local government. They talk about increasing the minimum number of councillors from five to seven. Who is going to pay for that? Joe Blow, I suppose — the poor old ratepayer. The Nationals think, 'We will increase the burden again', but more of them out there will be making silly decisions. The council I have to put up with in Frankston, for instance, is demanding more government

money to fund a marina for those who are well off, but it will not support funding for a community pool. I do not know what these people are on — I do not want to be on it! Seriously, to talk about increasing the number of councillors is just hypocrisy of the highest order.

It is my view that the house ought to reject outright the motion moved by the opposition, and I sincerely hope all my colleagues get here in time to do just that.

Hon. J. A. VOGELS (Western) — Basically the only argument from the Labor Party against this motion has been to blame the feds for the loss of national competition payments and for not putting enough into financial assistance grants. We have already pointed out that financial assistance grants have been increased by 4.5 per cent every year on average since they came into force in 1975, whereas the state, according to the Hawker report, is only putting in an average of 0.4 per cent, which is 10 per cent of what the feds have been putting in.

Everybody knew the national competition policy payment was a 10-year agreement signed by then Prime Minister Paul Keating, the Labor ministers and the premiers of the day, saying, 'This is a 10-year agreement and it will run out in 2006'. What the federal government has done to replace national competition payments is, I believe, the Roads to Recovery initiative. Funding goes to councils and, yes, it has to be spent on local roads and bridges, but they can spend it on the local roads and bridges — —

Mr Smith interjected.

Hon. J. A. VOGELS — I will talk about that in a minute.

I am actually going to give the house some real figures, which are figures in this year's budget. I have also compared them with the figures in budgets of the Labor government over the past four years. The output summary in this year's budget is in budget paper 3 at table 3.10. It says, 'Supporting local government and strengthening communities'. The funding went from $106.9 million in 2005–06 to $105.9 million this year, which is a reduction of $1 million, no matter what sort of spin you try to put on it.

The Minister for Local Government, Ms Broad, often speaks about community strengthening. In the budget this year that sliding figure has gone from $22.7 million in 2005–06 to $12.3 million — which is a halving of that figure.

Total grants to local government have increased this year from $494.9 million last year. However, the majority of this funding — $393 million — actually comes from the federal government by way of financial assistance grants and road grants, and the state government merely passes that on to local councils.

If members look in the budget they will see that four years ago grants and transfer payments from the state to local government totalled $206 million. The government says it has increased it this year by 10 per cent — or whatever previous speakers were talking about, as I heard it — and yes, actually it has increased it because last year it had been reduced from $206 million in 2002–03 to $113 million. It is smoke and mirrors! Of course, if you keep reducing grants for three or four years in a row and then you put them up, you can say that is an increase on the previous year. But it is all smoke and mirrors.

If the state government had matched the federal government grants for the last four years, this year local councils would be receiving $250 million in grants and payments, not the $150 million they are getting — which is a $100 million shortfall.

The national competition policy payments have been fantastic for local councils, but now they are gone. We now have Roads to Recovery funding. The Liberal Party has said that if it wins government, it will match the federal government again with Roads to Recovery payments.

I have had a quick look at what some of the councils are getting — for example, Ararat will receive an extra $1 million, which is equivalent to a 15 per cent rate rise. Buloke will receive $900, which is equivalent to a 15 per cent rate rise.

Mr Smith — How much? Nine hundred dollars?

Hon. J. A. VOGELS — Nine hundred thousand dollars. Campaspe will receive $1.8 million extra, and if we win government, it will get another $1.8 million on top of that. That was a 10 per cent rate increase. Colac-Otway, $1.1 million — an extra 10 per cent. East Gippsland, $2.3 million extra.

Hon. David Koch — A huge amount.

Hon. J. A. VOGELS — A huge amount, and the government is talking about a national competition policy payment which is going to disappear and which is worth about $100 000. They are actually going to get an extra $2.3 million, not $110 000 that members opposite are snivelling about.

The other issue to be mentioned concerns libraries. They are very important, as all members know, and the

Liberal Party's policy is that it will have grants up to $9 per capita by the end of its first term, which is about double what they are getting now. I urge the house to support the motion.

House divided on motion:

Ayes, 19

Atkinson, Mr	Forwood, Mr
Baxter, Mr	Hadden, Ms
Bishop, Mr	Hall, Mr
Bowden, Mr	Koch, Mr (*Teller*)
Brideson, Mr	Lovell, Ms
Coote, Mrs	Rich-Phillips, Mr (*Teller*)
Dalla-Riva, Mr	Stoney, Mr
Davis, Mr D. McL.	Strong, Mr
Davis, Mr P. R.	Vogels, Mr
Drum, Mr	

Noes, 23

Argondizzo, Ms	Mikakos, Ms
Broad, Ms	Mitchell, Mr (*Teller*)
Buckingham, Mrs	Nguyen, Mr
Carbines, Ms	Pullen, Mr
Darveniza, Ms	Romanes, Ms
Eren, Mr	Scheffer, Mr
Hilton, Mr	Smith, Mr
Hirsh, Ms	Somyurek, Mr
Jennings, Mr	Theophanous, Mr
Lenders, Mr	Thomson, Ms
McQuilten, Mr (*Teller*)	Viney, Mr
Madden, Mr	

Motion negatived.

EQUAL OPPORTUNITY AND TOLERANCE LEGISLATION (AMENDMENT) BILL

Second reading

Debate resumed from 30 May; motion of Mr LENDERS (Minister for Finance).

Hon. C. A. STRONG (Higinbotham) — In rising to speak on the Equal Opportunity and Tolerance Legislation (Amendment) Bill it is worth my saying briefly by way of introduction that it seeks to clarify the operation of the Racial and Religious Tolerance Act 2001, the principal act that this bill is amending, regarding the handling of complaints and the lodging of complaints under the act. It is customary at the commencement of debate to outline the position of the opposition on a bill, and in this case I will provide a little more detail than is normally given.

Firstly, the opposition has one amendment which it believes will improve the bill. I urge all members to support that amendment when it is moved. Secondly, The Nationals have a whole series of amendments which would substantially change the bill from considering both religious and racial issues by deleting many of the references to religious issues, making the offences outlined in the bill limited to essentially racial vilification issues. This is something that has been urged on us all by church groups, and the Liberal party will certainly be supporting The Nationals' amendments.

Thirdly, many opposition members have major misgivings about the whole thrust of the original act, the Racial and Religious Tolerance Act, which this bill amends. For example, I, along with several of my opposition colleagues, voted against the original bill when the Liberal Party voted to support it. I think there were three or four of us who voted against the original bill. Together with, I think, Mr Bowden, Mr Atkinson and the member for Bass Coast in another place, who at that time was in this chamber, I voted against that bill.

I believe that is important background to the opposition's position on this bill, which essentially is as follows. The opposition will support The Nationals' foreshadowed package of amendments. We believe those amendments will significantly reduce the adverse effects and objectionable aspects of the bill so we will be supporting them. I will be moving my own amendment, which I will expand on during the committee stage. We believe that amendment would significantly improve the Racial and Religious Tolerance Act. If those amendments are lost — I and the Liberal Party most fervently hope they are not lost — the opposition will support the bill as we believe the amendments made by it improve the principal act, flawed though it may be, to a very small extent — to a marginal extent. That is the opposition's stand. As I said, several members of this house voted against the Racial and Religious Tolerance Bill, and there may well be a similar situation this time.

On a personal level I think I have to explain my position given that I am the lead speaker for the Liberal Party and someone who voted against the Racial and Religious Tolerance Bill in 2001. I will be supporting this bill for the reasons I outlined. However, that does not diminish the fact that I am vehemently and totally opposed to the Racial and Religious Tolerance Act 2001. I think it is an act we do not need. As I said before, along with several others in this house I voted against the act's introduction. I still fervently hold that view. I am against it.

The only thing which brings me to support the amendments in this bill is that they, in some small way, lessen the adverse effects of it. That is why at the end of

the day the Liberal Party has decided to vote for the bill — simply because the amendments in it marginally improve the Racial and Religious Tolerance Act 2001. This is the only logical thing to do because the bill does improve, ever so slightly, that principal act. However much one may disagree with the principal act, and certainly I do quite strongly, it would make no sense to oppose something which goes some way, albeit only a little way, towards reducing the corrosive impact of the Racial and Religious Tolerance Act 2001.

That is probably a more expansive explanation than one would normally give, but I think it is important to outline the position the Liberal Party will be taking and perhaps some of the reasons behind the stand that various members of the Liberal Party will take.

In essence the Equal Opportunity and Tolerance Legislation (Amendment) Bill amends the Racial and Religious Tolerance Act 2001. I believe this principal act is very bad legislation. I believe it is legislation which should not be on the statute book. I would like to put on the record why I believe it is bad legislation and why I believe it should not be on the statute book. I do not think I can do any more in that regard than to outline some of the reasons I gave when I spoke against the Racial and Religious Tolerance Bill in 2001. I said then, and I think it remains so, that:

> The bill is extremely difficult because it touches on two of the principles that I hold to be enormously important.
>
> Intolerance and racism are abhorrent to me, as I am sure they are to most members of the house. Conversely freedom of speech is one of the most important things our society possesses. The bill limits society's right to free speech in the name of furthering racial and religious tolerance.
>
> How does an individual evaluate the trade-off between these two important principles? One can say only with great difficulty as each individual can on the one hand abhor intolerance and racism but on the other hand see great dangers to our society and the democratic principles from limitations to free speech.

For proof of that we need look no further than at something which has happened in this house in the last month. One of our members, Ms Mikakos, made some statements in this house and she has been vilified and attacked as a result of making those statements. I do not want to take sides on that issue but I think we have an obligation to respect people's right to free speech. It is very unfortunate that the honourable member opposite has been vilified for expressing an opinion. It is a very sad thing and I feel very sorry for our democracy when that happens. However, that is free speech, and why should it not happen? If a member expresses a view and other members of society think differently, they should be able to play out that exchange in a robust and free environment. They should not be hampered by having some legislation or rules and regulations stamped over the top of them.

The issues raised by the Racial and Religious Tolerance Act are some of the most important this house has ever dealt with, going as they do to both tolerance and free speech. I said in 2001 that I saw the nub of the dilemma we face as men and women of goodwill when we seek to impose our perception of goodwill on others by restricting the most important freedom of all, the freedom to speak and express one's mind. What are the factors that push one towards outlawing intolerance at the expense of free speech or vice versa? I asked then, and I still ask today: are we in Victoria a racist or religiously intolerant society which needs legislation to overcome this blight? I think the answer is clearly no. Therefore, as I said in 2001 and still say today:

> The bill is an insult to the tolerant society we have built in Victoria because by its very existence the bill says that we have a problem. Otherwise why would we need it? It says that we are not a tolerant society. By its very existence the bill takes out of society's hands the need to work together and find solutions to problems. It relieves society of the discipline, of the need to find solutions and simply hands that problem to the politicians and the lawyers.

That is exactly what has happened today when some of this problem has been handed back to politicians to try and solve. I said then and I still say today that:

> That is hardly a step forward, because both those institutions —

that is, the Parliament and the courts —

> by their very nature are adversarial. That is not what is needed to build an inclusive solution to society's problems.

Those are some of the views I made known to the Parliament at the time, and they are views that I still hold. They are the reasons why I think the principal act — the Racial and Religious Tolerance Act 2001 — is an abhorrent piece of legislation and should not exist. Those views are held by other people as well.

I would like to turn to some correspondence, and I am sure it is correspondence we have all received. The first is the Christian leaders statement which was emailed to us all. It is a copy of a letter sent to the Premier on 8 February and is headed 'Christian leaders statement of concern'. It is signed by a whole series of religious leaders including Bishop John Wilson of the Anglican Church in Victoria as well as representatives of many other churches. Most people have seen this letter so I will not read into *Hansard* the names of the approximately 15 religious leaders who have signed it.

However, I will read from the second paragraph of the statement where the leaders say:

> However, it is clear from the operation of the act —

that is, the principal act —

> that it has caused much more division and enmity between religions than harmony, and our concern is that this might intensify. Our state's experience of the act has become part of the justification for not introducing similar legislation in South Australia, New South Wales and Western Australia, and has been used as a negative example for the operation of this type of law in the UK.

Again similar views are being expressed by Christian leaders about the operation of the principal act.

I would like to read from another document that was addressed to all MPs and which most would have received via email from the Evangelical Alliance. I will read from the second paragraph where the writer addresses a claim by the Premier in his second-reading speech that all this had been agreed by the churches. It reads as follows:

> The Premier's claim at the second reading of the act that the churches have agreed to the proposed revisions to the legislation is simply not true. Those plans were drawn up by government officials and were presented to church leaders who did not sign them.

It then goes on to say:

> The list of names at the foot of this letter —

from the Evangelical Alliance —

> indicate more accurately the situation as all the people have subsequently signed a statement of concern about the inadequacy of the proposed changes.

The list of people who signed this letter is in essence the same as the list of church leaders in Victoria who signed the letter to the Premier that I referred to before. The letter goes on to say, in its third paragraph:

> It is clear that the act has actually caused more division and enmity between religions than harmony. Apart from actual litigation in the courts many places of worship of different religions — are fearful that a statement that one religion is true and that another, in some regard or another is not, will (not unnaturally) offend a member of that other faith who is now able to take civil action (whether of merit or not). Individuals and organisations should not be able to use the courts in this way.

The paragraph goes on to say:

> Generally, an atmosphere of unease and fear is being generated. The act has done a lot more damage to the relationship between religions than non-religious people realise.

Once again this highlights the failure of the act and the whole misguided concept of trying to legislate what people will think and say.

I would also like to quote from a paper which also has been circulated to all MPs and which highlights the very points I think are important. It is a paper by Patrick Parkinson, a professor of law at the University of Sydney. It is dated November 2004 and titled *Enforcing Tolerance — Vilification Laws and Religious Freedom in Australia*. I will quote briefly from part 4 of the paper. It is a fairly long paper, but part 4 is headed 'The collateral damage from vilification laws' and states:

> Whatever the outcome of this case, the Catch the Fire Ministries illustrates the way such laws can operate in practice when they are applied through courts and tribunals and operationalised in the life of organisations, to cause collateral damage to religious freedom.

It goes on:

> The main danger of religious vilification laws is that they will have a chilling effect on legitimate religious activity even where the outcome of a complaint is to declare the religious expression to have been lawful. The punishment imposed by religious vilification law does not lie in the penalties imposed by the court or tribunals for breaches of the law, but in the necessity to defend oneself from plausible claims that the law has been breached.
>
> The hearings in the Catch the Fire Ministries case lasted for weeks. The cost of defending such cases, employing an appropriately qualified team, can run into hundreds of thousands of dollars — far beyond the capacity of small religious communities or organisations.

The final quote is:

> One of the significant features of the Catch the Fire Ministries case is that it demonstrates the potential reach of the Victorian law to include teaching given at Christian seminars and conferences.

It goes on:

> The fact that a religious leader could be sued for communicating religious beliefs at a meeting intended for adherents of his or her faith because what is taught might cause grave offence to someone of another faith who happens to be, or indeed chooses to be in the audience, is troubling. The possibility of a lawsuit may intimidate religious leaders, of whatever faith, from teaching and expressing what they believe their faith requires or from expressing a point of view which might offend others. Because of the costs associated with litigation, and its stress and unpredictability, the threat of litigation is a dangerous weapon even if it is unlikely to be successful.

I guess the point I am trying to make is that it is a quite widely held view that the original Racial and Religious Tolerance Act 2001 has simply not achieved its objectives and in many cases has been counterproductive. Although the things I have read to

the house today deal with religious issues, the same could equally be said about racial issues and racial tensions, about trying to achieve racial harmony and the way that is not aided by the ability of somebody to rush off to a tribunal to try to get a particular judgment. I am very opposed to the concept of the original act.

I turn now to some of the details of the bill, which amends the Racial and Religious Tolerance Act. As I said before, it seeks to streamline and avoid some of the pitfalls which have emerged as a result of experience with the act. What is the process by which an action can be pursued under the Racial and Religious Tolerance Act? An action is initiated in the Equal Opportunity Commission Victoria. The Equal Opportunity Commission can hear or choose not to hear particular complaints and make whatever rulings it sees fit. If one disagrees with a ruling of the Equal Opportunity Commission — whatever its decision was, even if its decision was not to hear the case — one can take one's disagreement with the Equal Opportunity Commission's decision to the Victorian Civil and Administrative Tribunal and ultimately to the Supreme Court on appeal.

Most of us would be aware of the case involving the Catch the Fire Ministries, which is currently the subject of a Supreme Court appeal of the decision by VCAT. The nature of that case highlights how the principal act is misconceived and can lead to outcomes that are contrary to what the theory behind the act is. The Catch the Fire Ministries case seems to be the main reason for the introduction of this bill today. In essence what the bill seeks to achieve is to overcome some of those problems. Firstly, it strengthens the investigative powers of the Equal Opportunity Commission, by providing for the calling of written evidence et cetera, to enable it to bring about an early and effective resolution of a dispute. Secondly, it seeks to clarify the meaning of 'religious purposes' so there is less ambiguity, although one has to say that there will probably always be ambiguity there. Thirdly, it introduces a provision which gives the tribunal the discretion to hear leave applications on the basis of documentation rather than on the basis of oral evidence, the calling of witnesses, legal representation et cetera. Once again, it is another way of trying to streamline and simplify the process. As I said, it is aimed at getting earlier resolutions without the risk of becoming overly legalistic and running the parties into very significant extra costs.

It also clarifies the meaning of 'religious purposes'. The problem really revolves around a lack of clarity in the definition of 'religious purposes'. This was one of the issues that was raised in the Catch the Fire Ministries case. There is, in fact, an exemption from the vilification provisions of the act on religious grounds, and the bill proceeds to define what 'religious grounds' are — but then one can argue about the definition of 'religious purposes'. Clause 9 of the bill seeks to clarify what 'religious purposes' are by adding a couple of extra words to those already in the act. When we come to the committee stage I will go into a little bit more detail on that. In essence the amendments seek to clarify the meaning of 'religious purposes' and include the conveying, teaching and missionary work of a religion. Clearly the exemptions for religious purposes will always require a test of good faith, as they do currently. The opposition takes the view that clarifying the meaning of 'religious purposes' improves the act and certainly does not make it any harsher.

As I indicated, strengthening the Equal Opportunity Commission powers allows for the commission to get to the nub of an issue more quickly. These amendments extend the power to investigate complaints. They can require a person to produce documents, and they are all aimed at a more speedy resolution during the Equal Opportunity Commission's hearing or even before an issue gets to hearing so as to reduce the number of complaints and hopefully reduce the number that end up going before VCAT. It will speed up the whole process.

One of the important provisions that strengthen the investigative powers is the ability of the Equal Opportunity Commission to call for documents. The commission is able to apply a very significant penalty — 20 penalty points — for a failure to comply with the requirement to produce documentation. It is clearly aimed at reducing frivolous and vexatious issues being brought before the commission, allowing it to get to the bottom of it. If somebody refuses to produce the appropriate documentation, penalties can apply.

There are also various provisions that tighten the procedural process by which unmeritorious complaints are dealt with. VCAT can hear a complaint about racial and religious vilification which the Equal Opportunity Commission has declined to hear — for example, you might bring a complaint before the Equal Opportunity Commission, and members might say, 'It is frivolous, we are not going on with it, it lacks substance'. One can then appeal the decision of the Equal Opportunity Commission at VCAT by saying that the decision was inappropriate or that the commission was wrong in not hearing it.

What the bill does is introduce a leave mechanism whereby a person whose racial and religious vilification complaint is declined or denied by the commission

must get leave to pursue it at VCAT. Leave is required from VCAT to proceed with an appeal, and there is a discovery process by which VCAT can seek to obtain documents and information as to the validity and therefore likely success of an appeal before it is granted. In other words those three provisions seek to make what I believe is a flawed piece of legislation work marginally better.

So that is the situation. That is what the bill does in summary. What I have just read into *Hansard* are my views and certainly those of various religious leaders as to the failing of the principal act. It will leave us in a very difficult situation. Quite clearly there is a lot of disquiet about the principal act, but this particular piece of legislation will amend it to make it only slightly better, so what do we do? In talking about the misgivings people have with the principal act we only have to look at today's Legislative Council daily program. We see there are two petitions on this issue, one from the Honourable Richard Dalla-Riva and another one from Ms Romanes. Both are petitioning this house for the repeal of the Racial and Religious Tolerance Act.

Hon. P. R. Hall — More than 30 000 signatures.

Hon. C. A. STRONG — As Mr Hall reminds me, there are more than 30 000 petitioners. This is not some lightweight, frivolous, no-consequence beat-up. This is an issue that many people in our society believe to be very important. It is certainly one of the issues that all of us would have had enormous amounts of correspondence about. As has been said by many of us, it is a very difficult piece of legislation.

With those comments and a detailed run-down of how the opposition will deal with this, I will close my comments. We will move in due course to a committee stage, where I and the opposition will actively support The Nationals' amendments, which church groups have requested. Although many church groups and individuals would like to see the whole act abolished, certainly the removal of some of the difficult provisions with regard to religious vilification et cetera would dramatically improve the principal act. I hope the government sees sense and supports the amendments. With those comments, I conclude my remarks for the moment.

Opposition amendment circulated by Hon. C. A. STRONG (Higinbotham) pursuant to sessional orders.

Hon. P. R. HALL (Gippsland) — I welcome the chance this afternoon to express the views of The Nationals on the Equal Opportunity and Tolerance Legislation (Amendment) Bill and indicate at the outset that we oppose the bill, as we opposed the Racial and Religious Tolerance Act when it was debated in 2001. We will oppose this amendment bill. We believe it merely tinkers at the edges of a bad act and does not make it substantially better — or better to the extent that we feel the need to support it.

This bill amends the Equal Opportunity Act 1995 and the Racial and Religious Tolerance Act 2001. Essentially the amendments to the Equal Opportunity Act relate to procedures outlined in the Racial and Religious Tolerance Act and how complaints made under provisions within that act are dealt with. When the principal legislation was first put up for debate, the National Party strenuously opposed it. We were the only party to do so, but we acknowledged and welcomed the support of a number of individuals in the chamber when it was debated and voted on. Mr Strong has indicated that he supported us in our opposition to the bill, and a number of his colleagues from the Liberal Party did likewise. We acknowledge that and thank them for their support. We said at the time that legislation of this nature was not necessary, that it would not achieve what it set out to achieve and that it would be counterproductive. The Nationals have been vindicated in their views.

Almost five years down the track since the Racial and Religious Tolerance Act was debated, you look back and wonder what it has achieved. If you look at the purposes and objectives of the act, you reflect on whether they have been achieved. I quote the first purpose:

> … to promote racial and religious tolerance by prohibiting certain conduct involving the vilification of persons on the ground of race or religious belief or activity …

Of course every one of us — and, I am sure, the whole community — wants to promote racial and religious tolerance, but the question is whether that can be achieved by prohibiting certain actions. In my view tolerance comes about through an expression of goodwill, and I do not think you can mandate goodwill. That is why we have a fundamental problem with the mechanisms of the act but not by any means with the intentions of the act. We strongly support the promotion of racial and religious tolerance, and tolerance on a whole range of other issues as well, but we simply do not believe we can mandate goodwill by putting in place legislation.

Turning to the objects, which are in section 4 of the Racial and Religious Tolerance Act, the first object is subsection 1(a), which states:

> to promote the full and equal participation of every person in a society that values freedom of expression and is an open and multicultural democracy …

Through you, Acting President, I ask other members to explain, tell or demonstrate to me how we have promoted the full and equal participation of every person in society simply by enacting this legislation. It is certainly a principle we should encourage, but I do not know whether this legislation encourages it at all. The same goes for other objects of the act. Subsection 1(c) states:

> to promote conciliation and resolve tensions between persons who (as a result of their ignorance of the attributes of others and the effect that their conduct may have on others) vilify others on the ground of race or religious belief or activity and those who are vilified.

Again I do not know — I do not think there has been any assessment of this — how the act has promoted conciliation or resolved tensions. I know it has created some tensions, for which there is court case evidence, but I do not know whether it has resolved them. Through you, Acting President, perhaps during the course of debate somebody will tell us whether there has been an evaluation of the impact of this act and whether it has gone any way towards achieving its aims, purposes and objectives. Certainly members of the public have made comments to the effect that the act has not achieved its objectives. For example, Charles Francis, AM, QC, RFD, presented a paper on religious tolerance laws to the Christian Legal Society of Victoria at a seminar on 3 December last year. He said:

> The act is badly drafted and expressed in broad, vague and nebulous terms, filled with ambiguities and unclear terminology. It is entirely contrary to the long established principle of law that offences need to be clearly defined. The essence of an offence occurs when a person makes a statement about a person's religious belief which that other person claims has vilified him. That was, in essence, what the case of the two Dannys was about. The fact that what you say is true, is reasonable and is said in good faith is not necessarily a defence. It is the reaction of someone else to your statement which creates the offence.

That is the difficult part of this bill, particularly when it comes to religious beliefs. A person can say something with all the constructive goodwill possible, yet it is the reaction of someone else, which may be completely out of the hands of the person who makes the statement, that creates the offence. That is why we say that legislation of this nature is extremely difficult — we go as far as saying it is inappropriate — when it comes to speaking about religious beliefs.

As I said earlier, the Racial and Religious Tolerance Act has in many ways been counterproductive and in fact could encourage religious intolerance. That is something we believe strongly. The real danger is that it could enable intolerant people to bring legal action and in so doing create disharmony. Again that is completely counter to the intention of this bill. There have been a number of cases but not a lot of individual cases, and I will talk later on about the number of cases. In one case a person who claimed to be a witch was imprisoned in Victoria and took offence to the work of the Salvation Army in the prison. There have been other cases of that nature. The fact that they were frivolous is somewhat irrelevant, because the accusers got their 10 minutes of fame and the issues left a bad taste in the memories of many others. To my mind, that would promote intolerance rather than achieve the object of the act, which was to create greater harmony and greater levels of tolerance.

Right throughout the course of the public debate on the principal legislation and these matters in general, The Nationals have consistently said two things. The first thing I want to put on the record again today is that we believe we are blessed to live in a community in Victoria which shows a remarkable level of tolerance towards its fellow human beings. I say that without qualification. That tolerance spreads not only across race and religion but across a whole range of other attributes as well — colour, socioeconomic class, even the footy teams we barrack for. We consistently demonstrate a great deal of tolerance. We are fortunate to live in a very peaceful part of the world, particularly when you look at what is going on in other parts of the world at this very moment. We are blessed that we live in such a peaceful and tolerant community.

We witness examples of great tolerance every single day of the week. Last week I participated in a citizenship ceremony conducted by Latrobe City Council, where 17 people from a whole range of different backgrounds took out Australian citizenship. I am not sure what countries they came from or what religions they followed. We did not even bother to ask that question. They were simply accepted on the oath they took to become Australians. I do not think I have ever witnessed the national anthem being sung with such gusto as it was at the conclusion of that ceremony. We had about 70 people in the room from different backgrounds who were all proud to be young Aussies and who were all united. There was a great deal of harmony in that room. It was a demonstration of the typical attitude that Victorians, and indeed Australians, demonstrate every day of the week in their preparedness to be tolerant of the differences of others and to accept that we all have differences and that in many ways it is a better world because we do have such differences.

The second thing I want to put on the record is that because religion is a discipline based on beliefs, we believe it is impossible to legislate for tolerance when it comes to religion. We are not alone in that view. As has been mentioned in this debate by the Honourable Chris Strong, other legislatures in Australia that have considered this issue have felt it was inappropriate. One of those was New South Wales. I have in my hand a copy of the New South Wales Parliament *Hansard* of 21 June last year, when Bob Carr was still Premier of that state. He answered a question without notice as follows:

> Our society is formed from a great diversity of cultures, religions and outlooks. Tolerance and respect for other's religious, political and other views stand at its very core. We have a proud tradition as well of separation of church and state. Recently in New South Wales there have been calls for legislation to outlaw religious vilification, notably the Anti-Discrimination Amendment (Religious Tolerance) Bill, which may be introduced in the Legislative Council. These calls come from well-motivated people. However, there are great difficulties with legislating against religious vilification to enforce religious tolerance. Such laws can be highly counterproductive.

That is the view of the former Labor Premier of New South Wales, Bob Carr. As a result — I think wisely — the New South Wales Parliament did not proceed to enact any laws to prevent religious vilification because it felt it was inappropriate. As was noted by Mr Strong, the issue has also been considered by the South Australian and Western Australian parliaments and parliaments in other parts of the world, including the UK, and rejected for similar reasons to those I have espoused here today. For those reasons it is the intention of The Nationals during the committee stage to move amendments to this legislation that will seek to remove all references to religious vilification from the Racial and Religious Tolerance Act.

The Nationals amendments circulated by Hon. P. R. HALL (Gippsland) pursuant to sessional orders.

Hon. P. R. HALL — It seems to me that the law is predominantly being used against Christian faiths; therefore I want to have a look at some of the actions taken by the Premier and members of the Christian community on their beliefs on this bill.

The Christian leaders statement of concern has been mentioned by Mr Strong in this place and by others when the bill was debated in another place. I want to look at that statement of concern which was sent to the Premier on 8 February this year. It is a detailed statement signed by about 20 people representing different churches in the state, and I shall quote a couple of items from that statement of concern. The statement says in part:

> However, it is clear from the operation of the act that it has caused much more division and enmity between religions than harmony, and our concern is that this might intensify. Our state's experience of the act has become part of the justification for not introducing similar legislation in South Australia, New South Wales and Western Australia, and has been used as a negative example of the operation of this type of law in debate in the UK.

The statement goes on and mentions what are some of the deficiencies, and I shall quickly mention those without fully quoting each of their comments. The first concern they have is:

> The present legislation fails to recognise freedom of religion, while it does recognise freedom of speech.

They go on to quote Professor Patrick Parkinson, who is a member of the faculty of law at Sydney University. He said:

> … at issue is the freedom to express views about truth and falsehood, right and wrong, good and evil, which may offend others who have a different view on these matters.

The second point raised by the Christian leaders is:

> Freedom of religion needs to be written into the act.

The third point they argue is:

> Over 30 000 Christians in Victoria have already signed a petition asking for the removal of the references to religious vilification in the act.

Many of us as members of Parliament have presented some of those petitions in this chamber. Again, we saw evidence this morning where there were two further petitions presented seeking to remove reference to religious vilification from the Racial and Religious Vilification Act. The statement of concern, in support of that argument, quotes Professor Parkinson as saying:

> One of the dangers of vilification legislation is that it may be seen as a new means of pursuing a long-existing conflict before a neutral arbitrator. The issue here is not that vexatious claims are brought, for often the claimant will have a passionate sense of grievance. Rather, the problem is that the legal system just becomes another theatre of a conflict which it cannot possibly resolve, because the conflicts are political or religious.

The statement goes on to say:

> This difficulty with the act can be resolved either by removing the religious aspect from the legislation, or at the very least by removing the civil provisions.

As I have already indicated, it is the desire of The Nationals to take that first option: to remove the religious aspect from the legislation. They were the

comments of the Christian leaders in their statement of concern to the Premier. In an accompanying document they make the following comment, with which I agree entirely:

> Victoria is one of the world's most harmonious and cohesive societies, and we owe this to our belief in the basic principles of democracy, freedom and respect for human rights.
>
> If that is the case, why do we need such laws …

I should correct what I have quoted. It is in a statement from the Christian leaders, but they were quoting the Premier when he first introduced this legislation back in 2000. I not only agree entirely with the Premier's comments, but I also agree with the conclusion by the Christian leaders: if what the Premier is saying is true, why do we need this legislation? Again, I do not think anything has changed since the Premier made that comment.

When this bill was debated in the other place The Nationals through its leader, Mr Peter Ryan, attempted to move amendments, the same amendments which I will seek to move in this chamber. We have had some feedback and congratulations from a number of people, one of whom was Reverend David Palmer, who wrote to the Leader of The Nationals on 5 May 2006, saying:

> I am writing to you on behalf of the Presbyterian Church of Victoria as well as those church leaders who sent their statement of concern to the Premier earlier this year, and whose names I list below.
>
> We want to express our very great appreciation to you and the National Party for recognising long before most of us ever did that the Racial and Religious Tolerance Act 2001 is a deeply flawed piece of legislation requiring a major overhaul, and then acting upon that view in the chamber last Wednesday night.
>
> At no stage has the Premier publicly acknowledged our concerns and indeed denied our request to meet with him, relying instead on his statement from the multifaith forum last September, surely an exercise in manipulation that he would be ill advised to repeat again. I want to assure you that despite protestations from the Victorian Council of Churches to the contrary, the great bulk of churchgoers have been alarmed by the operation of the act and will note with satisfaction and approval your party's determination to act for a major overhaul of the legislation as opportunity presents itself.

That letter was signed by Reverend David Palmer on behalf of the same signatories to the Christian leaders' statement of concern that I have previously mentioned. I am encouraged in our endeavours to pursue the foreshadowed amendments which I will move during the committee stage.

There has been some controversy about the Premier's statement following his multifaith leaders forum. I know the Premier issued a press release on Thursday, 22 September 2005, indicating that following the meeting a joint statement was signed by all those participating. That came out in the media release and was disputed by others. I know the same Reverend Palmer was reported in the *Age* of 1 May of this year as suggesting that was not the case. He suggested that the statement was presented in the last 10 minutes of the multifaith forum meeting but was not signed by anybody — the general principles were agreed to but it was not signed. I am aware that others would dispute that.

In presenting a balanced argument I note that the *Age* published a comment on that article, I think on the day after, by Archbishop Peter Stasiuk, chairman of the Heads of Churches Committee, suggesting that it was not entirely true. He suggested there was general agreement on that joint statement at the multifaith leaders forum. There was some divided opinion about that, but I went to the trouble of having a look what that the joint statement contained. It contained eight different dot points, and there is absolutely no doubt that the general intent of every one of those dot points would be eminently agreeable to all of us.

For example, the first dot point on the multifaith leaders forum statement dated 22 September 2005 states:

> We acknowledge all individuals have a responsibility to work together to recognise the dignity and worth of every human being, affirming our similarities and the fundamental principles that unite us. This group especially acknowledges the importance of faith for those represented here and the importance of spirituality for those who are not represented here.

It goes on with sentiments like that. They are excellent sentiments that are eminently supportable by all of us. Perhaps the only one that some of us and those at the forum may differ on is dot point 5, which says:

> We support, in principle, Victoria's Racial and Religious Tolerance Act, which, while protecting our rights to evangelise and proselytise, prohibits serious racial and religious vilification, which incites hatred. Thus it acknowledges that the right to practise and debate religion in a free and democratic society carries with it responsibilities to respect others.

It says 'We support, in principle', and as I have said many time before, we in The Nationals support the principles and intentions of the Racial and Religious Tolerance Act. The only area in which we differ is that we believe the legislation is ineffective in dealing with those principles. As I said at the very start of my contribution, you cannot mandate goodwill — and that is essentially what the Racial and Religious Tolerance Act attempts to do with respect to racial and religious vilification.

When trying to understand the impact of this legislation I looked at comments made by the chief executive officer of the Equal Opportunity Commission, Dr Helen Szoke, in her address to the Christian Legal Society on Saturday, 3 December 2005. She gave an account of what the act does and the number of cases that have been heard under the act. I notice that in 2003–04, eight complaints were made on religious grounds under the Racial and Religious Tolerance Act; two of those were conciliated or resolved; one was withdrawn; five were not able to be conciliated; and three ended up going to the Victorian Civil and Administrative Tribunal (VCAT).

In the following year there were 25 religious complaints, but I note that 13 of those complaints related to one matter only. The table does not clearly explain what happened to the other complaints although it does say that 15 religious vilification complaints were referred to VCAT. But if there were only 25 in the first place and 13 relate to the one matter, then I fail to understand how the 15 went to VCAT, but nevertheless the number of complaints brought before the Equal Opportunity Commission on religious grounds was interesting.

All that aside, I do not think you can fairly ignore the wishes of in excess of 30 000 people who have signed petitions presented to this chamber, suggesting that we would be far better off if there were no reference to religious vilification in the Racial and Religious Tolerance Act. I think their reasons are valid. In my contribution this afternoon I have tried to spell out some of the reasons why I support their intentions. I do not think you can ignore the views of other legislatures around Australia and around the world as well.

The New South Wales, South Australian and Western Australian governments, after some earnest consideration, have all decided against introducing any legislation relating to religious vilification; nor do I think you can ignore the experience after the law has been in place for five years. What has it achieved? We certainly do not believe it has achieved anything worthwhile, and I would be happy to hear members stand up in this debate and say exactly what it has achieved and how effective this legislation has been.

The Nationals' view is that the government amendments just tinker at the edges of the process. They do not address the fundamental issues of concern that we have had ever since this act was originally debated before its passage. We believe our amendments will at least give some degree of credibility to the act by taking out references to 'religion' within the act itself, and we believe those amendments will make for a more cohesive society in Victoria. We therefore urge both the government and the opposition to support us in our endeavours, which will principally be to remove all references to 'religious vilification' in the Racial and Religious Tolerance Act.

Hon. KAYE DARVENIZA (Melbourne West) — It is with great pleasure that I rise to make a contribution to the debate on the Equal Opportunity and Tolerance Legislation (Amendment) Bill 2006. I support the bill and oppose the amendments that have been put forward by both the Liberal Party and The Nationals.

I agree with a number of the comments Mr Hall made on behalf of The Nationals. Mr Hall talked about how we as parliamentarians, and even those who are not parliamentarians, go around in our everyday life to various functions, whether it be at schools or sporting events or on other occasions, and in doing so we see our very multicultural community here in Victoria. We are one of the most culturally diverse communities, if not the most culturally diverse community, in Australia. I agree with Mr Hall's comments about looking around and seeing people singing the national anthem. Often at many of the events I attend we not only sing the Australian national anthem first but then, if we are celebrating a national day or some other national celebration, we will often have the national anthem from that particular community played. People join in, and it is with equal enthusiasm that both are sung.

We in Victoria are a harmonious community — a community of great tolerance and great understanding, which goes without saying. The same cannot be said for some of the other states. We have seen the range of racial problems that can flare up from time to time in other states, and I am pleased to say that we have not had any of that sort of activity in Victoria. Our cultural diversity is one of the things that we all celebrate, and we celebrate it all the time — in our social activities, in the food that we eat, in the places we go to, in the people we meet, the friends we have and the families we belong to.

In this state 111 faiths are practised by our very diverse community, we are made up of around 230 different nationalities, and about 25 per cent of our population has one parent who was born overseas. However, it is true that from time to time acts of vilification are made against people on religious or racial grounds, and that is why this legislation was originally enacted in 2001.

I want to refer to the amendments that have been talked about by members of The Nationals and the Liberal Party. First of all, I have a number of comments to

make about the amendment circulated by Mr Strong. It appears, on behalf of the Liberals, to be pretty defensive. As Mr Strong pointed out, when the Racial and Religious Tolerance Bill went through the house in 2001 a handful of Liberals in this chamber opposed it. Admittedly the Liberals were given a conscience vote on the bill, but by far and away the majority of Liberals supported it in 2001 — and they did that for good reason and with good cause.

On Mr Strong's amendment, the Racial and Religious Tolerance Act already allows for discussion of religion. This bill further clarifies that 'conveying or teaching a religion' is within 'a religious purpose'. So Mr Strong's amendment is not necessary and, if adopted, could be confusing, because it does not identify against whom or what a person would be 'defending' religion. If anything it just adds confusion to the bill, and I certainly oppose that amendment.

I also turn to the proposed amendment that has been circulated by The Nationals. The Nationals have no credibility at all, as far as I am concerned. They say they want some credibility, and that is part of the reason they are pursuing these amendments. As I said, they have no credibility on this at all.

Hon. P. R. Hall — Why? Why don't we have any credibility?

Hon. KAYE DARVENIZA — If you sit there and listen for a while, you might learn something. You might pick up something if you stop interjecting and listen to what I have to say.

With their amendments The Nationals propose to remove reference to 'religious vilification' and any remedies for it from this amending bill, and to alter the Racial and Religious Tolerance Act very fundamentally by removing the civil and criminal provisions that deal with racial and religious vilification. The government strongly opposes these amendments. The Victorian Racial and Religious Tolerance Act 2001, unlike the New South Wales bill — which Mr Hall went on about at some length — provides protection to Victorians from all religious backgrounds, whether they be Jewish, Christian, Muslim, Sikh or Hindu. It does not matter what religious background you have or what religion you practise; you have protection under that act.

The consequences of these amendments would be that there would no longer be any civil or criminal offences or remedies when people were subjected to racial or religious vilification. People could be vilified because of the religion they practise — and you cannot say that we have not all been aware of vilification that has occurred from time to time. You only have to go and talk to members of the Jewish community about some of the desecration of its graves and synagogues that has occurred over the years. What The Nationals want to do is to take away any remedies for that. They think it is okay to have vilification occurring on grounds of religion and for there to be no remedies for that. I cannot agree with them, and I oppose their amendments.

The intent of this bill is to control as well as deter any unacceptable behaviour. The impact of vilification is the same whether it is racially or religiously motivated. It does not matter what the motivating force is; the results are the same. Therefore we need the remedies; we need the protections that are allowed for and provided for in our Racial and Religious Tolerance Act and in this amending bill.

The act provides the means of opposing hate speech, which is often in this day and age directed at people practising different religions. The members on The Nationals' benches know as well as I do that people are vilified and have hate speeches made against them based on the fact that they practise a particular religion. The act certainly supports people's rights to encourage — and we encourage — vigorous debate, as long as individuals do not vilify or incite hatred of others on racial or religious grounds.

We have no problem with people engaging in an active debate and active discussion. In my role as parliamentary secretary to the Premier — I assist him on multicultural affairs — I am involved in a whole range of interfaith discussions that take place at different levels, whether it be with small church groups or within councils. Very active debate and discussion takes place not only amongst the various religious groups but also within particular religious groups. It does not follow, just because people practise a particular religion, that everyone who follows that religion and has that faith agrees on every aspect of that religion or every interpretation that can be made.

So, like churches and religious groups which actively encourage that sort of discussion within their congregations, we as a government support those sorts of debates happening widely within the community. The amending legislation we have before us today strengthens that, while what The Nationals want to do certainly does not. The amendments to clarify the meaning of 'a religious purpose' — so that it includes 'conveying or teaching a religion or proselytising' — is to provide certainty to the faith community about the freedom to proselytise.

Mr Hall talked about the joint statement and read out some of the early dot points within that joint statement. His view was, 'Really, this is all pretty much motherhood stuff. There is nothing here that we would not all agree on'. But Mr Hall did not go on and talk about the actions that the interfaith group which met with the Premier wanted to see.

The actions they wanted included a consideration of amendments to clarify the operation of the Racial and Religious Tolerance Act in consultation with multifaith leaders. That is what we have done as a government. We have listened to what those multifaith leaders said to the Premier, and we have consulted widely around the sorts of changes they wanted made that they thought would strengthen and clarify the act. Certainly the issue of being able to go out and proselytise was one of the things they were very keen to have clarified within the act. That is what the bill before us today does.

The consultation with the multifaith leaders, who all supported the outcome of that meeting, did not stop just there but went a lot further. A series of consultations with them about possible amendments began on 21 November 2005. The Department of Justice and the Department for Victorian Communities also consulted with key stakeholders on the proposed amendments. The Equal Opportunity Commission of Victoria and the Victorian Civil and Administrative Tribunal were also consulted on the changes which were wanted and which we were proposing to make. The changes made in this bill are strongly supported by religious leaders.

Mr Strong read from a letter from the Evangelical Alliance. If I am not mistaken Mr Strong portrayed the alliance as being made up of church leaders. It was not made up of church leaders or those who attended the forum with the Premier. They were members of a church, but as I said earlier, members of a church do not always agree just simply because they follow the same faith, so there can be differences of opinion. However, the Premier has met and consulted with the church leaders.

This bill has the strong support of the Christian, Jewish and Islamic communities, who recognise it is an important way of ensuring that Victoria remains a place where racial, religious and cultural differences are respected and valued. This is a very good bill. It deserves the support of all members of this chamber. I commend the bill to the house. I oppose the amendments, and I wish the bill a speedy passage.

Hon. R. H. BOWDEN (South Eastern) — I rise to make my contribution in the debate on the Equal Opportunity and Tolerance Legislation (Amendment) Bill. I begin by suggesting to honourable members that anytime they really want to know why the principal act introduced by the Bracks government is a reprehensible piece of legislation they might care to look at page 1497 onwards of *Hansard* of 14 June 2001, which records my contribution at that time. In that contribution I set out at length why, as a matter of conscience and deliberate decision, I believe the principal act that was passed in that year is absolutely unacceptable to the Australian community and its values, which tens of thousands of our forebears died to establish and protect.

I think this is an awful bill, and I will explain why. It is true that the bill makes some minor changes, and it could be said improvements, to the principal act. That is helpful, but it is tinkering around the edges of the principal act, which is completely unacceptable legislation to this community.

This Racial and Religious Act was passed in 2001. The experience in the community since then is that the act has proven to be divisive, it has proven to be stressful for many genuine and honest citizens and it has proven to be expensive, both for the state and for the individuals concerned. I happen to firmly believe that governments cannot legislate morality and they cannot legislate conscience. In its attempt here to legislate on those matters the Bracks government runs a dangerous risk of combining the church and the state and defining what is acceptable religious debate and what is acceptable religious content. The examples of the Catch the Fire Ministries case and other matters that have been reported to the community since the passing of the principal act in 2001 have absolutely shown that to be true.

As a matter of conscience — I said it in 2001, and I still have not changed my view — I consider clause 19 to be one of the most objectionable and unAustralian aspects of the principal act. Clause 19 concerns who can complain, and among those defined as those who can complain are children. For the first time children can go and make a complaint, and the Equal Opportunity Commission must process that complaint. Without safeguards that legislation is very dangerous, and that one clause alone should set the alarm bells ringing for a lot of people.

Another issue that causes us great concern is the principle of the reverse onus of proof. The principal act passed in 2001 defines the responsibilities under the mechanism of reverse onus of proof. Once a complaint is made and someone is alleged to have committed an act of racial or religious intolerance, under the provisions of the reverse onus of proof criteria they are not considered to be innocent but are considered to be

automatically guilty. This is of very deep concern because it cuts across a fundamental principle of the criminal processes we have had in place for a long, long time. As we saw during the Catch the Fire Ministries case, there was constant reporting, which was divisive and expensive. I do not believe that at the end of the day the community was better off for the prosecution of the Catch the Fire Ministries.

This Bracks government has failed the people of Victoria in many ways through the application of the 2001 principal act. The bill before us today makes some minor improvements to that unacceptable and absolutely reprehensible piece of legislation, but it does not deserve support. In my opinion the principal act should be repealed. As a matter of conscience I cannot support it. There are some very small improvements in this bill, but because it does not change the inherent unacceptable characteristics of the 2001 act, as a matter of conscience I will be voting against it. It is indelibly linked to the principal act.

I will be supporting the amendments proposed by the Liberal Party and The Nationals. I will support both of those sets of amendments, but I will not support this unacceptable, unAustralian and totally reprehensible bill because it is so closely linked to the act passed in June 2001.

The powers given to the Equal Opportunity Commission and the Victorian Civil and Administrative Tribunal are starting to get murkier. Under the this bill we will see more and more prescriptive procedures relating to the definitions of religion and racial intolerance and all sorts of ways in which those procedures can take place. I think the government is starting to go further down a very slippery slope. I say again that this bill cannot be supported because of its very close alignment with the unacceptable 2001 legislation.

We in the state of Victoria have been very fortunate to be recognised around the world as a successful, harmonious and totally successful multicultural community in which for decades people have worked and enjoyed democracy under the Australian and state constitutions. One of the reasons Victoria is outstanding in multicultural experience is that the entire community has over many, many years successfully exhibited a tolerance of others and a willingness to listen to and accept each other's views. We have all been the richer for it as the beneficiaries of those multicultural talents, experiences and qualities that are pooled to give us the great and enjoyable community we have today.

We live in a parliamentary democracy in a nation that is respected around the world for its rule of law and the separation of powers, which work well for our nation and for our state. In 2006 the Bracks government is changing many aspects of the 2001 act, which is starting to become prescriptive. Salaried state employees are defining what is debate and what is comment and what is or is not acceptable. We have a free press, a vigorous democracy, a strong Parliament and the separation of powers, and we do not need the legislative prescription in the principal act. It is unAustralian. That is one of the strongest condemnatory views I could possibly express. I call the principal act unAustralian because it is, and I cannot support it. The amendments in this bill are tiny and the improvements they make are barely visible. That is as unfortunate as was the passage of the principal act on that dreadful day in June 2001.

In conclusion, I will be supporting the Liberal Party amendments; I will be supporting The Nationals' amendments; but I will certainly not be supporting — and I will oppose — the bill because of its close linkage to the awful act that was passed in June 2001.

Hon. H. E. BUCKINGHAM (Koonung) — As I follow the Honourable Ron Bowden, I would like to make some comment on what he has just said. I find it absolutely amazing that he could claim that any law that enshrines tolerance is reprehensible. Governments do legislate on morality, Mr Bowden. Thou shalt not kill — we have laws against murder. Governments also legislate to look after children, and I think it is admirable that children can now go to the Equal Opportunity Commission. Their rights should be enshrined as a first principle.

I love my job. I love the part of it that makes me accountable to the people who voted for me, and I like being part of the democratic process. Over 30 years ago, early in my teaching career, I came across a quote. I know that people sometimes question where this quote comes from, but I have been to the library and to the best of my knowledge it was Voltaire who said:

> I disapprove of what you say, but I will defend to the death your right to say it.

This is a quote that I have held high among my principles. Freedom of speech is one of the most important and basic tenets of democracy. Actually it is more than that; it is about respect for fellow human beings and their rights. Whilst I believe individuals must respect each other's rights, it is also the primary responsibility of governments of all political ilk to protect the rights of everyone they represent. This is not an easy task, but laws are made for the greatest good of

the greatest number, and while people's religious, racial and privacy rights and freedom of speech are always acknowledged, inevitably some laws impinge on some rights at the expense of the greatest good for the greatest number. Freedom of speech is limited, for example, by defamation laws. Any legislation that has an impact on either religious or racial matters by its nature is probably going to be contentious. These types of issues are. We only have to look at the recent unfortunate unrest in Cronulla in New South Wales or the banning of the hijab in France to see examples of this. It is one of the better facts of life that people hold different religious beliefs. This adds to the diversity of life here in Victoria and indeed everywhere, but it is important to note that this legislation is about behaviour, not about beliefs.

I have recently had discussions with and received emails from constituents about this legislation. I would particularly like to acknowledge Mark Sneddon, Ken Langdon and Peter MacPherson from St Alfred's Anglican Church, and Murray Baird from New Hope Church, amongst others. I thank them for their informed and measured contribution to this legislation, and I acknowledge that although most of them endorsed these amendments they would like to see further changes to this legislation. I note also that Archbishop Peter Stasiuk, chairman of the Heads of Churches Committee, does not share these views, nor does the Victorian Council of Churches. This is healthy; this is what happens in a healthy democracy.

The amendments before us today strengthen the Racial and Religious Tolerance Act 2001. They clarify the fact that the meaning of religious purpose is to support the right to engage in robust discussion, as long as it does not vilify others. It strengthens the investigative powers of the Equal Opportunity Commission to encourage the early and effective resolution of disputes prior to a complaint being referred to conciliation. By facilitating the resolution of complaints at the investigative stage, both the number of frivolous complaints lodged for conciliation and complaints referred to the Victorian Civil and Administrative Tribunal will be reduced; that is what this amendment is about. It allows VCAT to conduct racial and religious vilification proceedings on written submissions alone. This will facilitate the earlier resolution of complaints.

As of February 2006, four years after the Racial and Religious Tolerance Act came into operation, a total of only 129 complaints have been lodged with the Equal Opportunity Commission. Of these complaints, 40.2 per cent, or 47, went to conciliation. Of those, 24 were successfully conciliated and 23 were not. The number declined by the commission for being frivolous or lacking substance was 40.3 per cent, or 52. Of the 52 complaints declined by the commission, 20 were referred to VCAT by the complainant. The proposed amendment that requires the complainant to seek leave from VCAT to hear the complaint will apply to such complaints.

I do not believe this legislation prohibits freedom of speech, proselytising, or religious instruction in any way. I acknowledge that some would like to see further amendments and refinements to the current legislation in respect of definition issues and the burden of proof. Like the member for Mitcham in the other place, Tony Robinson, I do not believe these requests are unreasonable, and I am pleased that the Premier has acknowledged that dialogue with church leaders and members will be ongoing.

The Nationals will be proposing an amendment which basically says that it is okay to vilify a person on the basis of religion, but it is not okay to vilify a person on the basis of race. I find it extraordinary that members of the Liberal Party are also supporting this amendment. Vilification is abhorrent. It is designed to degrade and diminish others, and it is equally abhorrent when used in either a racial or a religious sense. The act and the amendments support people's rights to engage in vigorous debate and proselytising, as long as individuals do not vilify or incite hatred towards others on racial or religious grounds.

I would like to finish with another quote, this time from Albert Einstein:

> Laws alone cannot secure freedom of expression; in order that every man present his views without penalty there must be a spirit of tolerance in the entire population.

Yes, in a perfect world we should not need laws. We do need laws. These laws protect people's rights. I commend the bill to the house.

Hon. ANDREA COOTE (Monash) — I have a great deal of concern in a sense in speaking on this bill. This bill, and indeed one of the acts it amends — the Racial and Religious Tolerance Act — challenge the very core of what we as parliamentarians believe. For me personally it poses a dilemma given my very deep-seated conviction about the right to freedom of speech and my abhorrence of vilification of anyone at all on racial or religious grounds. For me these values form the very basis on which we as a society operate. I believe that we have managed it very well in Victoria. No matter how they are ultimately going to vote on this bill, all the previous speakers have acknowledged that here in Victoria we get it right, that we do a very good job of amalgamating a range of issues and concerns. I

think we live in a very harmonious and thankfully peaceful place.

The Racial and Religious Tolerance Bill caused a number of people to reflect on their consciences and look at what they truly believe. It was pleasing in many ways to see the calibre of the debate and the depth to which we as legislators looked at what was a complex and complicated issue. The bill before the house today seeks to amend that act in an attempt to make it better.

In speaking about the original bill I think it is mindful to understand its progress. When it was first put up as a model I do not believe it was something many of us could have supported. There would not have been an opportunity to have a mainly bipartisan or individual approach to the bill if not for the enormous amount of work done in a bipartisan manner by the Minister assisting the Premier on Multicultural Affairs in another place, Mr Pandazopoulos, and the member for Caulfield in another place, Mrs Shardey. The two of them and a former colleague of ours in this house Carlo Furletti did a great deal of work in looking at what the various religious groups wanted and needed. They did a very good job.

At that time Mrs Shardey put up a very powerful, positive and persuasive argument for the Liberal Party supporting the Racial and Religious Tolerance Bill. Members of the chamber would understand that I share the Caulfield electorate with Mrs Shardey. There are many Jewish people in my electorate but 40 per cent of Mrs Shardey's community are of the Jewish faith. She spoke long and hard with them to find out what they felt they needed and wanted from that bill and what their concerns were. She did an excellent job. She knows her electorate well and she was prepared to stand up in our party room at the time the Racial and Religious Tolerance Bill was before the Parliament and put their point of view very powerfully. We were allowed to have a conscience vote at the time, and we have been given a conscience vote on this bill and the amendments it makes to that principal act. I think you could say that once again the members of the Liberal Party have searched their consciences and looked at how this bill will affect them and their constituents — the people they represent and know. The Liberal Party recognises the sensitivity of this issue. As I said, it has made a free vote available to us all. I think that goes to show the nature of politics in this country and indeed in this state. It is important that our legislators are given the benefit of freedom of speech.

I think the Liberal Party got it right on the Racial and Religious Tolerance Bill and I believe we as a party are going to get it right again today. We have individuals who have some major concerns, and we have heard some of them today. I think we fully understand and accept that they have a right to their beliefs. However, it is not until a bill is actually passed into law, becomes an act and is tested in a court of law that we truly begin to understand the intricate details of it and its implications. It is not until it is tested, teased out, looked at by the lawyers and examined in a range of technical ways that we really start to see the implications of it. That is what happened with the principal act we are dealing with today. Many other speakers have spoken about the Catch the Fire Ministries and the process they had to endure as they went to the law. Some of the amendments we are dealing with today reflect the concern many of us have with the way the Racial and Religious Tolerance Act, inadvertently in many instances, has been allowed to be implemented.

As others have said, this bill amends a number of parts of the Racial and Religious Tolerance Act. The main functions of the bill are to strengthen the investigative powers of the Equal Opportunity Commission to enable it to direct a person to attend or produce documents with a view to reducing the number of complaints and facilitating early resolution of complaints, and to clarify the meaning of religious purpose. Currently conduct engaged in for a religious purpose does not contravene the Racial and Religious Tolerance Act. Religious purpose is clarified in the bill to now include but not be limited to conveying, teaching or proselytising — that means converting — a religion. The bill also tightens procedural provisions to enable unmeritorious complaints to be ruled an abuse of process earlier in the proceedings. Where the Equal Opportunity Commission has declined to hear a complaint, leave of the Victorian Civil and Administrative Tribunal must first be obtained and VCAT can determine leave on the papers without submissions or hearing evidence.

My colleague the Honourable Chris Strong went into some detail about the mechanics of this bill. I believe more aspects of the bill will be looked at and put on the record during the committee stage. I think it is appropriate that that happens with this bill because, as I said, it is a particularly important bill for all of us and indeed for Victoria.

Other speakers have spoken about what some of the lobbyists have said. Just to reiterate, the Evangelical Alliance has called for a referendum. It has called for the public to be asked what we as legislators and lawmakers should do and how the laws we are making should reflect what the public wants to know. A referendum has appeal. It would clarify once and for all what the public in this state wants and believes and that is what the Evangelical Alliance has been calling for.

On the other hand the Salt Shakers have a totally different opinion. They have some very different ideas about this bill and the original act. They have suggested we take this to the Legislation Committee. We have seen the Legislation Committee deal recently with the Education and Training Bill and the Disability Bill and the Salt Shakers are calling for the Legislation Committee to have a detailed look at the aspects of this bill. The Honourable Chris Strong read a letter from the Christian Leaders. They would like to see the word 'religion' removed from all aspects of the bill, as per The Nationals' foreshadowed amendments. In addition, many individuals have contacted me and no doubt everybody else in the chamber.

However, the Jewish constituents in Monash Province have a slightly different view on much of this. I would like to clarify this. This is a racial and religious tolerance bill. Members of the Jewish community come from different parts of the world. They come from Russia, Israel, Ethiopia and a range of other places. There are some Russian Jewish people in Monash Province who knew they were Jewish when they came to this country but they did not really know what being Jewish meant. They had 'Jew' stamped in their passports but they had come from Russia and were quite elderly and because of the Russian regime they had not been able to practise their religion. They knew they were Jewish but they did not really know what the customs, traditions and food meant.

I am happy to say they have integrated exceedingly well, and it is very good to see that they have. But they see race and religion as being different. Their religion is quite different to their race, and in this country their religion is very important to them, but it does not necessarily concur with their race as it does in other religions. They are therefore very concerned about anti-Semitism, and would have some major concerns if 'religion' were taken out of this bill. When we debated the original bill in 2001 I explained to the house a number of very distressing and disturbing cases of racial and religious vilification within Monash Province — in fact they were happening not so very far away from here at the Toorak synagogue, and at places in St Kilda and Caulfield as well. I do not want to go on with those again, but it was unacceptable for us as a community and very disturbing to see. I hope the racial and religious aspects of this bill are protected.

In this place we pride ourselves on being legislators and on reflecting the ideals, aspirations, concerns and hopes of our constituents. But we are making laws here that affect people's lives and the shape of the community in which we all live. Fundamentally we all want harmony and peace in Victoria, and as legislators we must always visit, and if necessary revisit, the acts we make in order to get this precious balance right. Although by no means perfect, this bill attempts to address some of the extreme elements in the original bill, and as such I support it.

Hon. J. G. HILTON (Western Port) — I am very pleased to make a contribution on the Equal Opportunity and Tolerance Legislation (Amendment) Bill. As has been mentioned by a number of other speakers, the main purpose of this bill is to finetune the operation of the Racial and Religious Tolerance Act which was passed in 2001. The purpose of that legislation was to provide protection for Victorians against racial and religious vilification. It is important that we have an understanding of what the word 'vilify' means. According to the *Macquarie Dictionary*, it means 'to speak evil of; defame; traduce'. So it is not mild language in the context of a debate; it is extreme language, which I am sure we would find very hurtful if it was addressed to us.

The main amendment in this bill will clarify that proselytising is allowable within the principal act. As I am sure most of us know, proselytising means to promote one's own religion and to try to persuade someone to change his or her religious beliefs and, of course, that is entirely acceptable. This approach was promoted in the very early days of the Christian religion with the instruction, 'Go ye and teach all nations, baptising them in the name of the Father, the Son and the Holy Spirit'. Given we accept proselytising is allowable, in these debates we are asked to consider the effects of this legislation and legislation similar to this on the principles of free speech.

Free speech is obviously something we all hold very dear; it is a symbol of our democracy. Other members have referred to attending citizenship ceremonies, and I certainly attend as many as I can in Western Port Province. The freedom of speech, the freedom of being able to associate with other people and the freedom to worship in whatever ways one feels is appropriate are certainly freedoms which are regularly mentioned as one of the privileges of living in an Australian democracy. Many people who attend the citizenship ceremonies that I go to have not previously had those privileges. However, with all freedoms come responsibilities. One does not have an absolute freedom to say whatever one likes in whatever circumstances one chooses. The example I always think is quite powerful is that one does not have the freedom to shout 'fire' in a crowded theatre.

I believe the fundamentals of speech, association and worship should only be limited in very specific

circumstances. As I said, freedom of speech is absolutely essential to the functioning of a truly democratic society. This freedom of speech and its importance is very well stated in a quotation which was previously referred to by my friend Mrs Buckingham and which the *Oxford Dictionary of Quotations* says is wrongly attributed to Voltaire:

> I disapprove of what you say, but I will defend to the death your right to say it.

However, these rights of freedom of speech are not absolute. In an egalitarian society we cannot allow a statement to be made which vilifies other people, incites hatred and possible violence against people because they are black, Muslim, or any other ethnic and racial group. The case of the Catch the Fire Ministries has been quoted in this debate, and I have in front of me a transcript from the decision made by Judge Higgins, vice-president of VCAT. He said:

> Pastor Scot, throughout the seminar, made fun of Muslim beliefs and conduct. It was done, not in the context of a serious discussion of Muslims' religious beliefs; it was presented in a way which is essentially hostile, demeaning and derogatory of all Muslim people, their god, Allah, the prophet Mohammed and in general Muslim religious beliefs and practices.

He went on to say:

> Pastor Scot, during the course of the seminar, made statements —
>
> … that the Qur'an promotes violence, killing and looting;
>
> … that it treats women badly; they are to be treated like a field to plough, 'use her as you wish' …
>
> … that domestic violence in general is encouraged;
>
> … that Muslims are liars;
>
> … that Allah is not merciful …
>
> … that Muslims are demons —

and I could go on. That is not proselytisation; it is vilification, and that is what this bill is all about. It outlaws vilification.

The Honourable Peter Hall said that one cannot mandate for goodwill, and that is absolutely true. But we are not mandating for goodwill; we are mandating against ill will. If we substituted for the word 'Muslim' the word 'Christian', 'Catholic', 'Protestant', 'Jewish' or any other faith and put it in the context of what was said, we would say that those comments were totally unacceptable, and it was those comments that were deemed to be against the legislation contained in the principal act.

We do not have a totally clean record in this regard in Australia. Most of us would remember the soccer matches in the early 1980s when various ethnic groups tended to resort to violence during the game, and certainly that held back the development of soccer in Victoria for many years.

So, as they say, words are bullets, and we have to be very careful what words we use. We cannot allow words to be used in a way that can incite hatred and possibly lead to violence. Through history there have been many examples of religious conflicts. We can look at the Hindu-Muslim conflicts on the partition of India, and in more recent times, I suppose, in Northern Ireland between the Catholics and Protestants, although that tended to be a political conflict under the guise of a religious conflict.

I would like to discuss briefly the amendment that has been proposed by The Nationals. As Mrs Buckingham has rightly said, the essential effect of this amendment, if passed, would be that a person would be able to be vilified on the basis of their religion but not on the basis of their race. What happens if the person is, say, a Turkish Muslim? He or she could be vilified because they are a Muslim but not because they are Turkish. Surely that cannot be the intention of that amendment, but that would be the result. I see absolutely no logic in that amendment.

In Australia we have one of the most wonderful examples of a society which has incorporated people of many different nations. Certainly as a migrant I am very pleased to be part of that society. At some of the citizenship ceremonies I go to there are people from over 40 countries — different faiths and different nationalities. This is part of our culture. We are a welcoming society, but we must ensure that everyone is able to feel welcome and that they cannot be vilified because they happen to be of a particular minority grouping, whether that is by religion or race.

This is excellent legislation. It finetunes an act which is a very valuable piece of legislation in our society. I have great pleasure in commending the bill to the house.

Hon. BILL FORWOOD (Templestowe) — Let me start by commending Mr Hilton on his contribution. I agree with absolutely everything he said. It was a very measured and considered contribution. I supported the original legislation in 2001, and I continue to support the legislation in 2006. It is sensible that the government has brought its amendments to this place today, particularly the part 3 amendments to the Racial

and Religious Tolerance Act 2001, including the addition of the clarifying words:

> (2) For the purpose of sub-section (1)(b)(i), a religious purpose includes, but is not limited to, conveying or teaching a religion or proselytising.

This is a sensible addition. I recollect that at the time there was an understanding — I presume that is not too strong a word — that there would not be much prosecution under the act. There has been only one high-profile case, which was mentioned earlier. I accept what Mr Hilton said — that is, that it seems very difficult to separate racial vilification from religious vilification. His example of Turkish Muslims was entirely appropriate. So there is some need for some clarity, and I am sorry the government did not accept the addition of the word 'defending' as proposed by the Liberal Party's amendment so that the insertion under clause 9 of part 3 would read:

> (2) For the purpose of sub-section (1)(b)(i), a religious purpose includes, but is not limited to, conveying, defending or teaching a religion or proselytising.

It seems to me that that is a sensible amendment and should have been accepted by the government, and I do not know why it did not accept it. I indicate that I will be supporting the government, I will be supporting the Liberal Party's amendment, and I will be opposing The Nationals' amendment.

I understand that some people feel it is difficult for them to convey their religion in a way that will not be seen as vilifying someone else's religion, but, again, I accept the words of Mr Hilton — I will paraphrase — that you need to be able to do these things in a way that does not cause harm to others.

It is sad to think that we need this sort of legislation. I accept that there are some people who believe the criminal remedies that existed prior to the passing of the 2001 act were sufficient, but I believed the legislation was appropriate at the time. I believe it is still appropriate. It is incumbent on all of us to ensure that people in our community do not vilify each other or find reasons to undertake that sort of behaviour. It was not all that long ago that we had to deal with the spectre of Hansonism. There were many of us in this place who stood up and spoke vigorously against that particular brand of what I do not want to deign to be, but I suppose I could say is, xenophobia. We need to recognise that in our society there are some people who hold such views and who are prepared to go around and spout attitudes which cause great harm to other people. It is incumbent on the legislature to ensure in the best way possible that there are protections for people in those circumstances.

As I said, I fully supported the original bill then, and I still do. I support the government's amendment. I think our amendment to that amendment would improve it, but I do not think that it is appropriate for me, given my views, to accept The Nationals' decision to move an amendment to remove the word 'religious'. I am sorry that I was not here at the time to hear the reasons they gave, because I was in a meeting of the Standing Orders Committee. As honourable members know, the only speech I have heard so far has been Mr Hilton's speech, so I am not in a position to comment in detail on the debate that has gone before. However, I think that if you are going to do something different from the way your party in general will behave, you ought to explain it. I hope I have done that.

Mr SCHEFFER (Monash) — The purpose of the Racial and Religious Tolerance Act, the original act, was to protect Victorians from extreme cases of vilification — that is, from public behaviour that incites hatred against individuals or groups because of their race or religion. The act dates from 2001, and now, after five years of operation and in the light of experience, it is timely to make some improvements and clarifications to it.

The amendments involve spelling out the meaning of 'religious purpose' to include teaching, conveying and proselytising of a religion. As we know, in August 2005 Justice Stuart Morris dismissed a lawsuit launched by convicted sex offender and self-proclaimed witch, Robin Fletcher, who claimed that the Salvation Army's Alpha Christianity course that was offered in prisons discriminated against him because of his religion, which was Wiccan witchcraft.

Justice Morris dismissed the claim because the issue had nothing to do with religious vilification and recommended that the Racial and Religious Vilification Act should be amended to limit people's right to launch a lawsuit. Extending the meaning of 'religious purpose' to include teaching, conveying or proselytising of a religion legitimises these practices as part of genuine religion that should be conducted within the bounds of what is reasonable.

The bill also strengthens the investigatory powers of the Equal Opportunity Commission Victoria. The effect of this will be that frivolous complaints can be identified early in the process — at the investigation stage — so that they do not unnecessarily take up time at the Victorian Civil and Administrative Tribunal. Under the current act VCAT can decide to hear a complaint even

if the Equal Opportunity Commission Victoria decides not to conciliate the complaint because for one reason or another it lacks merit or substance.

Justice Morris recommended that when the commission has decided not to refer a complaint to VCAT, the person making the complaint should be required to first seek leave from VCAT prior to any consideration of the complaint. He recommended that VCAT should decide whether to hear a complaint on the basis of documentary evidence alone except in circumstances where the tribunal decides that it needs to listen to and question the complainant directly.

The amendments made to the act are in response to Justice Morris's recommendations, and they apply only to complaints in relation to racial or religious vilification or to sexual harassment cases that have already been considered by the Equal Opportunity Commission Victoria.

In the debate that has surrounded the application of the Racial and Religious Tolerance Act since 2001 there has been some confusion as to what the purpose of the legislation really is. The act deals with behaviour that incites hatred, serious contempt, revulsion and severe ridicule of others because of their race and religion. There is a difference between causing offence and vilification. We are not talking about behaviour that challenges people's beliefs or even causes them to feel offended or upset because of what someone has said to them or about them. People can hold and responsibly express whatever opinions they wish.

The provisions of the legislation are concerned with the shift where the expression of an opinion turns into actively encouraging or promoting people to hate others because of their religion or race. The equal opportunity commissioner, Dr Helen Szoke, was quoted in the Adelaide *Advertiser* in February this year in relation to the controversy over the Danish newspaper cartoons as saying that in general racially stereotyped remarks, blasphemy and racist and religious jokes are not likely to be considered vilification, even though they may be offensive to some people.

I have received correspondence and emails from a small number of residents of Monash Province and from one local religious leader expressing their concern over the act and the amendments before the house. I am grateful for their having written to me, and their words have made me think more carefully about this legislation. They are concerned that the act places the onus on the person who represents their religious beliefs in public to prove that they are acting reasonably and in good faith if they say anything critical about other religions. The concern is that concepts such as 'reasonableness' and 'in good faith' are fairly well tested when considered in the context of freedom of speech as applied to journalists and academics but are untested and nebulous when extended to religious expression. In particular I thank Dr Mark Durie of St Mary's Anglican Church, whose genuinely held views on this matter I considered very carefully.

I have looked at the criticisms, including those contained in the statement from church leaders to the Premier that I think was sent to all MPs, but I am not persuaded that the act and the amendments are about freedom of religion. The act is concerned with freedom of expression, not freedom of religion. I do not see that the test for hate speech should be different if the content is religious in nature. The community should have some control over unacceptable behaviour whether or not it is motivated by racial and religious concerns.

I was impressed with the opinion piece by Daniel Aghion, a member of the Jewish Community Council of Victoria, which appeared in the *Age* at the time the principal legislation was introduced into the Legislative Assembly. I know that Mr Aghion's views are consistent with the views of many members of the Jewish, Christian and other faith communities in Monash Province. I think the legislation has general support because people understand that in a democracy certain constraints must be placed on expression and that there should be no exemption for statements motivated by religion. I quote from the article. It states:

> The amendments follow a multifaith forum convened in September 2005, attended by many religious groups.
>
> Representatives of the Jewish community attended that forum …
>
> The legislation and the amendments have the support of the Victorian Council of Churches. They have the support of the Islamic Council of Victoria. They also have the support of the Jewish Community Council of Victoria.

The act and the amendments cannot get better endorsement than that. The article continues:

> Those who attack the Racial and Religious Tolerance Act would like to see the notion of incitement restricted to physical harm. Words alone, no matter how evil, should be protected from action, they say.
>
> We in the Jewish community know only too well the dangers that words can do. Words are powerful tools of incitement that can be used as the precursors to action.
>
> The Nazi party started with rallies, marches and propaganda. These swept up a nation in their hateful rhetoric with disastrous results for the Jewish people, and for all of humanity.

…

> The legislation is an important step in promoting tolerance of others, and cross-cultural understanding. It deserves the support of the major political parties, and of the entire Victorian community.

There is a long history of states legislating in matters of religion and standing between opposing forces in the interests of public order, and the present legislation has become necessary because of the very great changes that are under way in Australian society. The religious landscape has changed to such an extent that every Australian city now boasts mosques, Buddhist, Hindu and Baha'i temples, as well as synagogues and Christian churches of all denominations. I think there are seven Hindu temples in Melbourne, including one in South Melbourne, which is in Monash Province, and I have counted about 50 mosques, two of which are in Monash Province. There are about 100 Buddhist temples and meditation centres that I could find. Seven of them are in Monash Province, but they are all over Victoria. There are about 40 synagogues in Melbourne, many of which are in Monash Province and in nearby areas where the Jewish community is concentrated. I did not have time to check all the varieties of Christian churches, but there are very many of them.

The point I am making is that Victoria and Melbourne are very different places from what they were even 30 years ago. The members of all these faith communities encounter each other in the streets and neighbourhoods of our cities, towns and regions every day in workplaces, schools, libraries, sporting clubs and health centres — in the whole gamut of groups and institutions in the community. They are all Australian citizens or residents, and all have a right to expect the security and respect which members of a civilised community must provide to each other and which governments have a big responsibility to coordinate and support.

A fundamental general issue of our times is negotiating difference, and the Racial and Religious Tolerance Act and the amendments we are debating today are concerned with how religious and racial difference is both contested and respected. Not everything that people do under the guise of religion or culture is good, and as citizens of a democracy it is our duty to contest and place under scrutiny our own beliefs and practices as well as the beliefs and practices of our fellow citizens. The Racial and Religious Tolerance Act seeks to set some limits to the kinds of statements that people can reasonably make and also to establish structures that can adjudicate the contest over where those limits should be set and why. The Racial and Religious Tolerance Act and the amendments we are considering today are both a response to the kind of world we find ourselves in and a device that will assist us to negotiate that world more justly. The contemporary world is characterised by the interpenetration of different religions within the spaces of our cities and neighbourhoods. Communities such as mine in Monash Province are patterned with the strands and textures of a variety of different religious traditions and cultures, and we actively negotiate the environment in which we live together.

It was not always so. Like many other nations, Australia has a history of exclusion as well as inclusion. We need only think of this country's treatment of the Aboriginal people, the Solomon and Torres Strait Islanders and people from New Guinea who were pressed into labour, the Chinese, Jews, Muslims and Sikhs, not to mention the Catholics, who until the 1960s were not fully included in hegemonic or so-called legitimate Australian society. Religious freedom and the multiculturalism that followed are the products of the vision, legislative reform and conscious cultural change that has been repeatedly proposed and contested in Australian society.

I believe that the Equal Opportunity and Tolerance Legislation (Amendment) Bill will advance our capacity to better and more actively engage with each other, because it is bold enough to set some rules for the terms of that engagement. We have to move beyond mere tolerance to better understand each other's religions. This legislation will facilitate that understanding through requiring a stronger sense of the viewpoint and sensitivities of other religious persuasions. I commend this bill to the house.

Hon. B. N. ATKINSON (Koonung) — I will be opposing this legislation and will join The Nationals in their position. I will, however, be supporting the amendments of The Nationals and the Liberal Party, believing that the adoption of those amendments would improve the legislation. In the prospect that my substantive position were not to prevail, those amendments would certainly provide some comfort to people who have expressed concerns about the operation of the legislation. My position now is consistent with the position I took when the legislation came before the house previously, when I opposed it and voted against it. I have a view that this type of legislation becomes the refuge of villains. People sometimes use this type of legislation for vexatious purposes and sometimes for vindictive purposes, but very often people use it for purposes that are not consistent with the goodwill displayed by the many members of Parliament and the community who have

supported it and attempted to present a logical case in support of it.

The contribution of the Honourable Chris Strong was a remarkably good speech. I note that he may well vote differently from me in the treatment of this legislation. There will no doubt be a very complex set of votes on this legislation, but the reality is that he expressed many of the concerns that I would have expressed about the fact that this legislation is on the statute book at all. I recall that when the Racial and Religious Tolerance Act last came before Parliament I mentioned that I saw there would be problems with proceedings brought under this legislation. The Honourable Peter Hall has referred to some of the comments The Nationals made at the time, and the position of The Nationals has been vindicated by matters that have been brought before the Victorian Civil and Administrative Tribunal under the legislation. I too can claim that I foresaw that those sorts of issues would arise with the legislation. The very people who perhaps saw this legislation as an opportunity to address what they perceived as harassment and vilification may not have gained what they sought.

I understand some of the definitions that have been applied by members in this debate and the seriousness with which they believe some of these matters are being pursued by certain individuals in the community. I recognise that they are genuine concerns, but I have the view that this bill does not advance the position at all. In fact it is retrograde legislation. A point was made by one of the speakers earlier in the debate — I cannot recall whom — that the very fact this legislation is on the statute books suggests we have a major problem.

I personally do not believe we have a major problem. I do not believe there is that level of division within the community. In fact I believe this legislation is a tool to create greater division in the community. I have consulted with many people with regard to this legislation, and many people have made representations to me. I have not accepted all of the comments they have put to me. I have had a number of people from Christian lobby groups who have been fierce about what the Koran contains. They have suggested all kinds of literal interpretations of what the Koran says as a foundation of the Islamic religion.

I have been quick to point out to them that if you took some literal translations of the Bible, which is the fundamental basis of the Christian belief, you would be in similar strife, because there is exactly the same sort of inciting of behaviour that we would not tolerate in a civilisation today. One of the interesting things is that the religions have moved on. Their interpretation of historical texts is clearly very different today from the views of those who lived thousands of years ago. We need to bring some sort of sense to the debate.

I have had the opportunity of meeting, working and socialising with people of many different faiths. I have been inspired and encouraged by those people and the contribution they make to this state. I do not believe they need to resort to this legislation. I do not believe this legislation really tackles the issues. As I said, in my view this sort of legislation becomes the refuge of villains.

I am also particularly concerned about the prospect that the Equal Opportunity Commission's powers will be substantially increased by this legislation, and note that those powers will allow it to investigate complaints in business and industry as much as to investigate the sorts of complaints that are the subject of this debate today in terms of religious and racial vilification issues. The powers that the legislation seeks to confer on the Equal Opportunity Commission to pursue inquiries and investigations, and to require evidence in regard to racial and religious vilification matters, are unfettered powers when it comes to its existing charter or workload. Therefore I see a potential for the Equal Opportunity Commission to use this legislation as a Trojan Horse to tackle a lot of issues and to expand its purview in terms of business disputes and matters that it might want to pursue for its own agenda rather than issues that have merit. In that sense its ability, conferred under these legislative amendments before the house today, to increase its investigative and discovery powers are matters of considerable concern to me.

One of the things that characterised the last debate, and also this debate, is the lack of personal attacks in this house and the other house. Basically people on all sides of this debate are genuine in their approach to this debate. I do not think there is a single person in this chamber or the other chamber, and certainly amongst most of those people who presented to me and discussed these issues, who support people who vilify, harass and unfairly seek to bully other people in the community, to disparage their beliefs or to make it difficult for them to pursue their rights within the community.

Everybody realises this society needs to have a mature view of people's rights and responsibilities. All of us need to recognise that religious freedom is a very important freedom, because religious freedom goes to the core of what we are as human beings; it relates to both our belief and value systems. It has always impressed me that when you break them down each of the major religions of the world have very similar value

and belief systems. Many of their values in terms of how societies ought to be structured are similar. We need to understand that there is a lot more to the common position than there is to the difference position. Many of the major churches understand that, and I know that there are many interfaith organisations that are active in the communities. I have attended a number of functions and believe they are very important.

I note in the context of this debate that a number of people have contacted two of my parliamentary colleagues representing the eastern suburbs, Mrs Buckingham from this place and the member for Mitcham in the other place, Tony Robinson. I note that the issues raised with them, which have been covered particularly by Mr Strong, Mr Hall and Mr Bowden in this debate, were significant matters. They are probably summed up by saying there is a major concern in the Christian community about this legislation. Certainly I have had that from, if you like, the traditional churches as well as the evangelical churches and many Christians who are not necessarily regular churchgoers but who are simply concerned about the impact of this legislation on their faith and on other people. I have also had discussions with some people from the Islamic faith who have some concerns about the legislation and believe it could be used to pursue them as well. There is not necessarily a position in this particular debate where whole churches are saying, 'Look, we need the protection of this legislation'.

There is concern in a number of churches that if they go about their business and their teachings — and reasonably go about their teachings — they may well end up having to justify their comments, their views, the meetings they conduct and the discussions they have before a secular tribunal that is perhaps not prepared to take into account the importance of the fundamental beliefs of those people. I am concerned about some of the issues that have been raised in the community. One concerning the witch who sought to take advantage of current legislation to prosecute their cause was outrageous. This legislation goes to that very matter, and to that extent it is an improvement on what we have now. Without a doubt this legislation continues to cause me concern, and it is legislation that I do not believe we need on the statute book.

I believe we have a vigorous, robust and fair democracy. I believe the importance of free speech needs to be maintained. Too often this type of legislation is used by certain elements in the community to try and fetter that free speech and the other rights that people have. While they might not succeed, while organisations like the Victorian Civil and Administrative Tribunal might well find against those individuals or those organisations, the reality is that defending the legitimate position of people who are brought into those cases is a very serious matter. It can cost them a great deal of money, but more importantly it can drag their reputations, their families, their friends and their beliefs through a court of public opinion, public ridicule and public humiliation despite the fact that at the end of the day they might well be vindicated. We do not need that sort of process pursued here under the governance of this legislation.

Hon. RICHARD DALLA-RIVA (East Yarra) — I also rise to make a very brief contribution on the amendment before the house. Like the former speaker, the Honourable Bruce Atkinson, I will be taking the same path: I will be supporting The Nationals' amendment and the Liberal Party's amendment but I will not be supporting the government's amendment as it stands.

I am doing that for a number of reasons. I was not around in 2001 to make my contribution in this chamber. The Liberal Party, being a party of choice and opportunity, allows us a free vote on this particular matter, and I am taking that opportunity tonight to express my views on this matter.

I am perplexed by the fact that the bill actually cuts across some of the federal constitution, which in my view is the foundation and the cornerstone of this country. Without doubt large numbers of languages and nationalities have operated effectively in this state for well over 150 years without the need for any legislative framework. It is interesting that the legislative framework continues to be imposed on the lives of everyday ordinary Victorians. It is interesting also that section 116 of the federal constitution is specific in ensuring that there was no law. Section 116 of the Australian Constitution states:

> The commonwealth shall not make any law for establishing any religion or for imposing any religious observance, or for prohibiting the free exercise of any religion, and no religious test shall be required as a qualification for any office or public trust under the commonwealth.

The section prohibits the commonwealth from doing a range of things. A couple I noted were that it may not make a law for establishing a religion, make a law for imposing a religious observance or make a law for prohibiting the free exercise of any religion.

In my view, as I said, the Australian constitution is the foundation and cornerstone of a democratic and right society. I think the error we are heading towards is to impose laws that allow opportunities not for the

ordinary person in Victoria but for some of those groups that I would class as nutters in the broadest sense to apply that legislation. To be honest, I think some of those groups would be dismissed by the community as being irrelevant.

It is interesting to note the derogatory, unfair words that were raised in relation to the Catch the Fire Ministries group. I quote from an editorial in the *Age* of Wednesday, 22 June 2005: Essentially it said that event:

> … transformed an unknown organisation into martyrs with an international platform.

That is essentially what happened. That would not have been an issue for anyone else because as far as people in the broader community were concerned, it would have been perceived as a break-away group that made irrelevant and nonsensical comments. But what ended up happening was that it became a significant issue and a real test for the bill we are debating.

It should not have got a mention anywhere, but the history of that particular case is that it went far and wide right across all newspapers, media and the like, and gained notoriety for an issue which in the true world would have been a non-event, given the comments that were made. What happened, as was rightly pointed out in the *Age*, was that they became martyrs to a broader issue. I do not think that was the intention of the bill, and I do not think the amendment before the house goes any way towards correcting the overarching concerns that I have.

There can be no doubt if you examine some of the events, and I refer once more to the *Age* of 22 June 2005, which mentions some of the people who had made applications in relation to religious complaints, and those applications then went to VCAT. There were only five, and I will read out the details of some of them.

Robin Fletcher is that sick paedophile who is locked up at Ararat. He claims he is a witch and says he believes he has the right to practise the Alpha religious course in jail, which amounts to witchcraft. He has been denied that right and therefore under this piece of legislation he has taken the matter to VCAT. It is total madness. I know the legislation goes towards it, but it is interesting that the legislation allows vilification and religious issues to be brought to VCAT — yet the only people who have brought issues to VCAT have been the nutters.

Another case in the *Age* of 22 June 2005 involved the Ordo Templi Orientis group. Aaccording to the report the group complained about a child psychologist who was the founder of the Child Sexual Abuse Prevention Program:

> … because an article on the Internet connected their organisation with satanic ritual abuse …

Does this law allow for that to occur? It is just total madness at the outset that the legislation would include this occult group, whose:

> … beliefs … include eating flesh, child sacrifice, murder, torture and 'uninhibited "love" without restraint' …

This is just cuckoo land stuff. This legislation would allow for these types of practices, the subject of complaints, to occur.

A further case was that of Rob Wilson and Olivia Watts. A transgender witch, Olivia Watts, complained that:

> Casey councillor Rob Wilson vilified her in a 2003 press release.

If Olivia was a witch, she should have got on her broomstick and flown away. I do not see any justification for wasting taxpayers money at VCAT on a case like that. It is plain stupidity. The examples go on and on, and I think they show where the legislation has brought us.

Honourable members interjecting.

Hon. RICHARD DALLA-RIVA — I do not think we need to hold back on witches, as things are.

It is quite clear that the principal act needs to have a lot of work done on it. In the overall scheme of things, I support the amendments circulated by The Nationals and the Liberal Party, but I will not support the government's amendments to the legislation.

Hon. A. P. OLEXANDER (Silvan) — I join the debate this evening to support the proposed legislation. I very strongly supported the original legislation in 2001, and I was extremely pleased to see its advent at that time. I can remember the debate that took place then — which, I might say, was probably of a much higher standard than the one we are hearing in the chamber tonight.

At the time I was a member of the parliamentary Liberal Party, and at that time some people within that party strongly opposed the original legislation; it seems that their opposition extends to this day. I will have more to say about that opposition a little later in my contribution.

I will not be supporting The Nationals' amendments, because I believe they unacceptably water down the intention of the legislation. For the life of me I cannot understand why The Nationals believe there should be sanctions against racial vilification in particular but not against religious vilification in this context. So, as I said, I will not be supporting The Nationals' amendments because I believe vilification of either a religious or racial nature is abhorrent and should be opposed in a civilised and democratic society — one which, I hope, Victoria continues to be.

At the outset I say that this type of legislation does not have as its intention, outcome or effect the harming or quashing of the right to freedom of speech or freedom of religion. In fact I see this type of legislation as strengthening the right to freedom of speech and freedom of religion. However, there are certain behaviours that, in a democratic society, should not be tolerated. The incitement of hatred, the defaming of groups based on their religion or race, the incitement of violence and the incitement to ridicule have no place in a modern and civilised democratic discourse.

Those members who rise in this place and oppose this and similar legislation, using the cloak of freedom of speech, do themselves and their position a great disservice. They also do this community a great disservice if they believe for a second that freedom of speech should allow that type of incitement — the incitement to hate, to ridicule, to defame, or otherwise denigrate — to be a legitimate part of our democratic discourse in this state and in this country. That is clearly not the case. That type of vilification and incitement is harmful. It is harmful to individuals, to groups and to the harmony that opponents of this legislation say they seek to protect and defend. I think they do themselves a great disservice in their opposition to this legislation.

I wonder how many members of the parliamentary Liberal Party will exercise their conscience vote and support this legislation at the end of this debate. I am hoping that a large majority of them do, and that they do not hold issues of electoral consequence as the most important issues when they vote on this legislation. This legislation upholds a very important principle — that in a democracy and in a civilised discourse there is no place for certain types of hatred, incitement and defamation.

I note that the bill strengthens the investigative powers of the Equal Opportunity Commission to encourage the early and effective resolution of disputes, which is a very positive step in the operation of the Equal Opportunity Commission and the legislation. The bill clarifies the meaning of 'a religious purpose' so that it supports the right to engage in robust discussion as long as that does not vilify others — and robust discussion, if it is intelligent and measured, should never vilify others.

The bill introduces a leave requirement and allows the tribunal the discretion to hear the leave application on the basis of documents, or in other words without oral submissions, witnesses and legal representatives. That in itself will help to facilitate the earlier resolution of racial and religious vilification complaints. And it also reduces the risk of costly and unnecessary hearings.

The house has heard tonight from some members of the opposition who oppose this legislation and use, as one of their arguments, that frivolous complaints are brought. I am not exactly sure what members of the opposition are trying to do in raising that particular argument. Are they arguing that people should not have recourse to raise a complaint at all, or are they arguing that they are opposing this legislation on the basis that there would still be in some cases frivolous complaints? This legislation actually goes to the reduction and works to reduce frivolous complaints. I would have thought that if that was their argument, then the logical thing to do would be to support this legislation. Unfortunately they have chosen not to do so, and that in itself is of enormous concern.

I would like to turn to the case which really has sparked much of this discussion and much of the opposition to the Racial and Religious Tolerance Act per se. At least one of the cases revolves around the Catch the Fire Ministries and the Islamic community in Victoria. I think it is important for members to reflect on what exactly was said and what was promoted by the Catch the Fire Ministries, which can reasonably be described as a fundamentalist group or a group with some very extremist views and values. I think it is important for members to reflect on what it actually said which led to the ruling against it, using this legislation.

The group did say, as Mr Hilton referred to earlier in this debate, that the Koran promotes violence, killing and looting; that it treats women badly — that 'they are there to be treated like a field to plough, "use her as you wish"'. Further, that in Hadith Bukhari, woman, dog and donkey are of equal value; that domestic violence in general is encouraged; that Muslim people are liars; that Allah is not merciful; that a thief's hand is cut off for stealing; and that Muslims are demons. These statements, in my view, are incredibly offensive to any reasonable observer. I am not a Muslim Australian, but I am offended that a group could vilify another group of Australians and preach such hatred against them.

It seems that this group of people does not even accept that Muslims are legitimate members of the Australian community. It said that Muslims operate a silent six jihad, which is the use of business connections, using money to induce people to convert to Islam and the training of Muslims in madrassahs. It stated that there are millions of people right now under training in these schools, implying a threat to Australia. That is what these people were saying and teaching. They said that Muslims have plans to overrun Western democracies by the use of violence and terror and to replace those democracies with oppressive regimes; that people study for six to seven years and become true Muslims — we call them terrorists but they are true Muslims; that they have read and understood the Koran and they are now practising it; and that is the connection between the Koran and terrorism.

These statements are not reasonable in the discourse of religious free speech. These are defamatory statements. They are false statements. They incite hatred and they incite fear. This legislation seeks to prevent exactly that — the behaviour of inciting this type of hatred and fear — and it should be supported by every member of this chamber.

Catch the Fire Ministries also said that Muslims intend to take over Australia and declare it an Islamic nation, and that Muslim people have to fight Christians and Jews — humiliate them and fight them until they accept the Muslim religion. It also said that the number of Muslims in Australia is increasing at a substantial rate, and that they have influence or control over the migration of people to Australia. Figures quoted are wrong. It was said that the figures were produced by the bureau — implying the Australian Bureau of Statistics, whereas the figures came from a different source. It was also said that numbers were increasing at a substantial rate. That was also incorrect.

In short, Catch the Fire Ministries should have been prosecuted under this legislation because the incitement to hate, to ridicule and to create fear was manifest in what it was saying — in its claims, statements and falsehoods — and that may have had, and probably did have in many cases, very bad consequences for many Muslim Australians. Muslim Australians are a valuable part of this community and do not deserve to be defamed and vilified in the way that they were.

But you do not have to be a Muslim Australian to hold that view. If these statements were made about any religious group in Australia or Victoria, the argument would be the same — that is, they would be unacceptable because they incite to hate, they incite in a very unacceptable way and they are not about freedom of speech. If the same things were said about people who do not have a religion and who are committed atheists, the argument would be exactly the same — they would be vilified as a group and as a class, and this should not be allowed to occur without sanction in our society.

We have laws which govern defamation issues for individuals. We should also have laws which govern the same defamation issues and vilification issues for groups of people, whether they be religious, racial or otherwise. I am concerned that the cloak of freedom of speech is used by some members of the Victorian Liberal Party to perpetuate opposition to what is a very sensible and very valuable piece of legislation. I am concerned that the number of those people within the Victorian Liberal Party does not grow, because if it does I fear for the future of these sorts of legislative protections if it ever achieves government.

I wonder how long it would take those people to use their significant influence within their political party to bring about a change and a watering down or even a repeal of legislation like this. I hope we never see that; I hope that liberal values reassert themselves. Those members who are opposing this legislation should think very carefully about the importance of standing up for a principle as opposed to the importance of pandering to extremist and fundamentalist elements in their electorates.

House divided on motion:

Ayes, 35

Argondizzo, Ms	Madden, Mr
Brideson, Mr	Mikakos, Ms
Broad, Ms	Mitchell, Mr
Buckingham, Mrs	Nguyen, Mr
Carbines, Ms	Olexander, Mr
Coote, Mrs	Pullen, Mr
Darveniza, Ms	Rich-Phillips, Mr
Davis, Mr D. McL.	Romanes, Ms
Davis, Mr P. R.	Scheffer, Mr
Eren, Mr	Smith, Mr
Forwood, Mr	Somyurek, Mr (*Teller*)
Hilton, Mr	Stoney, Mr
Hirsh, Ms	Strong, Mr
Jennings, Mr	Theophanous, Mr
Koch, Mr	Thomson, Ms
Lenders, Mr	Viney, Mr
Lovell, Ms	Vogels, Mr
McQuilten, Mr (*Teller*)	

Noes, 8

Atkinson, Mr	Dalla-Riva, Mr
Baxter, Mr	Drum, Mr
Bishop, Mr (*Teller*)	Hadden, Ms
Bowden, Mr (*Teller*)	Hall, Mr

Motion agreed to.

Read second time.

Committed.

Committee

Clause 1 agreed to.

Clause 2

The CHAIR — Order! I ask the Honourable Peter Hall to move his amendment 1 as a test for his amendments 2 to 8, which are all related to references to religion in the legislation. As such, Mr Hall is able to speak to all his amendments, including proposed new clauses.

Hon. P. R. HALL (Gippsland) — I move:

1. Clause 2, line 2, omit "7, 10(3)" and insert "6(3), 7, 9, 10(3), 12".

I have eight amendments standing in my name. They all relate to one particular area, and that is the principle I am testing here: the removal of all references to religious vilification in the Racial and Religious Tolerance Act 2001. I intend to quickly point out to members what each of these amendments actually does and then briefly recap on a couple of the comments that were made during the second-reading debate. I want to respond to some of the points made by other members and again put forward the arguments for accepting these amendments.

Amendments 1, 2, 3 and 4 amend the bill before us tonight. Amendment 1 is simply a consequence of later amendments which require renumbering of some of the provisions in clause 2. Amendment 2 to clause 5 omits the words 'and Religious'. Amendment 3 changes the heading to clause 6 because we need a heading of a more general nature to describe more accurately the amendments I am proposing. Amendment 4 deletes a term in clause 6 of this amending bill. Amendment 5 to clause 6 deletes references to religious vilification from sections of the Equal Opportunity Act 1995. Amendment 6 omits clause 9, which lists exceptions; that clause is no longer necessary because of our earlier amendment to delete the reference to religious tolerance. Amendments 7 and 8 substitute new clauses into the Racial and Religious Tolerance Act to delete all terms relating to religious vilification. That is a quick explanation of my amendments, but if any member has a question I am happy to explain exactly what any of those eight amendments means.

I want to respond to a couple of comments made by other members during the course of the debate. One of the members suggested that we were being illogical or inconsistent in dropping references to religious vilification, and some members suggested that The Nationals were saying it is okay to vilify someone on religious grounds. Let me say very clearly that nothing could be further from the truth. Had those members listened to the comments made during my contribution to the second-reading debate, they would have heard me say that I abhor vilification in all of its forms. The point of difference I have is how we best respond to that and whether legislation is the right, most appropriate and most effective way of dealing with religious vilification. For some of the arguments I outlined we have come to the view that it is not.

I also made the comment that our views are shared by other legislatures in Australia and around the world, and for the purposes of presenting that view again I want to quickly run through what sort of legislation other states of Australia have in respect of these matters.

New South Wales prohibits vilification on the grounds of race, transgender, homosexual and HIV/AIDS status in its Antidiscrimination Act 1977. I pointed that out in my contribution to the second-reading debate and quoted the former New South Wales Premier, Bob Carr, who felt that it was not appropriate to include religious vilification in legislation. Queensland prohibits vilification on the grounds of race and religion in its Antidiscrimination Act 1991. The Australian Capital Territory prohibits vilification on the grounds of race only in its Discrimination Act 1991.

Tasmania prohibits the incitement of hatred on the grounds of race, disability, sexual orientation, lawful sexual activity, religious belief or affiliation in its Antidiscrimination Act 1998. South Australia provides for the criminal offence of racial vilification only in its Racial Vilification Act 1996. Western Australia provides criminal offences for vilification on the grounds of race under its Criminal Code Amendment (Racist Harassment and Incitement to Racial Hatred) Act 1990.

The federal government has a prohibition of racial hatred under its Racial Discrimination Act 1975. Victoria is one of only three legislatures that have an act of Parliament that prohibits vilification on the grounds of religion. In respect of arguments that it is nonsensical to have an act which prohibits vilification on the basis of race but not on the basis of religion, I note that is not a view shared by all state legislatures: only three of the seven states — Victoria, Tasmania and Queensland — prohibit vilification on both grounds.

People have suggested that this amendment is simply saying that it is all right to engage in religious vilification, but, as I said, that could not be any further from the truth. What we are talking about here is exactly what we believe to be the best way to deal with religious vilification. As I said in my contribution to the second-reading debate, legislating does not necessarily promote tolerance. I made the comment — but I think I need to repeat it — that tolerance is all about an expression of goodwill and patience. The word 'patience' is used extensively in the dictionary definition of vilification.

I have said quite clearly that it is the view of The Nationals that you cannot mandate goodwill. Indeed, trying to is more likely to be counterproductive — if you tell somebody they cannot do something, an intolerant person is more likely to do the opposite and do what you say they cannot do. That is why we say legislation is an ineffective tool to deal with religious vilification.

The Honourable Helen Buckingham disagreed with my point of view, and that is great because we have open debate here. She said laws alone cannot secure freedom of rights, and they cannot. I agree entirely with that. Laws in themselves, like the ones we have before us, do not guarantee that people will not vilify others on the grounds of race. I appreciate the comments made by the Honourable Andrew Olexander in respect of the issues in the Catch the Fire Ministries case. He quoted why that case proceeded. Whether you agree or not, and I am not going to get into the argument of whether it was right or wrong — it is not necessary for me to say at this point in time — one thing that has been guaranteed by that case is that what was said has now been repeated 100 times over simply because we have this legislation. I do not believe having what was said in that case repeated over and over has created greater harmony and tolerance. That is why we say legislation is not an appropriate tool to deal with what we all want to see in our society — that is, greater levels of harmony and tolerance.

It is not because we are saying it is all right to engage in religious vilification. We are not saying that and we would never, ever suggest anything of that ilk. The important thing is how we deal with it, and we do not believe legislation is the appropriate instrument in this case to try to create greater levels of harmony and tolerance. We believe it is counterproductive, as we said in 2001 and as we say again today.

I put forward amendment 1 standing in my name as a test for the other amendments and urge all members of the chamber to support what I think are sensible amendments, supported by four of the seven legislatures throughout Australia and supported by the many tens of thousands of Victorians who demonstrated their support for this by putting their names to petitions tabled in this house and the other place.

Sitting suspended 6.30 p.m. until 8.02 p.m.

Mr LENDERS (Minister for Finance) — The essence of Mr Hall's amendments is to take the issue of religious vilification out of the bill. Without going into any great argument on it, the government does not accept the amendments, primarily because the purpose of the original legislation was to deal with both racial and religious vilification. Just to use an example, my mother, who is one of Mr Hall's constituents, is a Dutch Catholic. If these amendments succeed, you could vilify her on the basis on her ethnicity — the fact that she is Dutch — but you could not vilify her on the basis on her Catholicism. Some of it is splitting hairs, but the government's view is that we have amendments here for a specific purpose: to improve the existing legislation. Mr Hall's amendments would effectively overturn a key part of that legislation. For those reasons the government will not support Mr Hall's amendments.

Hon. C. A. STRONG (Higinbotham) — I question the logic of what the minister has just said if the intent of the original legislation was to create tolerance and harmony, particularly in the religious community. If the government was really listening — I think the key point is whether the government is listening or is just hell-bent on doing what it wants to do — you could not get a clearer expression of view than the Christian Leaders statement. It says:

> However it is clear from the operation of the act that it has caused much more division and enmity between religions than harmony …

Here you have the leaders of the Christian community saying this has not worked, that it has caused more enmity than harmony and that it will continue to do so.

I simply ask the minister: is the government listening, or is it just hell-bent on doing what it wants to do? Surely it should pause for a moment, listen to this community and think whether there is a better way rather than just bulldozing its way through. I urge the minister to listen. It could not get a more succinct statement from the leaders of the Christian community saying that this is not working.

Mr LENDERS (Minister for Finance) — It is Mr Hall's amendment so I will speak only very briefly,

I guess at the invitation of Mr Strong. Mr Hall's amendment seeks to change the status quo — that is, the legislation which was passed by this Parliament to deal with both religious and racial vilification after a long community debate. The consultation was initiated by the Premier and the minister in the other place assisting the Premier on Multicultural Affairs, Mr Pandazopoulos, and over time there has been extensive consultation.

I know in my case, and certainly in the case of my colleagues, it is not that government members have not been listening. It is not that government members have not been speaking or having a courteous and respectful discussion with the faith communities on these issues — the Premier has led the way on this. There is a particular issue before the house. The government has proposed amendments to improve the purposes and intent of the original act and to iron out some areas that have been drawn to its attention where that act can be improved.

In response to Mr Strong, the government has been out there, it has been listening and it has had ongoing dialogue. It is proposing some amendments which improve the act without in any way undermining its original purposes. For the reasons I outlined in my response to Mr Hall, the government will not be supporting Mr Hall's amendment.

Hon. P. R. HALL (Gippsland) — I am disappointed that the government is not prepared to accept the amendments. However, I accept that. I have heard from every government member who has spoken that they do not accept them, that they have a different view of things. I am disappointed in that regard but I am not going to pursue that argument further except on one point, and I would like a response from the minister on it. Many of the members who have participated in the debate have accused The Nationals of saying that it is all right to engage in religious vilification. I went to some lengths to try to correct the record in my contribution to the committee debate before we broke for dinner.

It does not sit comfortably with us to have people suggest that we are doing that. I have tried to explain very carefully that what we are trying to do with this amendment and the arguments we have put forward is seek a better way to respond to that. I now want to hear from the minister whether he accepts that members of The Nationals are not suggesting that it is all right to engage in religious vilification. I want some clarification of the government's view on our attitude in respect of this matter: that we are seeking to address rather than to promote religious vilification.

Mr LENDERS (Minister for Finance) — I am trying to be respectful of the processes of the house, but what Mr Hall seeks is for the government to respond to why it is not supporting The Nationals' amendments. When government legislation comes here, in the committee stage — —

Hon. B. W. Bishop interjected.

Mr LENDERS — I take up Mr Bishop's interjection. I have twice responded to why the government does not support Mr Hall's amendments. I think I have respectfully responded to him. There has been a debate in which members on this side of the house — on all sides of the house — have had a detailed discussion. I am not sure what can be clearer than why the government does not support the amendments. I have not in any way reflected on the intentions of The Nationals or the motivation of individual members of The Nationals in this place. I have made a measured comment on it. The government has a firm view. We can all state whatever we like about how we oppose intolerance — I am not accusing anyone in this place of being intolerant — but from the government's perspective I guess the foundation behind our actions is that we have legislation in place to address intolerance and discrimination. We have a view that by removing that we would be removing an important plank that protects our community in these areas.

From the government's perspective we are not supporting The Nationals' amendments because we believe our original legislation and its purposes are correct. We think the areas that can be improved are being improved by the amendments. I think that is as clear as we can be. We put our actions behind our words. We believe we need to do this, and we will not support the amendments because we think it would be a bad move and a bad signal to give. Taking away the sanctions against religious vilification could be read in the community as a statement that the Parliament of Victoria supports religious vilification. For all those reasons the government does not support Mr Hall's amendment and respectfully I suggest it is the obligation of The Nationals to convince the house and the community why the amendment should be supported, not the obligation of the government to for a fourth or fifth time say why it cannot support the amendment.

The CHAIR — Order! Mr Hall's amendment 1 is a test for his amendments 2 to 8.

Committee divided on omission (members in favour vote no):

Ayes, 23

Argondizzo, Ms	Madden, Mr
Broad, Ms	Mikakos, Ms
Buckingham, Mrs	Mitchell, Mr
Carbines, Ms	Nguyen, Mr
Darveniza, Ms (*Teller*)	Olexander, Mr
Eren, Mr	Pullen, Mr
Forwood, Mr	Scheffer, Mr
Hilton, Mr (*Teller*)	Smith, Mr
Hirsh, Ms	Somyurek, Mr
Jennings, Mr	Theophanous, Mr
Lenders, Mr	Viney, Mr
McQuilten, Mr	

Noes, 16

Atkinson, Mr	Hadden, Ms
Baxter, Mr (*Teller*)	Hall, Mr
Bishop, Mr	Koch, Mr
Bowden, Mr	Lovell, Ms
Brideson, Mr	Rich-Phillips, Mr
Dalla-Riva, Mr	Stoney, Mr
Davis, Mr P. R.	Strong, Mr (*Teller*)
Drum, Mr	Vogels, Mr

Amendment negatived.

Clause agreed to; clauses 3 to 8 agreed to.

Clause 9

Honourable members interjecting.

The CHAIR — Order! Before Mr Strong moves his amendment, I point out that it is very difficult to hear members speaking when there is a lot of constant noise coming from both sides of the chamber.

Ms Hadden interjected.

The CHAIR — Order! I am talking generally, Ms Hadden.

Honourable members interjecting.

The CHAIR — Order! I remind Ms Hadden that I have been sitting in this place a lot longer than she has, and that for the last 20 minutes interjections have been coming from both sides. I am suggesting to everyone that it would be very helpful to the Chair, Hansard and whoever is speaking if those who want to have conversations have them outside.

Ms Hadden interjected.

The CHAIR — Order! Ms Hadden! The committee is waiting to resume. Mr Strong will speak to his amendment.

Hon. C. A. STRONG (Higinbotham) — Thank you, Chair, for so brilliantly restoring order in the chamber. I move:

Clause 9, line 8, after "conveying" insert ", defending".

Perhaps it is worth briefly explaining what such a fairly cryptic amendment is all about. If we look at the original act, sections 7 and 8 provide that racial vilification and religious vilification are unlawful. They set out the various conditions for unlawful vilification. Section 11 of the principal act — —

Honourable members interjecting.

The CHAIR — Order! I am having trouble hearing Mr Strong. If members wish to have conversations, I ask them to please have them outside. Otherwise I ask that we all give some attention to Mr Strong. If I am having trouble hearing, the minister must be having trouble as well.

Hon. C. A. STRONG — I must admit it is nice that other people are causing the problem after dinner! I was explaining that section 8 of the original act defines 'religious vilification' and makes it unlawful. Section 11 of the original act creates a series of exceptions. The one under section 11(b) essentially creates an exemption if a person's conduct is engaged in reasonable and good faith and:

> (b) in the course of any statement, publication, discussion or debate made or held, or any other conduct engaged in, for —
>
> (i) any genuine academic, artistic, religious or scientific purpose;

Essentially what it is saying is that there is an exception to conduct being unlawful if it is engaged in a genuine religious purpose carried out in good faith. The bill elucidates what 'religious' means. In other words, it amends that exception condition — that is, there is an exception to conduct being vilification if you are engaged in religious purposes. Clause 9 of the bill further elaborates what 'religious' is, to make it quite clear. It says:

> (2) For the purposes of sub-section (1)(b)(i), a religious purpose includes, but is not limited to, conveying or teaching a religion or proselytising.

I prefer to use the term 'fairly aggressive missionary zeal'.

Hon. A. P. Olexander interjected.

Hon. C. A. STRONG — Preaching and missionary zeal. It further defines what 'religious purposes' are.

The amendment of the Liberal Party is quite simple. When I look at the bill I am not quite sure what 'conveying' means in terms of a legitimate religious purpose. We all know what teaching is — teaching a religion is a legitimate purpose. We all know what 'preaching' is and what 'carrying out missionary endeavours' means.

To make the legislation quite clear we are suggesting we also include 'defending'. 'Defending' should be included with 'teaching' and 'preaching' as legitimate religious purposes. The exemption should apply when somebody is teaching religion, when somebody is preaching as a missionary and when somebody is defending their faith. It is a very simple amendment, but we believe it will make it quite clear what a religious purpose is. As this is a key part of the bill, defining what a 'religious purpose' is better will overcome what has been a problem with that fairly vague term in section 11(b)(i) of the original act.

I urge the house to support this very simple amendment. The amendment has the support of many religious groups as it makes it quite clear what their position is. I say to the minister that it does not in any way detract from what the bill is trying to achieve. In no way does it reduce the effect of the amendments — in other words, the arguments that the minister put forward for rejecting The Nationals' amendments do not apply in this case. It is really a small amendment that seeks to make the legislation even clearer. The amendment aligns perfectly with what the government is trying to achieve, and I urge the minister in good faith to seriously consider its acceptance.

Hon. P. R. HALL (Gippsland) — I indicate that The Nationals are more than happy to support this amendment. Mr Strong did a good job in trying to explain the concept, given that it can be convoluted. Simply my interpretation is this: this bill is all about freedom of speech and freedom to be able to debate a whole range of topics, including religion. With such a debate you need to be proactive, and at times you need to be reactive as well. Being proactive means going out and talking positively about a position, putting forward all its strengths and the positive arguments for it. But at times you have to defend your position — that is, you have to rebut arguments that are thrown up against you in the course of debate.

An honourable member interjected.

Hon. P. R. HALL — No, in freedom of speech. You talk, as I said, proactively and reactively. Under my interpretation, inserting the word 'defending' allows somebody to respond to matters put to them by others. It is a sensible amendment, and The Nationals are prepared to support it.

Mr LENDERS (Minister for Finance) — I agree with Mr Strong to the extent that this is not a complete reversal, which the adoption of The Nationals' amendment would have been. However, there are two reasons why the government will not support the amendment, the material one being that the documentation has been out in the community and faith leaders have been consulted as to how we could improve the act. To my knowledge — and I am happy to stand corrected — nowhere in any of the discussions have the faith leaders sought the insertion of this term. In fact it is something quite late to the debate. As I understand it, it was a Liberal Party amendment circulated in the Legislative Assembly that was never pursued to a division or a vote — —

Hon. Bill Forwood — Only because you took it to the guillotine on the Thursday night — don't try to pretend it was something else!

Mr LENDERS — I take on board what Mr Forwood says. I am explaining it as I understand it. Going back to my key point, we are talking here of the discussions with faith leaders. The insertion of the word 'proselytising' was requested as something the faith leaders felt strongly about. The government has taken it on board and included it in its amendments, which were adopted by the Legislative Assembly.

In all these areas we want to add confidence, certainty and a range of things, and I accept we should make our best endeavours to do that. You can run an argument that this is negative and the others are positive; and, as Mr Hall says, we should put as many weapons in the armoury as we can — or add shields or whatever to this.

However, to my knowledge faith communities have not sought to have the word 'defending' included. With the best endeavours and best will of the Liberal Party to improve and extend the legislation, and with no disrespect to members opposite, we have primarily been consulting with the faith communities that feel the strongest about this. The prime purpose was to include the last word in the subclause — that is, 'proselytising' — which is what we were requested to include.

These are all positive, not negative, attributes. The consultation primarily brought forward one word; to my knowledge the word 'defending' has not been on the agenda anywhere other than with the parliamentary

Liberal Party. For those reasons the government will not support Mr Strong's amendment.

Hon. C. A. STRONG (Higinbotham) — I thank the minister for his response. I say to the minister: this is not an amendment that we just dragged out of thin air; this is an amendment that was put to us by many faith leaders. I accept what the minister says — that perhaps because this came late onto the scene it was not put to the government. I ask the minister for an assurance that if faith leaders come to the government and ask it to include the word 'defending' in that particular clause, the government would be prepared to consider that as a further amendment.

Mr LENDERS (Minister for Finance) — The one thing I can assure Mr Strong and the committee of is that the reason the government has come up with these amendments to the legislation is that we have been discussing with faith leaders specifically, and with the community in general terms, how this act is working. Through the second-reading debate we have heard a long discussion about how many times complaints have been made and where they have gone in the legislative process — we have all heard of Justice Morris's judgment and all the things that are in here — but this is a measured response to where the community comes from regarding legislation that is now four or five years old.

In reflecting on Mr Hall's previous amendments, there is an effort in a sense to almost relitigate the original legislation — that is, to delete a core section. That is a legitimate part of the parliamentary process; that is not a criticism. However, my main point is that the Premier and the Minister assisting the Premier on Multicultural Affairs, Mr Pandazopoulos, in the other place have always had their doors open to ongoing discussion. There is not to my knowledge a formalised review of this, because these amendments to improve the act are still before the Parliament, but the government's door is always open to faith leaders coming forward to say how we can improve our legislation. Our goal is to put in place whatever we can to stamp out or stop religious and racial vilification.

The Premier's door and the minister's door are always open to those communities, as it has been — and this bill is evidence that the government does respond. But we are not about to gut our act — and this is strong language, because it is a single word Mr Strong and the government disagree on. Without giving any commitment to a specific referral of the legislation back to government, all I can say is: judge us by our actions. We have here an amending bill that maintains the basic principles of the principal act. We look to amend it when there is good cause — when there is a question in the community as to whether the basic principles are working.

Hon. BILL FORWOOD (Templestowe) — I am very tempted to ask the minister how the addition of the word ' defending' would gut the act; however, let me phrase it a different way: does the minister believe that the word 'proselytising' includes 'defending'?

Mr LENDERS (Minister for Finance) — I have just closed the *Macquarie Dictionary*. I did check the word, and I do not recall seeing the word 'defending' in there, but I am happy to check it again.

Hon. C. A. STRONG (Higinbotham) — I thank the minister for his response. Our amendment is in no way an attempt to gut the act; it is an attempt to reflect the views that have been legitimately put to us by various faith leaders. I read his response — be it a little fuzzy around the edges — as saying that if faith leaders were to come back to the government with this proposed amendment to make it quite clear what 'religious purposes' means, the government would actively listen to them. Obviously the effectiveness of the act will be very much dependent on the definition of 'religious purposes' and how the Victorian Civil and Administrative Tribunal and the courts interpret that.

It is very necessary, and the faith leaders that we have had discussions with understand it is very necessary, to get that definition right. I would be happy to report back to them that the minister has indicated a willingness to have an open door approach and, if they believe it is still necessary, to have them approach him directly.

Mr LENDERS (Minister for Finance) — I want to say three things very briefly. Firstly, I will make my words absolutely clear: the government always has an open door, and Mr Strong should not read into that a particular meaning of that word other than the general open door that the government has with the faith communities. Secondly, regarding the definition of what is a faith leader, I was for many years on the finance committee of St Paul Apostle Catholic parish in Endeavour Hills but I do not regard myself as a faith community leader, despite having held a position in that church.

Honourable members interjecting.

Mr LENDERS — I am just making it clear. A lot of people claim to be faith leaders, and I am not one of them, although I did hold an official church position.

Honourable members interjecting.

Mr LENDERS — Thirdly, for the benefit of Mr Forwood, the *Macquarie Dictionary*, third edition, at page 1713, defines 'proselyte' as:

> one who has come over or changed from one opinion, religious belief, sect, or the like to another; a convert.

I will disappoint Mr Forwood by saying that the word 'defending' is not mentioned in the *Macquarie Dictionary*, third edition. I thought I should put that on the record.

Committee divided on amendment:

Ayes, 19

Atkinson, Mr	Forwood, Mr
Baxter, Mr	Hadden, Ms
Bishop, Mr	Hall, Mr
Bowden, Mr	Koch, Mr (*Teller*)
Brideson, Mr	Lovell, Ms (*Teller*)
Coote, Mrs	Rich-Phillips, Mr
Dalla-Riva, Mr	Stoney, Mr
Davis, Mr D. McL.	Strong, Mr
Davis, Mr P. R.	Vogels, Mr
Drum, Mr	

Noes, 23

Argondizzo, Ms	Mikakos, Ms
Broad, Ms	Mitchell, Mr
Buckingham, Mrs	Nguyen, Mr
Carbines, Ms	Olexander, Mr (*Teller*)
Darveniza, Ms	Pullen, Mr
Eren, Mr	Scheffer, Mr
Hilton, Mr	Smith, Mr
Hirsh, Ms	Somyurek, Mr
Jennings, Mr	Theophanous, Mr
Lenders, Mr	Thomson, Ms
McQuilten, Mr (*Teller*)	Viney, Mr
Madden, Mr	

Amendment negatived.

Clause agreed to; clauses 10 to 12 agreed to.

Reported to house without amendment.

Report adopted.

Third reading

Mr LENDERS (Minister for Finance) — By leave, I move:

> That the bill be now read a third time.

In so doing I thank all members of the house for their contributions to a wide-ranging debate, one that many members felt very passionate about and one in which there was a lot of community interest. I thank the house for its consideration.

The ACTING PRESIDENT (Hon. J. G. Hilton) — Order! The question is:

> That the bill be now read a third time and that the bill do pass.

House divided on question:

Ayes, 35

Argondizzo, Ms	Madden, Mr
Brideson, Mr	Mikakos, Ms
Broad, Ms	Mitchell, Mr
Buckingham, Mrs	Nguyen, Mr
Carbines, Ms	Olexander, Mr
Coote, Mrs	Pullen, Mr
Darveniza, Ms	Rich-Phillips, Mr
Davis, Mr D. McL.	Romanes, Ms
Davis, Mr P. R.	Scheffer, Mr
Eren, Mr	Smith, Mr
Forwood, Mr	Somyurek, Mr
Hilton, Mr	Stoney, Mr
Hirsh, Ms	Strong, Mr (Teller)
Jennings, Mr	Theophanous, Mr
Koch, Mr	Thomson, Ms
Lenders, Mr	Viney, Mr (Teller)
Lovell, Ms	Vogels, Mr
McQuilten, Mr	

Noes, 8

Atkinson, Mr	Dalla-Riva, Mr (*Teller*)
Baxter, Mr (*Teller*)	Drum, Mr
Bishop, Mr	Hadden, Ms
Bowden, Mr	Hall, Mr

Question agreed to.

Read third time.

Remaining stages

Passed remaining stages.

PLANNING AND ENVIRONMENT (GROWTH AREAS AUTHORITY) BILL

Introduction and first reading

Received from Assembly.

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

ADJOURNMENT

Mr LENDERS (Minister for Finance) — I move:

> That the house do now adjourn.

Coroner: mortuary identification procedures

Hon. ANDREW BRIDESON (Waverley) — I raise a most serious and disturbing issue for the Attorney-General in the other place to investigate. Last week I interviewed the still-grieving parents of an 18-year-old lad who was killed in a car accident on 13 July last year. A fellow passenger and friend was also killed in the accident. The parents have requested anonymity. I will pass a copy of all correspondence and relevant documents to the minister at the table.

Twelve hours after the accident the father was informed of the tragedy by local police and was asked to attend the State Coroner's Office of Victoria for an identification procedure on a body which I will call body numbered 'A'. Upon arriving at the office, and after naming his son and reason for attendance, my constituent was informed by staff that 'A' was the incorrect identification number and that the correct number was in fact 'B'. My constituent also completed and signed a form directing that there not be an autopsy. He was then directed to a viewing window and observed a deceased body behind the windows, some metres away. He remained there for approximately 10 minutes.

I am advised by the father, who was accompanied by a family friend, that he was not interviewed by any staff member after the viewing at the coroners office, nor was his family offered counselling services. I am further advised that my constituent had some doubts as to whether the body was in fact his son, but in his traumatised, grief-stricken state it did not enter his thoughts that the coroner could be wrong.

Papers from the coroners office indicate two different case numbers for the body. On the day after identification, my constituent was informed that his son had in fact undergone an autopsy against the wishes of the family, despite the fact that the coroners office had communicated that an autopsy would not be carried out — a further indication of misidentification. Five days later, at the funeral, a family friend commented that the body in the coffin was not the correct one; it was the body of the friend who was killed in the same accident and whose funeral was to take place the following day.

Something is terribly wrong at the coroners office, and the Attorney-General needs to find out what it is. This is Victoria's version of the Private Kovco case. The Victorian community needs assurances that the body identification procedures are faultless. I request that the Attorney-General conduct an open, independent inquiry into the entire process of body identification so that the situation which I have alluded to does not occur again. More specifically, I request that he investigate to the satisfaction of the grieving family the breakdown of procedures which occurred in this instance and that he meet with the parents concerned in this case.

I think it would also be admirable if the Attorney-General could organise that counselling and other support services from the coroners office be offered to the family to assist them to overcome this ludicrous situation.

Rail: Horsham station

Hon. DAVID KOCH (Western) — My adjournment matter is for the Minister for Transport in another place and relates to the disgraceful condition of the Horsham railway station. The Horsham Rural City Council has expressed to me its deep concern about the current state of facilities at the station. These facilities are failing to keep pace with the requirements of the Overland service between Melbourne and Adelaide, which received a $2.6 million upgrade earlier this year. However, no assistance to upgrade the station was provided in that funding.

There is no ticket office, no city map, no toilet, no telephone to call a taxi and nowhere for passengers to wait in comfort on cold winter days. The lack of these basic amenities is compounded by the deplorable state of the cracked and broken platform which poses a serious risk to the passengers, who could trip and fall onto the railway tracks. Horsham prides itself as a tidy town and a gateway to the Grampians and the Wimmera, but visitors and tourists coming to Horsham by train are welcomed with a substandard, unsafe, poorly lit and poorly maintained station that certainly does not encourage rail passengers to stop at Horsham.

While the government is prepared to spend $1 billion on the former Spencer Street station it is neglecting the urgent need to upgrade important country stations such as Horsham's. This matter has been brought to the minister's attention on several occasions and still rail passengers are deprived of basic facilities and forced to use a platform that is substandard and dangerous.

Country Victorians are not unfamiliar with making sacrifices for the betterment of the community, but when basic expectations of rail passengers are not met, the community suffers. Rail passengers who stop at Horsham are greeted with an impression that Horsham does not welcome rail visitors, which is far from the truth. Surely rail passengers are entitled to expect a reasonable level of amenity and personal safety.

It is vitally important that, to make the most f a reliable rail service, timetables are scheduled to meet the needs of passengers. Currently the Overland service takes up to 2 hours to get from Melbourne to Geelong. This unfortunately sees a good service underutilised. Surely a more consistent and user-friendly timetable could be implemented.

Since the Overland train service is now a daily service, it is paramount that the minister addresses the serious shortfalls in maintenance of the Horsham station. My request is that the minister commit to upgrading the Horsham railway station so that it meets a better level of amenity, providing adequate public user safety.

Volunteers: strategy funding

Hon. J. A. VOGELS (Western) — I raise an issue for the Minister for Victorian Communities in the other place. It concerns the Bracks government's $21 million volunteering and community enterprise strategy announcement approximately two years ago. According to the budget papers only a tiny amount of this money has been allocated. It is disappointing to see that the community strengthening outputs were slashed from $22.7 million in 2005–06 to a target of only $12.3 million for 2006–07. I am reliably informed that very little is happening on this initiative, which is supposed to recognise the vital role that community groups and local government play in encouraging and supporting volunteering in Victoria.

There would be absolutely no doubt that community groups and their volunteers would welcome with open arms any funding that has been set aside for this very worthwhile initiative. One of the regular complaints that has come to my attention is that when recommendations for funding are sent to the department they are forwarded to former Labor Premier Joan Kirner for final approval. Why is that so?

The action I seek from the minister is to check with the executive director for community strengthening and volunteering to find out what is really going on in these portfolio responsibilities. Local government volunteer organisations have been working hard shaping initiatives to help their local communities access some of this money. It is not good enough for the Department for Victorian Communities to be requiring an enormous amount of paperwork from groups applying for a grant and for those groups then to find that they are not on the final list when there seems to be ample money available that is not being expended.

Numurkah Occupational and Vocational Adult Service: board

Hon. W. A. LOVELL (North Eastern) — I wish to raise an adjournment matter for the Minister for Community Services in the other place regarding the Numurkah Occupational and Vocational Adult Service, which is called NOVAS. On 19 April NOVAS received a letter from the minister advising of her intention to recommend the appointment of an administrator at NOVAS. The letter reads:

> I am writing to advise you that I have considered the findings of an independent report conducted by Heather Michaels and Associates in late 2005.
>
> The regional director, Hume region, commissioned this report to investigate allegations made to the Victorian Advocacy League for Individuals with Disability Inc. (VALID) about the behaviour of board members at NOVAS.

The letter further states:

> Having considered the findings of the report and recommendation of the regional director, Hume region, I am of the opinion that NOVAS has been inefficiently and incompetently managed. As a result, I intend to recommend to the Governor in Council that an administrator be appointed to take over the functions of NOVAS under the service agreement with the Department of Human Services.

The letter goes on to outline the grounds for the minister making that recommendation and advises the board that it has only 14 days in which to object in writing to the minister's recommendation. I have several concerns with the way the report was initiated and the way NOVAS was advised of the minister's intention to appoint an administrator.

Firstly, prior to the report being conducted into NOVAS, I had only ever heard parents and staff speak extremely highly of the quality of service provided by it. I have only ever once heard a complaint against NOVAS. That was after this report was initiated very late in 2005. I had a visit from two carers and one staff member, who raised some concerns with me regarding one client at NOVAS. The parent of that particular client is now a board member of VALID, the organisation that has made the accusations against NOVAS.

Secondly, despite lodging a freedom of information application, the board and management of NOVAS have been denied access to a full copy of the report on which the minister has based her decision.

Thirdly, I am concerned that this is a witch-hunt targeted particularly at a couple of members of the board. To me the decision of the minister not to give NOVAS access to a full copy of the report is

completely unfair. The board's ability to defend its position is hindered when it does not have access to the document that details the allegations against it.

Since parents and community members have become aware of this situation there has been an enormous groundswell of support for the board and management of NOVAS. My office has received numerous phone calls and many constituents have dropped in to register both their support for NOVAS and their concern about the minister's actions. I ask the minister to reconsider her intention to appoint an administrator and instead to first appoint a mediator to work with the board to address the issues raised and to try to resolve those issues without the need to appoint an administrator.

Parkinson's Victoria: funding

Hon. D. K. DRUM (North Western) — My adjournment matter this evening for the Minister for Community Services in the other place concerns support for Parkinson's Victoria. Last week I was invited to attend the 20th anniversary of the Bendigo Parkinson's Carers Group. I was pleased to share the carers' stories of care and support for many of the Parkinson's sufferers in the Bendigo region. The Parkinson's support group oversees a support network for 20 000 Victorians who have contracted that debilitating and incurable disease. Its chief executive officer, Glenn Mahoney, does a wonderful job, as do two outreach workers who effectively are constantly on the road attending carers meetings of the 40-odd carer support groups around Victoria.

Parkinson's Victoria receives a paltry $9 per head. The peak organisation is attempting to service over 20 000 Victorians with an incurable disease but receives less than $180 000. The ability of Parkinson's Victoria to deliver the latest information on the disease is effectively left to the skeleton staff of three. Techniques for the treatment of Parkinson's developed overseas, findings from conferences held around the world and advancements made by leading neuroscientists are not reaching Victoria's sufferers. There is much information to be collated from specialists around the world that could be passed on to sufferers and their carers here in Victoria, but that work is being hamstrung because the peak body is inadequately funded.

I call on the minister to look at the funding schemes for Parkinson's disease and at ways to fund Parkinson's Victoria to a level that would enable it to have an outreach worker for each regional area associated with government services right across Victoria. It would not be unreasonable for each government region across the state to have an outreach worker who would be able to communicate with the families and carer groups and help pass on that information and up-to-date methods to the sufferers and their carers.

Parkinson's is an incurable, debilitating disease that strikes down people of all ages. While it is common in elderly people and is sometimes thought of as a disease of the elderly, it is not linked to age. The government should be striving to support sufferers of Parkinson's disease as much as possible and hopefully keep those people in the work force as long as possible. I call on the minister again to review the funding that is currently available to Parkinson's Victoria with the view of increasing it to enable the support services all sufferers deserve.

Road safety: eyesight tests

Ms HADDEN (Ballarat) — My adjournment question tonight is for the Minister for Transport in the other place. The issue is pertinent to road safety and follows on from the various amendments to the Road Safety Act that have been made in recent times regarding driving whilst under the influence of either alcohol or drugs or both.

We know from the various statistics that have been spoken about in this place that as the technology for detecting drugs such as methylenedioxymethamphetamine, or ecstasy, and delta-9-tetrahydrocannabinol, or THC, in the blood of drivers has improved, random tests have detected four times the number of people using drugs while driving as were detected for drink-driving. For every 100 riders or drivers detected for alcohol content, 46 riders or drivers have tested positive for drugs. This imposes a high cost on the community and is of course a high risk for other road users and pedestrian users of roads and footpaths respectively.

The fatal V/Locity train crash on the Ercildoun Road, Trawalla, level crossing on 28 April last was tragic in the extreme, but could have been avoided with appropriate safety upgrades including the provision of boom gates, flashing warning lights and bells. Detective Senior Constable Barry Hills from the transit crime investigation unit in Melbourne is quoted in the Ballarat *Courier* as saying:

> It was a combination of vision, time and distance and having the train was useful for the purpose of distance and time to the prime mover.

That was on a reconstruction episode.

However, there is the equally important driving capacity and road safety issue of eyesight — that is, can

the driver actually see the road when they are behind the wheel? All you need to pass to get your licence is a 6/12 eyesight test on a letter chart. In this state there is no colour testing or visual field testing of learner permit drivers, and there is no testing on the renewal of a driver licence. VicRoads says the onus is on the driver to meet the regulation provision requirement, but there is no requirement for an eyesight test.

We know of the heavy campaigning, media announcements and education programs run by the Transport Accident Commission about road safety and about not using your mobile phone while you are driving because it takes your eyes off the road, but it does not seem to matter if you cannot see the road properly or at all. We get other important road safety messages from the Transport Accident Commission such as 'If you drink and drive, you're a bloody idiot', 'Do not take drugs while you are driving or behind the wheel', 'Wipe off 5', 'Wear your seatbelts' — as well as, of course, 'Do not use your mobile phone while driving'. However, there is no eyesight testing.

The action I seek from the minister is that he promote eyesight testing as a road safety issue and that the Transport Accident Commission immediately undertake education through advertising and its normal education programs to ensure that everyone who holds a licence has the onus and responsibility on them of having an eyesight test.

The PRESIDENT — Order! The member's time has expired.

Responses

Ms BROAD (Minister for Local Government) — The Honourable Andrew Brideson raised a matter for the Attorney-General in the other place, requesting him to conduct an investigation into a matter concerning the State Coroner's Office and the death of the son of a constituent. I will refer that matter to the Attorney-General.

The Honourable David Koch raised a matter for the attention of the Minister for Transport in the other place concerning Horsham railway station and public safety. I will refer that matter to the minister.

The Honourable John Vogels raised a matter for the Minister for Victorian Communities in the other house concerning expenditure of community grant moneys by the Department for Victorian Communities. I will refer that matter to the minister.

The Honourable Wendy Lovell raised a matter for the Minister for Community Services in the other place expressing concerns about the appointment of an administrator to an organisation called NOVAS and asking for alternative actions to be considered by the minister. I will refer that matter to the minister.

The Honourable Damian Drum raised a matter for the Minister for Community Services in the other place concerning the very important work by Parkinson's Victoria, requesting the minister to consider an increase in funding for that organisation. I will refer that request to the minister.

Ms Hadden raised a matter for the Minister for Transport in the other house, calling for eyesight testing in the interests of road safety. I will refer that request to the minister.

Motion agreed to.

House adjourned 9.09 p.m.