

PARLIAMENT OF VICTORIA

**PARLIAMENTARY DEBATES
(HANSARD)**

**LEGISLATIVE COUNCIL
FIFTY-FIFTH PARLIAMENT
FIRST SESSION**

Thursday, 9 February 2006

(Extract from book 1)

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By authority of the Victorian Government Printer

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Standing Orders Committee — The President, the Honourables B. W. Bishop, Philip Davis and Bill Forwood, Mr Lenders, Ms Romanes and Mr Viney.

Joint committees

Drugs and Crime Prevention Committee — (*Council*): The Honourable S. M. Nguyen and Mr Scheffer.
(*Assembly*): Mr Cooper, Ms Marshall, Mr Maxfield, Dr Sykes and Mr Wells.

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.

Education and Training Committee — (*Council*): The Honourables H. E. Buckingham and P. R. Hall.
(*Assembly*): Ms Eckstein, Mr Herbert, Mr Kotsiras, Ms Munt and Mr Perton.

Environment and Natural Resources Committee — (*Council*): The Honourables Andrea Coote, D. K. Drum, J. G. Hilton and W. A. Lovell. (*Assembly*): Ms Duncan, Ms Lindell and Mr Seitz.

Family and Community Development Committee — (*Council*): The Hon. D. McL. Davis and Mr Smith.
(*Assembly*): Ms McTaggart, Ms Neville, Mrs Powell, Mrs Shardey and Mr Wilson.

House Committee — (*Council*): The President (*ex officio*), the Honourables B. N. Atkinson and Andrew Brideson, Ms Hadden and the Honourables J. M. McQuilten and S. M. Nguyen. (*Assembly*): The Speaker (*ex officio*), Mr Cooper, Mr Leighton, Mr Lockwood, Mr Maughan, Mr Savage and Mr Smith.

Law Reform Committee — (*Council*): The Honourables Richard Dalla-Riva, Ms Hadden and the Honourables Geoff Hilton and David Koch. (*Assembly*): Ms Beard, Ms Beattie, Mr Hudson, Mr Lupton and Mr Maughan.

Library Committee — (*Council*): The President, Ms Argondizzo and the Honourables Richard Dalla-Riva, Kaye Darveniza and C. A. Strong. (*Assembly*): The Speaker, Mr Carli, Mrs Powell, Mr Seitz and Mr Thompson.

Outer Suburban/Interface Services and Development Committee — (*Council*): Ms Argondizzo and Mr Somyurek. (*Assembly*): Mr Baillieu, Ms Buchanan, Mr Dixon, Mr Nardella and Mr Smith.

Public Accounts and Estimates Committee — (*Council*): The Honourables W. R. Baxter, Bill Forwood and G. K. Rich-Phillips, Ms Romanes and Mr Somyurek. (*Assembly*): Ms Campbell, Mr Clark, Ms Green and Mr Merlino.

Road Safety Committee — (*Council*): The Honourables B. W. Bishop, J. H. Eren and E. G. Stoney.
(*Assembly*): Mr Harkness, Mr Langdon, Mr Mulder and Mr Trezise.

Rural and Regional Services and Development Committee — (*Council*): The Honourables J. M. McQuilten and R. G. Mitchell. (*Assembly*): Mr Crutchfield, Mr Hardman, Mr Ingram, Dr Napthine and Mr Walsh.

Scrutiny of Acts and Regulations Committee — (*Council*): Ms Argondizzo and the Honourable Andrew Brideson.
(*Assembly*): Ms D'Ambrosio, Mr Jasper, Mr Leighton, Mr Lockwood, Mr McIntosh, Mr Perera and Mr Thompson.

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Assembly — Clerk of the Parliaments and Clerk of the Legislative Assembly: Mr R. W. Purdey

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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Deputy Leader of the Opposition:
The Hon. ANDREA COOTE

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The Hon. P. R. HALL

Deputy Leader of The Nationals:
The Hon. D. K. DRUM

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Baxter, Hon. William Robert	North Eastern	Nats	Lenders, Mr John	Waverley	ALP
Bishop, Hon. Barry Wilfred	North Western	Nats	Lovell, Hon. Wendy Ann	North Eastern	LP
Bowden, Hon. Ronald Henry	South Eastern	LP	McQuilten, Hon. John Martin	Ballarat	ALP
Brideson, Hon. Andrew Ronald	Waverley	LP	Madden, Hon. Justin Mark	Doutta Galla	ALP
Broad, Ms Candy Celeste	Melbourne North	ALP	Mikakos, Ms Jenny	Jika Jika	ALP
Buckingham, Hon. Helen Elizabeth	Koonung	ALP	Mitchell, Hon. Robert George	Central Highlands	ALP
Carbines, Ms Elaine Cafferty	Geelong	ALP	Nguyen, Hon. Sang Minh	Melbourne West	ALP
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
Davis, Hon. David McLean	East Yarra	LP	Romanes, Ms Glenyys Dorothy	Melbourne	ALP
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

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Thursday, 9 February 2006

The **PRESIDENT** (Hon. M. M. Gould) took the chair at 9.33 a.m. and read the prayer.

**LIQUOR CONTROL REFORM
(AMENDMENT) BILL**

Introduction and first reading

Received from Assembly.

**Read first time on motion of
Hon. M. R. THOMSON (Minister for Consumer
Affairs).**

**CRIMES (FAMILY VIOLENCE) (HOLDING
POWERS) BILL**

Introduction and first reading

Received from Assembly.

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

PETITION

Schools: public education

Ms ROMANES (Melbourne) presented petition from certain citizens of Victoria requesting that any new legislation dealing with the state public education and training system — (1) be separate and distinct from any legislation dealing with private schools; (2) defines public education as free, secular and universal; public in purpose, outcome, ownership and accountability; and accessible to all children; (3) gives primacy to public education in all areas; and (4) includes proper, transparent, publicly accessible accountability measures for expenditure of all taxpayers money (258 signatures).

Laid on table.

**ECONOMIC DEVELOPMENT
COMMITTEE**

Thoroughbred breeding industry

Hon. R. H. BOWDEN (South Eastern) presented report from the Economic Development Committee on the thoroughbred breeding industry, including appendices, together with minutes of evidence.

Laid on table.

Ordered that report be printed.

Hon. R. H. BOWDEN (South Eastern) — I move:

That the Council take note of the report.

This reference to the Economic Development Committee was to inquire into the viability of the Victorian thoroughbred and standardbred breeding industries in this state. It was a complex report and inquiry. Given the complexity, one of the outstanding features of the inquiry was the response to the inquiry and the ready cooperation the committee received from all aspects of national, international and statewide interests. This was a helpful and meaningful contribution to the quality of the report.

Before I proceed I would like to particularly to note the contribution of members of the committee and its staff: chairman Mr Tony Robinson, the member for Mitcham in the other place; the Honourable Bruce Atkinson, who served as deputy chairman; Mr Hugh Delahunty, the member for Lowan in the other place; Mr Brendan Jenkins, the member for Morwell in the other place; Ms Maxine Morand, the member for Mount Waverley in the other place; and Mr Pullen.

The members travelled widely and consistently received and made quality contributions. I would also like to recognise and ensure that the house is aware of the high-quality contribution of staff members of the Economic Development Committee. The officers included Dr Russell Solomon, executive officer; Ms Kirsten Newitt, research officer; Mr Jonathan Gurry, research officer; Ms Frances Essaber, editor; and Ms Andrea Agosta, office manager. The quality of this report is a tribute to their work. I am pleased to advise honourable members that members of the committee were ably supported by the staff in giving this valuable and noteworthy report.

The contribution and the strength of the thoroughbred and standardbred horse-breeding industries of Victoria may not be known to the public at large, but I believe it is understood and appreciated by many members of the government and the opposition and across industry. It is not widely known, but I would like it noted, that tens of thousands of full-time and part-time jobs in the industries form a valuable economic contribution to this state. Also there are extensive and extremely valuable international and national ramifications of Victoria's vibrant horse-breeding industry. It is an interesting comment on the diversity and the importance of the activity that resulted in the report that international cooperation was forthcoming to a high degree. The

cooperation from many countries was an outstanding feature of our ability to present a high-quality report to the Parliament. The national interlinking between horse-breeding activities in Victoria and other states is extremely important.

I recommend that honourable members study the report. It is a good read. It has been prepared to be a report that is easy to read, and it is informative for those with an interest in both the economics of the state and an important social activity. Members will enjoy reading the report. It is not a dry document. It is a high-quality document. Because of the variety of interest in this and in line with our terms of reference there will be a second report later in the year focusing on standardbred activities in the state. This is the first of two reports. I commend the report. I appreciate all the work that has gone into it and thoroughly recommend that members study it.

Mr PULLEN (Higinbotham) (*By leave*) — I too would like to make a short contribution on the Economic Development Committee's report on its inquiry into the viability of the Victorian thoroughbred and standardbred breeding industries. Before I forget, I would like to say that there are some good pictures in the report. I compliment Mr Bowden for taking those wonderful photos. Anyone who has ever been on a committee with Mr Bowden will know that he is great with a camera. I recommend that members should at least look at the pictures even if they do not want to read the document.

I particularly want to pay credit to the officers who helped with the report. Like Mr Bowden I have been a racing fanatic for many years, but I learnt so much from this industry primarily because of the contribution of the officers who assisted the committee. It is good to see that we have three of the staff in the chamber this morning. As Mr Bowden also said, another report will come out later on the standardbred industry.

Everywhere we went were given great cooperation by the various groups. A press conference on the report is to be held at 35 Spring Street this morning. Basically we found a few problems with the thoroughbred breeding industry in Victoria, which employs over 60 000 people, but very few problems with the standardbred industry. I think the thoroughbred industry could learn a lot about breeding from the standardbred industry. We are all well aware of what a great attribute Victoria's racing industry is. They say it is the fourth best in the world; personally I think is the best. I commend the report to the house.

Motion agreed to.

PAPERS

Laid on table by Clerk:

Beaufort and Skipton Health Service —

Minister's report of failure to submit 2004–05 report within the prescribed period and the reasons therefor.

Report, 2004–05 (three papers).

East Wimmera Health Service —

Minister's report of failure to submit 2004–05 report within the prescribed period and the reasons therefor.

Report, 2004–05.

Latrobe Regional Hospital —

Minister's report of failure to submit 2004–05 report within the prescribed period and the reasons therefor.

Report, 2004–05 (two papers).

Parliamentary Committees Act 2003 — Government response to recommendations in Family and Community Development Committee's Inquiry into Issues Relating to the Development of Body Image Among Young People and Associated Effects on their Health and Wellbeing.

Rural Finance Act 1988 — Treasurer's directive of 7 February 2006 to the Rural Finance Corporation.

Statutory Rules under the following Acts of Parliament:

Human Tissue Act 1982 — No. 7.

Magistrates' Court Act 1989 — No. 6.

Subordinate Legislation Act 1994 — Minister's exemption certificate under section 9(6) in respect of Statutory Rule No. 7.

BUSINESS OF THE HOUSE

Adjournment

For **Mr LENDERS** (Minister for Finance),
Hon. J. M. Madden (Minister for Sport and
Recreation) — I move:

That the Council, at its rising, adjourn until Tuesday,
28 February.

Motion agreed to.

MEMBERS STATEMENTS

Bushfires: ABC bulletins

Hon. PHILIP DAVIS (Gippsland) — I rise to make a statement about the recent bushfire events, in particular the response of keeping Victoria, especially

country Victoria, properly informed of developments during what was for some regions a blazing inferno.

During the alpine fires of 2003 the Gippsland studios of the ABC did a fantastic job on a regional basis of keeping the community well informed by regular reports of developments, and, as has been the history of local regional stations, that has been a service which rural and regional reporters have provided. My congratulations go to all staff at the ABC who were engaged more recently in such a comprehensive response that informed the whole Victorian community, including people in Melbourne. In fact they raised levels of awareness of a disaster befalling country Victorians in a way that I have never seen before. This great initiative came out of a recommendation of the Esplin inquiry. The ABC is to be congratulated for picking it up.

Member for Western Province: comments

Mr SOMYUREK (Eumemmerring) — On 10 January this year the opposition spokesman on local government, Mr Vogels, wrote to the newly elected mayor of the Cardinia Shire Council, Cr Bill Ronald, to convey his congratulations. He wrote that, and I quote:

... your community spirit, dedication, knowledge and enthusiasm for local government are obviously all qualities attributable to your election as mayor, where your fellow councillors and ratepayers will continue to reap the benefits of your expertise.

Yet in this chamber this week Mr Vogels, a member for Western Province, has accused the mayor of the most serious misdemeanours and called for the Minister for Local Government to investigate what he claims is a blatant disregard for the Local Government Act. He even stated that Cr Ronald brings local government itself into disrepute. Yet the incidents to which he refers date back to May and June 2004 — a full seven months before his hearty letter of congratulations.

The member for Western Province also wrote in his letter to Cr Roberts dated 10 January, 'Best wishes in the new mayoral role. I look forward to working with you during this period'. What has changed so dramatically for the member to make such outrageous statements in this chamber about a man who he was willing to work with just a month ago?

Paterson's curse: control

Hon. E. G. STONEY (Central Highlands) — I have a letter from David Esser, who is a Mansfield farmer. It is about Paterson's curse and says:

I bring to your most urgent attention the potentially catastrophic spread of Paterson's curse (Patto), in the Mansfield region. Historically known occurrences of Patto are spreading unchecked and many new infestations have been noted on roadsides, within properties, along major waterways and in the dry bed of Lake Eildon.

I am especially concerned about the roadside infestations of Patto. I understand that the land-holder is responsible for spraying weeds adjacent to their property, unless on a major road such as the Maroondah Highway, where VicRoads is responsible. Apart from a 2 metre wide strip touching the road no weed control is being carried out on major roads in the Mansfield shire.

...

I have heard a rumour that Paterson's curse is going to be removed from the noxious weeds register in Victoria and landowners, or the responsible government body will not be prosecuted for failing to spray infestations of Patto on their property. The Department of Primary Industries is the government body responsible for weed control in Victoria ... In order to do this effectively there needs to be adequate funding to employ experienced and competent people to coordinate effective spraying programs ...

I sympathise with Mr Esser. My wife and I regularly pull out Paterson's curse on our property. The seeds of Paterson's curse have a very long lifespan in the ground and it is very difficult to get rid of. I support Mr Esser's request for the Department of Primary Industries to be given more funding to control the spread of Paterson's curse in Victoria.

Safety Beach: community centre

Hon. J. G. HILTON (Western Port) — In January I was pleased to accompany the Deputy Premier, John Thwaites, when he announced a \$400 000 grant to assist in the development of a new community facility at Safety Beach. Safety Beach is the location of the Martha Cove marina development, which will house approximately 3000 residents when completed.

The development of the community centre will be based on the existing sailing club and will enable the nearby coastguard to relocate and operate from the same facility. I understand that 16 community groups, including the University of The Third Age, Probus and Weight Watchers, have indicated an interest in using the new facility. The new centre will be a two-storey building with large meeting rooms, disabled access and a fully equipped kitchen. The project is a genuine joint venture between the Mornington Peninsula Shire Council, the Martha Cove marina developer, the sailing club and the state government through the Community Support Fund. I was very pleased to play my part to bring the project to a successful conclusion. I wish it every success.

Yarra River: Horseshoe Bend access

Hon. BILL FORWOOD (Templestowe) — My electorate contains parts of the Yarra River. On the Yarra River there is a lovely spot called Horseshoe Bend. In 2002 the government decided it wanted to move the bats from the Royal Botanic Gardens and spent vast sums of money building an extraordinary structure at Horseshoe Bend. The government fenced the area and put up signs that said ‘Stay out’. The enclosures are on top of a 5-metre platform which provides protection from the floodwaters. The government was going to have scientists monitoring what was happening.

Let me tell members what happened: the bats went somewhere else but this structure remains. As you walk on the walking trail along the Yarra River, on the right-hand side you see fences with ‘Keep out’ signs on them, and if you go over the fence, you will see metres high in the canopy this extraordinary structure made out of metal.

Hon. Andrea Coote — Costing?

Hon. BILL FORWOOD — This whole project cost hundreds of thousands of dollars. There is not one single bat at the site. I suggest it is about time the government went down there, pulled this horrific structure down, took the flaming fence down and invited the good people of Victoria to again have access to Horseshoe Bend and the Yarra River.

Association of Independent Retirees: online access program

Mr PULLEN (Higinbotham) — Recently I had the pleasure of addressing the Melbourne Bayside branch of the Association of Independent Retirees (AIR) at the Black Rock civic centre regarding the changes to the Legislative Council. The president, Dick Morgan, was away on holiday, and I was made most welcome by the deputy president, John Grey, other committee members, members and guests.

The AIR’s mission is fighting for a fair go for self-funded retirees and its core values are equality, justice and independence for fully or partly self-funded retirees of all ages. The organisation is a non-political group, but the national president, Bob Swords, has expressed concerns that the federal budget has not addressed any of the reasonable measures sought in AIR’s prebudget submission for existing retirees.

However, I must congratulate the Minister for Information and Communication Technology, the

Honourable Marsha Thomson, for granting the Melbourne bayside branch a \$10 000 grant to get online. This is part of the Bracks government’s \$5 million commitment under its My Connected Community program to give Victorians the skills, resources and purpose to get online and access all the benefits the Internet has to offer.

By stark contrast, the federal government is defunding important online access programs for disadvantaged groups, further isolating them from our technology-driven society. The Bracks government remains the only government in Australia committed to funding programs that allow community groups to come together to share ideas and interests, and build Internet skills.

Graham Clark

Hon. W. A. LOVELL (North Eastern) — I wish to congratulate Mr Graham Clark who was recently awarded the Rochester Citizen of the Year award. I first met Graham Clark just over 12 months ago during the fight to prevent the government’s closure of the operating theatre at the Rochester and Elmore district hospital. It was at a public meeting that I had convened, when over 1200 people turned up to oppose that closure, that Mr Graham Clark put his name forward to chair the Rochester hospital community action group.

It is for his role as chairman of the Rochester hospital community action group that Graham has been nominated for this award and also for his roles with sporting groups and organisations in Rochester over quite a long period of time, including spending every Wednesday night for 10 years calling bingo for the local football club.

Graham was very humble when he accepted the award, saying he did not even know he had been nominated and thanking the people who had nominated him. He said, ‘There are some things in life you love to do and others you just have to do’. Leading the fight to save Rochester hospital’s operating theatre is one of those things in life that Graham had to do. I congratulate Graham. He has done a wonderful job over the last 12 months, and we look forward now to seeing the government fund the operating theatre at the Rochester and Elmore district hospital.

Betty Murtagh

Hon. W. R. BAXTER (North Eastern) — I wish to take this first opportunity since the announcement on Australia Day of the Order of Australia awards to congratulate all the recipients throughout Victoria,

particularly those in north-eastern Victoria. I want to especially make note of the award of the Order of Australia medal to Mrs Betty Murtagh, who is a beef farmer at Broad Billabong, Gooramadda, near Rutherglen.

Betty has had a long history of community involvement, particularly in the Victorian Farmers Federation, where she has on two occasions and for many years been the secretary of its Wodonga district council — a very onerous position which she has filled with a great deal of skill. She has also been secretary of the River Murray action group. I do not think that Betty, along with the chairman of that group, Ian Lobban of Barnawartha, received sufficient thanks and recognition for the great work they did in achieving compensation for flood-affected farmers after the event in 1996 when the Hume dam waters had to be prematurely released due to some problems with the dam wall.

The work Betty did to achieve justice for those farmers was magnificent, and I do not think it was previously sufficiently recognised. This award of the AOM goes some way to restoring that oversight. I wish Betty all the best in her future community activities.

Casey Hospital: public transport

Hon. G. K. RICH-PHILLIPS (Eumemmerring) — I draw the house's attention to the failure of the Bracks government to provide adequate public transport for the city of Casey. In late 2004, after a five-year delay due to the incompetence of the then health minister, John Thwaites, the Casey hospital finally opened. Despite the government's promise, more than a year after its opening the hospital still did not have a 24-hour emergency facility. Unbelievably now, more than 18 months after its opening, the hospital still does not have any dedicated public transport services and is the best part of a kilometre from the Berwick railway station and 800 metres from the nearest operational bus shelter.

This is completely unacceptable for what is supposed to be a regional hospital. The situation is so bad that even Labor councillors at the City of Casey have criticised the Bracks government's failure to provide public transport to the hospital. The provision of public transport to a public hospital is a fundamental community need. I call on the government to immediately address this appalling and unforgivable omission.

Police: Ballarat

Ms HADDEN (Ballarat) — Ballarat police numbers are at an all-time low and the community's safety is in jeopardy. The Ballarat station's gazetted strength is 2 senior sergeants, 9 sergeants and 67 senior constables and constables. Last week Ballarat's strength was just 1 senior sergeant, 2 sergeants and 13 senior constables and constables. They have 1 officer on long service leave, 6 officers on return-to-work programs, 2 officers relieving in other districts and 20 officers on leave. The 20 members on leave are getting their leave over and done with because of the Commonwealth Games in March. However, this is at the expense of safety to the public. Ballarat police cannot function 24 hours a day with just 13 officers.

The Ballarat custody centre is a constant drain on police resources, and police time is taken up babysitting prisoners all the time. Many of the prisoners have been sentenced by the court already and should be in a prison under the care of Corrections Victoria. With the current spate of crime in Ballarat, police numbers are at crisis point. You can call the police station for assistance and in most cases, unless it is extremely urgent — you are being murdered! — the community is advised to visit the police station and make a written complaint the following day. Ballarat deserves better treatment than this from the Bracks Labor government and needs an immediate injection of 25 police officers.

STATEMENTS ON REPORTS AND PAPERS

Library Board of Victoria: report 2004–05

Hon. ANDREA COOTE (Monash) — I would like to speak today on the Library Board of Victoria's report for 2004–05. I draw the house's attention to the conservation issue. Conservation is terribly important, particularly with the sensitivity of many of the items within the collection of the State Library of Victoria.

In fact I recall when I was involved with the State Library of Victoria Foundation someone rang the foundation and said they had seen some letters that had come off a dump truck in Essendon and were wondering whether perhaps they might be of value. The conservation department had a closer look at them and they were all John Pascoe Fawcner's original letters. Someone had thrown them out in the dump truck. The conservationists looked at them to see what could be done and how they could be redeemed. You cannot actually renovate these things; you cannot change the content but you need to restore the paper to make

certain that the items themselves are actually strengthened and supported.

Conservationists at the state library did the most phenomenal job; they really did excellent work on supporting these very fragile items and making certain they were going to be there for Victorians into the future. This took a considerable amount of money. Penleigh and Essendon Grammar raised significant money to make quite certain these letters could be restored to their former glory.

My point is that conservation is very important. I have spoken before about the newspapers at the state library. Many of them are in a fragile condition but they are a rich resource for Victorian scholars, and they will be a richer resource into the future. The newspaper collection at the state library is being deaccessioned. We have some concerns about this process and whether it is responding to and following the letter of the act. I have some grave concerns that in fact it may not be being adhered to.

The library web site says the library discards current interstate and overseas newspapers once the microfilm copies have been received. The one exception is the *Australian* where the Melbourne edition is retained. I am concerned about the necessity to discard our rich heritage of newspapers, as I have said in this place before. But if they do have to discard them, why on earth is the library using microfilm? In this modern era why can we not digitise these newspapers? Why can we not put them onto CDs? Why are we going back to microfilming? Many people in this chamber would have wrestled with microfilm — those awkward scrolls of black and white film. They are messy and seriously time consuming. I cannot believe the state library in this technological age is going down this track and I have some grave concerns.

When I was involved with the State Library of Victoria Foundation, which is over 12 years ago now, I got funding from the Myer Foundation to digitise all the photographs in the very rich collection of the state library which are on glass negatives. The library digitised these, and the collection can now be used all around the world, not just by scholars in Victoria.

I believe the state library should take a leaf out of the book of the British Library; it should examine what is done there. The British Library has used digitisation as a huge business initiative, digitising much of its collection and putting it to use through its business centre to raise revenue for that library. The State Library of Victoria, instead of putting images onto microfilm — which is an absolutely archaic practice —

could be taking a leaf out of the British Library's book and doing something along the same lines, making some money out of it and making the collection far more accessible to young people. We are trying to broaden the collection and make certain that our collection can be easily accessed.

I have some sympathy for the fact that newspapers are bulky to store but it is difficult to access microfilm. As I said before, microfilm is a seriously outdated method of recording material. I think the library is missing out on a huge opportunity to make the collection accessible to all Victorians and the wider world, as it has not taken advantage of current technology. It would seem that our state library is behind the times.

Bass Coast Regional Health: report 2004–05

Hon. J. G. HILTON (Western Port) — Today I would like to make a brief contribution to statements on reports and talk about the Bass Coast Regional Health annual report 2004–05.

Honourable members may be aware that Bass Coast is one of the fastest-growing rural shires in Victoria. The health services catchment area covers some 865 square kilometres with a permanent population of 28 000 which can grow to 80 000 during summer weekends and the holiday period. The health service has sites in Wonthaggi, Inverloch, Cowes and San Remo and delivers a broad range of services including acute care, subacute care, residential aged care, a full range of allied community health and disability services, maternity services, adult day care, ancillary medical specialists and medical and surgical services.

Bass Coast Regional Health, under the leadership of its chief executive officer, Nigel Atkins, has had an excellent year in 2004–05. It achieved an operating surplus and is in a very strong financial position. Last year the service had its busiest year on record and treated some 6244 acute inpatients. Occasions of service for all non-admitted patients totalled over 67 000, and accidents and emergency attendances totalled nearly 9000, which over the last five years is an increase of over 100 per cent.

Another highlight was the commissioning of the \$3.85 million Kirrak House Nursing Home which was officially opened by my colleague the Minister for Aged Care, Mr Jennings, in September 2004. I was very pleased to participate in that opening.

It is anticipated that the population serviced by Bass Coast Regional Health will increase by approximately 15 per cent over the next decade compared with an

increase of only 4 per cent for regional Victoria. The region is also expected to experience ever-increasing demands during the holiday and summer period. In response to these demands the Bass Coast Regional Health service has updated its strategic plan, and its priorities now include the development of an integrated and sustainable accident and emergency service within the Bass Coast subregion; the development of subacute services including inpatient rehabilitation; expanding a range of community-based services on an outreach basis to provide better access to services on Phillip Island, Inverloch and Grantville; the expansion of dental services, and further development of specialist medical services.

I would also like to comment on volunteers and fundraising. Approximately \$150 000 was donated by the local community in 2004–05. The more than 400 men and women volunteers participate in a diverse range of activities including Meals on Wheels, transport services, home visiting, palliative care, youth services, acute ward visitor services, and home and community care programs.

The report indicates that the volunteers play a primary role in connecting the community at Bass Coast and extending the quality and quantity of services provided by the hospital. In summary 72 000 hours of volunteer work was provided. In the annual report the chief executive officer, Nigel Atkins, and the president, John Owens, pay tribute to all volunteers, auxiliary members and supporters for their generosity and effort in enabling the health service to maintain its high standard of care. I join in that acknowledgement. As I have said a number of times in this house, volunteers are the glue which binds our society together and without volunteers we would not have the society we enjoy today.

In conclusion, I thank everyone involved at Bass Coast Regional Health — the board of management, the senior executives, the medical staff, the support staff and, as I have said previously, the volunteers. The volunteers do a fantastic job in providing a first-class health service to the population of Bass Coast.

Public Accounts and Estimates Committee: budget estimates 2005–06

Hon. BILL FORWOOD (Templestowe) — This year the Public Accounts and Estimates Committee made a real effort to get its report on the estimates down to a manageable size, and we have cut it back to 678 pages. We have limited the recommendations to only 156. I do not recommend that every member of the house read every page of the report, but I do recommend that people should go to the chapters that

are of particular interest to them and, because of the detail contained in it, the report will enhance their understanding of the budgetary, reporting and monitoring processes that the Parliament attempts to go through in its never-ceasing battle with the executive for information.

Today I particularly wish to touch on a couple of recommendations. One of the things that greatly disappointed the committee, and me in particular, was the obfuscation by the Department of Human Services in relation to the costs of the promotion and launch of the Austin and Mercy complex. We tried at the public hearing to get some information on what the actual costs were and got a lecture from the minister but no information other than her saying it was a good day and, ‘You are certainly free to look at the global allocation within the annual report’.

Subsequent to the hearing we requested information in an endeavour to obtain relevant details. In particular we asked the department to disclose:

... the total amount of expenditure incurred in the launch of the new complex, a breakdown of expenditure according to various categories (... television, newspapers, equipment hire ... consultants) and the sources of funding (such as the Department of Human Services, the Department of Premier and Cabinet, and hospitals).

Honourable members will remember that this was in a period when there was a raft of television advertisements promoting this particular launch. Again we got absolutely nothing back from the department — and considerable effort had gone in to ensuring that something came. Eventually in the *Your Hospitals* report released in September 2005 the department disclosed that the open day was part of an extensive information program costing just under \$500 000.

The contempt with which the department treated the committee and continues to treat this Parliament should not go unremarked. The report states:

The committee considers that not providing the relevant details of the cost of the launch and promotion of the Austin and Mercy complex, the largest ever public hospital redevelopment, when requested makes the task of the committee to scrutinise government expenditure and the budget difficult.

Mr Somyurek, who was present at the time, would understand the difficulty we had arriving at those words, because the words I had proposed were somewhat hotter than that. However, we did unanimously arrive at a recommendation that Human Services take a lead role disclosing a consolidated financial statement in its annual report that shows the total cost incurred in the launch and promotion of the

opening of the Austin and Mercy complex. It makes the committee's task very difficult when this government tries to hide information all the time. I note that the Minister for Finance is fond of standing up all the time and saying that according to the *Australian Financial Review* in February 2003 this government is perhaps too open.

Let me state that in the time since February 2003 — that is, three years — this government has gone backwards at a rate of knots. It has become without doubt one of the most secretive and manipulative governments — —

Hon. D. K. Drum — Underhanded.

Hon. BILL FORWOOD — Thank you, Mr Drum. When it comes to the provision of information to the Parliament this government is one of the most underhanded governments that I have ever seen. The contempt with which the executive of this government treats the Parliament time and time again in relation to the provision of information that should be readily available is just a wonder to behold. It is nothing other than complete contempt.

I turn to recommendation 22 of the report, which is:

The Department of Human Services:

- (a) introduce a management reporting framework for the custodial component of the juvenile justice system to allow for the systematic analysis of incidents ...

What is happening is that warders are getting beaten up by juveniles, but no record is being kept because, again, the government does not want the people of Victoria to know the parlous state — —

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

Victorian Multicultural Commission: report 2004–05

Hon. H. E. BUCKINGHAM (Koonung) — It is with pleasure that I rise to make a contribution on the annual report of the Victorian Multicultural Commission. This annual report canvasses a number of fantastic initiatives, programs and funding grants that the Victorian Multicultural Commission has been involved in during the 2004–05 reporting period. I congratulate the VMC for its work throughout this period. With 43.5 per cent of Victorians either having been born overseas or having a parent who was born overseas, we are perhaps one of the most multicultural and relatively harmonious and cohesive societies in the world. Fortunately we have not witnessed — and I trust

we never will — the recent racial unrest in Cronulla in New South Wales.

Amongst the many objectives of the VMC are to:

promote access by Victoria's culturally and linguistically diverse communities to services made available by governments and other bodies;

encourage all of Victoria's culturally and linguistically diverse communities to retain and express their social identity and cultural inheritance;

which is enormously important, and:

to promote cooperation between bodies concerned with multicultural affairs;

I note that the annual report highlights the importance of the Racial and Religious Tolerance Act 2001 and the Multicultural Victoria Act 2004. These two acts promote the commitment of the Victorian government to multiculturalism.

The Multicultural Victoria Act 2004 serves three important functions. Firstly, it declares that Victorians value community harmony and commits all of us to working together to promote a prosperous and united future. This future will ensure that diversity is respected, that cultural heritage preserved and that all Victorians will have access to the same opportunities. Secondly, the act re-establishes the Victorian Multicultural Commission and reaffirms its objectives of promoting the full participation of Victoria's diverse communities. Thirdly, the Multicultural Act 2004 has made it a legislative requirement for all Victorian government departments to report annually to the Minister for Multicultural Affairs on their activities and achievements in relation to multicultural affairs.

One important aspect of the work of the multicultural commission is the community grants program. In 2004–05 the Victorian government allocated \$3 million to the community grants program. This was an increase of \$1.25 million over the previous reporting period. The community grants program includes the following categories: organisational support grants; senior citizens grants; building and facilities improvement grants; educational program grants; multicultural festival and events grants; and strengthening multicultural community grants.

In this period the Victorian Multicultural Commission provided grants to 1470 community organisations. Groups that received grants in Koonung Province include the Greek Orthodox parish of St Andrews in Forest Hill and the Greek Elderly Citizens Club in Nunawading, where I have been a guest on numerous occasions. It is a great club.

Once again I congratulate the chairman of the Victorian Multicultural Commission, Mr George Lekakis, his fellow commissioners and the staff of the commission for their annual report. I endorse the statement by George Lekakis in the foreword to the report. It says:

The Victorian Multicultural Commission will promote and defend the benefits of multiculturalism because it represents who we are. That is, a harmonious, pluralistic, dynamic community drawing on the strength of its diverse people.

May that continue.

Yarra Valley Water: report 2004–05

Hon. D. McL. DAVIS (East Yarra) — My matter today concerns the Frankston Reservoir. Last night I was fortunate enough to attend a community briefing about the future of the reservoir that was run by a number of local people including the member for Frankston, and personnel from Parks Victoria and the Department of Sustainability and Environment. There was also a significant presence from the Frankston City Council. I attended with the Liberal candidate for Frankston, Rochelle McArthur, and was very pleased to talk to people from a number of environment groups and get a strong feel for what the community believes about the future of the reservoir.

At the outset I indicate that community consultation is important, but it must be genuine community consultation.

The PRESIDENT — Order! Could the member clarify which report on the notice paper he is referring to, for the information of the house?

Hon. D. McL. DAVIS — I am referring to the Yarra Valley Water report. I want to talk about matters for the future of Melbourne's water supply and issues that surround that. Melbourne Water is a very important authority, as is Yarra Valley Water, and all our major water retailers or statutory authorities play a central role. But over the recent period the government's activities with respect to Yarra Valley Water have not been satisfactory. The government needs to lift its performance in terms of water quality. Given that on a number of occasions in the summer period readings of up to 120 times the allowable amount of 200 organisms per 100 millilitres of *Escherichia coli*, or *E. coli*, have been recorded in the Yarra River, it was simply unacceptable for the government to try to hide in terms of its responsibility.

Members will remember that last year the Minister for Environment took the view that the cause of the faecal pollution was dog excrement. We know that not to be

true, of course, and at the time he knew it not to be true. A 1997 report showed that it was due largely to human faecal contamination. The minister should act on this. I know that the failure of the government to sensibly deal with the matter has left Melbourne's water resources in a significant mess. I cannot believe that any Victorian thinks that raw sewage should be floating down our Yarra River. It is not suitable in terms of the river's status as an icon for Victoria. Given the issues that surround stormwater it is not suitable that the government has not dealt with them and the issues about septic tanks, in particular up through the Manningham municipality.

I know that the government says that it is committing additional resources but we have seen very little evidence of that. Six years into its term of government we still have massive readings of *E. coli* in the river, with raw sewage floating down it, contaminating it and making it unsafe to swim in or undertake a whole range of boating and other recreational activities on. That is not good enough, and the Minister for Environment has not faced up to this. We need to ensure that water resources generally are of the highest quality. For example, it is important that the future of the water supply to Frankston be guaranteed. I know that the government and the water authorities will do that.

As I said last night, I was disappointed that the question time at the community consultation at the Frankston Reservoir briefing was cut short. In future the government needs to undertake briefings on such community events more fully.

Mr Viney — Who called the meeting?

Hon. D. McL. DAVIS — I am aware of who called it, and I know that you were not there. I was there and you were not, Mr Viney, and I was disappointed not to see you there, given your longstanding interest in Frankston. But I have to tell you that Dr Harkness cut off the question time and I am very concerned. The cutting off of the question time was unfortunate. I hope future consultation will be complete and more responsive to the community.

Victorian Multicultural Commission: report 2004–05

Hon. S. M. NGUYEN (Melbourne West) — I wish to make a statement on the annual report 2004–05 of the Victorian Multicultural Commission. The year saw the Bracks government's extra commitment in many ways to the ethnic communities of Victoria. I thank Mr George Lekakis, the chairperson, and the other

members of the commission who spend time working as the commission.

The commission has done much work to give advice to ethnic organisations as well as helping them to perform better to serve their own communities in many ways. Funding is one of the major things the commission has done, by providing small grants to help communities. For example, one of the things that the commission has done is help many ethnic community festivals. During the lunar new year celebrations many Chinese and Vietnamese communities have used funding to promote the cultural activities in many suburbs around Melbourne. Those small funds give them encouragement and are recognition of the work they have done. Many people attend every festival and there are many guests from local councils, as well as state and federal members of Parliament who attend to wish the community a good new year.

The commission has done other work which I admire. For example, last year it worked with people at a local temple to promote crime prevention awareness in the region and encourage members of the local community to come along to be aware of what is happening and ask them to become part of the crime prevention work. Many people in the community tend not to call the police when something happens; they keep quiet and complain about a year later. The crime prevention program tries to get everyone involved, especially members of non-English-speaking communities. The commission encouraged translation services and multilingual liaison officers to be part of the program to make sure that everybody is involved and no-one misses out in trying to reduce crime. Victoria Police work in connection with the Victorian Multicultural Commission to get the community involved to help the police to solve the crime problem.

The commission is involved in many other things as well. The Department of Education and Training is involved with the commission, as is the Department of Justice, the Department for Victorian Communities and the Office of Commonwealth Games Coordination. The commission is interested not only in the Melbourne 2006 Commonwealth Games but also in becoming involved with guests who will be coming to Melbourne for the March 2006 Commonwealth Games, so that everyone is working in the same direction to promote our multiculturalism and cultural diversity to the rest of the world. We must take advantage of that commitment.

The commission has increased grants to help many new organisations. It has organised a web site for refugees

and multi-faith gatherings. It has tried to have religions work together — —

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

Justice: report 2004–05

Hon. RICHARD DALLA-RIVA (East Yarra) — I wish to make my contribution on the Department of Justice report 2004–05, in particular in relation to the prison system and correctional orders enforcement.

The approach taken by the government regarding Victorian prisons continually astounds me. We know that over the past six years this government has been lax in its approach to ensure that we have adequate facilities and to ensure that those in the community who commit crimes have a place to go where the community feels there is some retribution in terms of deterrence and rehabilitation opportunities.

There was one telling point within the prison culture that I could not let go, whether it is drawing a long bow or not. At page 58 the report refers to the escape rate. It is one of those quirky things that people in jail who do not want to be in jail will use every opportunity to remove themselves from that facility if they feel it is too harsh or too hard. The government would be happy to say escape rates show the system is working, but at the other extreme they show that those in our prison system are quite relaxed about it.

The prison escape rate has dropped from 4.62 per 100 prisoners in 2000–01 to 1.19 now — that is, some 25 per cent are wanting to leave the prison system. Not less than two days ago I spoke to a former prisoner who said he is to be slotted today. He said he does not care. He said, 'I'll go in there, it's fine, I get fed, it's a great life; then I'll get out and I'll be back onto it'.

Prison is about it being a deterrent, ensuring there is a system in place that satisfies the community's expectations. Yes, we have to consider the rights of the individual and ensure they do not reoffend, but when you compare the Commonwealth Games village to the new Beechworth correctional facility, it is a toss-up as to which would be a better facility to reside in. The Beechworth correctional facility has great vista views over the valley; it is magnificent. Prisoners have their own windows and even have their own keys to their cells. This is how the prison system in Victoria is working.

Meanwhile, this government has closed three jails and opened one jail. It has closed a medium security prison in Bendigo, a medium security prison in Beechworth

and a minimum security prison in Won Wron. What has been opened? A120-bed ultra-minimum security prison in Beechworth. The government wants to be soft on crime — it says, 'It's the poor criminals' fault that they are out there'.

Page 72 of the report refers to budget blow-outs everywhere, except when it comes to jails. The 2004–05 budget allocation was \$323.7 million. Did the government spend that full amount protecting the community of Victoria? No, it spent only \$316 million. It saved money through not enforcing correctional orders — that is, prisons — but there is no capacity in the budget.

Before I close I refer to a letter in today's newspaper by Anthony Kelly, the policy officer of the Federation of Community Legal Centres. It states:

Opposition corrections spokesman Richard Dalla-Riva has a strange set of priorities when he says that Victoria's declining prison population is a problem.

He rightly points out, with which I agree, that a lot of people in our prison system have mental illness and drug addictions — and who should be supported, and the prisons hold a lot of women who have been abused as children, as he rightly points out. But he fails to understand that part of the community's expectations are that there are people who should be locked up. That is the harsh reality. I know the soft Lefties on the other side find it hard to believe but there are crooks who are generally nasty characters.

The ACTING PRESIDENT (Hon. Andrew Brideson) — Order! The member's time has expired.

Auditor-General: results of 30 June 2005 financial statement and other audits

Hon. J. A. VOGELS (Western) — I would like to make a few comments on the Auditor-General's report regarding the results of the 30 June 2005 financial statement and other audits. Page 166 deals with local government.

At page 169 the Auditor-General says that the financial performance and position of the local government sector improved in 2004–05, compared with last year, which is good. However, some councils continue to face financial viability issues in the medium to longer term. Of particular interest is that:

Thirty-six councils reported an underlying operating deficit for 2004–05 compared with 33 —

in the previous year —

However, the combined underlying deficits of these local governments —

was less than last year, showing a positive trend towards sustainable operations.

On page 166 the report states:

In 2004–05, local governments collected \$5.4 billion in revenue (\$4.9 billion in 2003–04) ...

... total local government revenue grew by \$511 million, or 10.5 per cent. The main area of growth was in rate revenue —

which concerns me and ratepayers, that ever since the election of the Bracks government in 1999 council rates have increased by approximately 10 per cent per year. The reason councils are forced to do this is because of the lack of funding by the state government. If councils want to maintain their services and keep their infrastructure up to scratch, their only alternative is to increase rates. It is unfair that a lot of people are struggling to pay their rates each year because of the enormous growth in rate revenue.

For example, last year the Auditor-General's report showed that interest rates had increased by 11.2 per cent, which is not sustainable. Some 36 local governments reported an underlying operating deficit for 2004–05. This report states:

Operating deficits cannot be sustained in the longer term, and deficits by their nature shift the burden of today's costs to future ratepayers.

It is of concern to me that of the 36 councils reporting an operating deficit, most would be rural councils that are struggling because they have an enormous amount of infrastructure, such as roads and bridges, which they cannot keep upgrading to the appropriate level.

The Liberal Party has come up with a great plan to help local government look after its infrastructure by matching the federal government's Roads to Recovery funding and providing money for councils to spend on the local roads and bridges the councils think are important, not to have someone in Spring Street say a certain bridge needs to be fixed. It will be a local decision-making power which will enable the councils to start building better roads and bridges.

Some of the country roads in Victoria are shocking, but it is not possible to maintain them only from rates revenue. That Liberal Party policy would be an excellent outcome. If the Liberal Party got into government, I am sure the Auditor-General's report would start to say something different about the deficits in rural councils. Although rates have been increasing by 10 per cent year, the councils are still going

backwards. That trend is not sustainable in the long run. Otherwise and overall the Auditor-General's report shows that the performance of local government is improving, but I am concerned about some of the smaller rural councils that cannot maintain their infrastructure.

Victorian Environmental Assessment Council: Goolengook Forest investigation

Hon. P. R. HALL (Gippsland) — This morning I want to make some comments on the minister's request for the Victorian Environmental Assessment Council (VEAC) to investigate the Goolengook Forest. It is of particular interest to my constituency in East Gippsland. The minister gave that reference to the VEAC in December last year. The purposes of the investigation were tabled yesterday in the papers. The first purpose was to:

Examine the Goolengook Forest management block for its potential for all or part to be added to the Errinundra National Park, with particular reference to the need to protect old growth forest.

First, I want to say every Land Conservation Council or Victorian Environmental Assessment Council inquiry has recommended new national parks in this state — I do not think there has been an exception to that — or additions to national parks. I have no doubt that sadly this reference will do the same.

Goolengook is obviously being targeted because it has been the centre of attention for a lot of radical and insane forest protesters over time. I do not use those words lightly. Those people have been engaged in activities which have threatened the lives of legitimate timber workers, in terms of trees being spiked at different times, contaminants added to the fuel of vehicles and the sabotaging of vehicles. That sort of protest is certainly inappropriate, but there is no doubt in my mind that this government will go to great lengths to appease the insatiable appetite of some of those green groups. This government believes there is political advantage to be gained by doing so prior to the 2006 election in order to win favour with the Greens Party.

I want to comment on the third purpose of this investigation, which is an interesting purpose. It is to:

Ensure that there is no net deterioration in timber production capacity.

We already know that timber resources are scarce in this state. In Australia we continue to import in excess of \$2 billion — that is our national trade deficit in timber and timber products. Yet we seem to be content

to lock away more timber resources in the state. We have seen it in the Otways national park, where there is no longer a timber industry. The few remaining millers there will be out by 2008.

Hon. Andrea Coote — We have a ragwort industry

Hon. P. R. HALL — Yes, that is a good interjection from the Honourable Andrea Coote. We have a ragwort industry in some of those public land areas. We cannot afford to lose valuable timber resources in this forest. We cannot afford to see the rape and pillage of Third World countries continue by importing their timber resources into this country. We need to take a far more sensible approach.

If purpose no. 3 is going to be adhered to — that is, to ensure that there is no net deterioration in timber production capacity — I will be interested to see where the extra timber production capacity will come from. If the government in the end takes the easy way out and says, 'Yes, we have enough resources to satisfy the forward planning of VicForests', then that will be a complete contradiction to all the findings associated with Our Forests Our Future, where at least 50 per cent of timber harvesting was curtailed in East Gippsland because the government said it did not have enough resources.

The only way that purpose can be achieved if there is the addition of some Goolengook area to the Errinundra National Park is for an equivalent area to be released from existing national parks for timber harvesting. One-sixth of Victoria is now national park. We in The Nationals say that is the right balance — enough is enough. It is time to stop continually adding to the national park estate without consideration for economic and social impacts. If there is going to be an addition of Goolengook to Errinundra, then the government should release an equivalent piece of national park area and put that back into timber production so there is no net loss. That is the only way that purpose no. 3 will be achieved.

The Nationals will look with great interest at this inquiry. No doubt we will make a submission, as we do in respect of most of these VEAC inquiries. I can tell the house that our view is there should be no net additions to national parks and we need to retain the same area we have now for timber harvesting production.

Victorian Environmental Assessment Council: Goolengook Forest investigation

Ms ROMANES (Melbourne) — I also wish to make a statement on the Victorian Environmental Assessment Council's Goolengook Forest investigation. Members will recall that VEAC was set up by Bracks government legislation in 2001 to assist the government in decision making related to key environmental areas and issues. It is inevitable that the subject of these investigations will be controversial. Many people in my electorate who have a special interest in Goolengook Forest had hoped that VEAC's first reference would be Goolengook Forest but the priority at the time was the future of the Otways, so that was the initial reference that VEAC undertook. I am pleased that the minister has requested an investigation of public land within the Goolengook Forest management block in East Gippsland.

As Mr Hall has said, the purposes of the investigation are outlined in the terms of reference, as are the areas that VEAC must take into consideration. They highlight VEAC's obligations in regard to consideration of commonwealth, state and regional agreements and arrangements, and policies, programs and strategies already in place as they relate to the investigation. The terms of reference also draw attention to the opportunities for consultation with interested parties and that there must be submission periods before the preparation of the draft proposals paper and after its release, so there are opportunities for different interests and stakeholders to have input into the VEAC investigation.

My interest in Goolengook Forest goes back to 2002, when the Bracks government proposed forestry reforms, which were summarised in a document called *Our Forests Our Future* and which provided for a sustainable logging industry in Victoria. At that time I, as a local member of Parliament, became aware of a strong campaign for a moratorium on logging in the Goolengook block. Because of that local interest, in July 2002 the then member for Coburg, now member for Brunswick in the other place, Carlo Carli, and I travelled with a number of people by light plane to see the Goolengook area ourselves. I recall being struck by the forest cover from Healesville almost across the whole state to the border as you went east from that area and how similar it all looked from the air. However, when we got to ground level it was very clear there were different kinds of forest growths across different areas.

The organisers of our visit took us to various sites to show us what they considered was very special about

Goolengook and to demonstrate the effect of logging in the area. On the ground it was possible to see enormous differences between regrowth forests and old-growth forests and other impacts of logging around the Goolengook area. We learnt that Goolengook is very special because it supports three out of five Victorian rainforest ecological vegetation classes, as well as areas of old growth and mature eucalypts. The rainforest types include cool, warm, and warm/cool overlap rainforest. It has iconic status and is considered a national treasure because it has regional, state and international significance. The people who took us around to demonstrate this were not insane protesters, they were people with scientific backgrounds and with a strong and enduring interest in Goolengook.

Since the end of 2002 a moratorium has been put in place on logging in that area. We now need the work of the Victorian Environmental Assessment Council to help resolve the future of Goolengook.

Auditor-General: results of 30 June 2005 financial statement and other audits

Mr SOMYUREK (Eumemmerring) — I rise today to make a brief contribution on the Auditor-General's report on the result of the 30 June 2005 financial statement and other audits. As the name suggests, this report draws together the results of the financial audits of public sector agencies with a 30 June 2005 balance date. It also presents the results of three special audits which examined issues of public interest. The report is divided into three parts. The first part is a summary of audit results and cross-sector issues. The second part contains the results of financial audits by sector and outlines the results of the financial audits of our agencies by each major sector of government activity. The third and final part, which in fact covers parts 15 to 18, sets out the results of three special audits. Those special audits are on the progress of the EastLink project, the management of the Commonwealth Games athletes village development and the harness racing industry reforms.

This is quite a lengthy report, and due to time constraints my contribution will not be as comprehensive as it might have been. However, I would like to discuss a couple of issues surrounding the timeliness of reports and other issues the Auditor-General has expressed an interest in. On the timeliness of financial reporting the Auditor-General reported that there was some improvement in the time taken by financial agencies to complete their audited financial and other accountability statements. The Auditor-General reported that 79 per cent of state agencies met the 12-week statutory reporting target —

that was 71 per cent in 2004 — with improvement evident across most sectors of government and the state's major agencies. He also reported that 95 per cent of local government agencies met the three-month statutory reporting target for that sector — that was 95 per cent in 2004 — consolidating the significant improvement made in previous years. That is a positive, although the report is not so positive on the issue of the timeliness of tabling of annual reports.

Before I get to that I will outline the recommendation the Auditor-General has made with respect to the timeliness of financial reporting. The recommendation is:

That agencies and their audit committees review the outcomes of the 2004–05 reporting cycle to identify opportunities to further improve the financial statement preparation process, with the outcomes of these reviews used to inform agency planning for the next reporting cycle.

That agencies work closely with their auditors to have their opening balances for 2005–06 (based on the new accounting standards) finalised and audited early, to ensure that any contentious issues are able to be resolved on a timely basis and do not hold up the finalisation of their financial statements.

That is a very interesting recommendation and certainly needs to be looked at very closely. The change in accounting standards is something governments will have to be very careful about.

Moving to the timeliness of the tabling of annual reports, while the — —

The ACTING PRESIDENT (Hon. Andrew Brideson) — Order! The honourable member's time has expired.

Auditor-General: results of 30 June 2005 financial statement and other audits

Hon. G. K. RICH-PHILLIPS (Eumemmerring) — I wish to make a statement on the Auditor-General's report on the results of the 30 June 2005 financial statement and other audits. In particular I refer to chapter 16 of the report, which relates to the management of the Commonwealth Games athletes village project. I have to say that this report by the Auditor-General lifts the lid on what must be one of the dodgiest deals done by this government — one of the greatest examples of Kirner accounting that the people of Victoria have seen for a very long time.

Over the last three years in this chamber we have heard the Minister for Commonwealth Games repeatedly tell the people of Victoria that the Commonwealth Games village development is both on time and on budget. The

minister at one point, on 4 November 2004, conceded that the village development was over budget by around \$4 million due to unexpected soil contamination issues on the site for which remediation work was required. Since that statement on 4 November the minister has held that line: the only variation to the budget for the Commonwealth Games village is \$4 million for soil remediation works. The report by the Auditor-General, however, reveals a very different picture.

I must also put on the record that on 25 July last year the Minister for Commonwealth Games sent to the Public Accounts and Estimates Committee a response to written questions following the public hearing which had taken place.

In his response to the committee the minister indicated that the cost of Commonwealth Games village had not varied from the budgeted cost. In 2002 the government released a budget for the village. In the minister's response to the committee last July he indicated that the budget for the village had not changed. He indicated that the total net cost of the social housing of the village would be \$35 million.

However, the Auditor-General revealed very significant changes to the information the minister gave this house. The Auditor-General revealed in his report that in late October 2004, when the minister was saying everything was fine, the Commonwealth Games Federation was happy with the village and everything was on track for a great Commonwealth Games and a fantastic village, the minister was signing off on major changes to the village required by the Commonwealth Games Federation that would cost taxpayers an extra \$52 million in cash outlay for both construction and some of the overlay requirements for the Commonwealth Games. How did the government conceal this?

The government changed the value of the land that was contributed to Commonwealth Games village. Originally it was on the books at \$33 million, and the transfer of the land to the developer for \$33 million is shown as part of expenditure by the state government. To get around the fact that suddenly extra cash was required and to create the pretence that the village was within budget, the government revalued the land. It reduced the valuation. It said, 'We have not transferred the whole site, so we will cut the value of the site by the percentage we have not transferred and account for it by what is called impaired value rather than market value'. Instead of the site originally being valued at \$33 million — at a time when the Valuer-General was saying it was worth \$46 million — it is now on the books with a value of only \$11 million. In effect the

budget has been compensated for by dodgy accounting regarding the value of the land.

This is yet another example of how the Minister for Commonwealth Games is very loose with what he tells members of this house. Victorians can now have no confidence in the integrity or truthfulness of the statements made by the Minister for Commonwealth Games in this house. It is very clear that he will do all he can to ensure—

The ACTING PRESIDENT (Hon. Andrew Brideson) — Order! The member's time has expired.

Victorian Multicultural Commission: report 2004–05

Hon. KAYE DARVENIZA (Melbourne West) — I would like to speak briefly on this report. I would like to take this opportunity to congratulate George Lekakis, the chairperson of the Victoria Multicultural Commission, along with his team of commissioners, for an excellent report. I urge members to take an opportunity to look at it, particularly what it says regarding some of the activities the commission is involved in — not necessarily the community grants program, which we all know about and are familiar with, but activities related to the Commonwealth Games, ambulance and police services, arts, refugees and working with a whole range of business councils.

I recommend this report to members because it is a very good report. It gives a lot of detailed information about the excellent work the commission does to promote our diverse communities and to ensure that all aspects of our lives take into consideration the great diversity in Victoria. It is well worth a look, concentrating on the activities outside the grants program.

BUSINESS: TAXATION AND REGULATION

Hon. B. N. ATKINSON (Koonung) — I move:

That this house calls on the government to cut taxes and charges in the 2006 state budget and revise and reduce regulations that are adversely impacting on the competitiveness of business in Victoria.

I look forward to the support of government members for this motion. I am sure they are aware, as are all members of the opposition and no doubt The Nationals, of the concerns of a great many businesspeople across Victoria and the industry associations representing them about the falling competitiveness of Victoria and the faltering economic figures in some areas. One

would not want to be alarmist about the figures and suggest that we are in real financial strife at this point, but certainly the figures are very strong indicators that some of the policies of this government are not working. As a matter of some urgency this government needs to address a number of issues to ensure the continued competitiveness of Australian businesses, particularly those domiciled in Victoria.

Victoria is often claimed to have assumed the mantle of the engine room of the Australian economy. That is the case in the manufacturing industry, and I think Victoria punches well above its weight in agricultural and horticultural industries and is a significant contributor to national wealth, particularly through exports. But as Mr Baxter and I have discussed on previous occasions, and as many members of this house would be aware, Victorian exports are starting to fall and there are issues regarding the state's export performance. Some of those issues can be traced back to the government's policies on regulation and taxation.

In the context of this motion I have had significant dialogue over an extended period with a great range of organisations. It would be true to say that this motion has at least the tacit support of a large number of industry associations. Those associations include the Victorian Automobile Chamber of Commerce (VACC), the Victorian Employers Chamber of Commerce and Industry (VECCI), the Victorian Farmers Federation (VFF), the Australian Retailers Association Victoria, the Business Council of Australia, the Australian Industry Group, the Master Grocers Association of Victoria, and I could go on and include many other organisations covering industries as diverse as the printing and baking industries.

The Real Estate Institute of Victoria is another industry with which I have had recent dialogue. The Honourable Wendy Lovell and I met with them recently and discussed a number of concerns, particularly about regulation of that industry. During the term of this Parliament many pieces of legislation have come before this house. Regulation of the real estate industry has certainly added significant compliance costs and administration duties to real estate agents, and yet ironically the government seems to be heading in another direction of deregulation for other industries or professions that might want to become involved in selling real estate.

It is a rather extraordinary situation to have the government trying to tie up in knots one industry of professionals — people who have qualifications and have gone through a considerable process in terms of establishing reputable businesses — and yet to allow

other people to potentially come into an industry with a different business model and with less regulation.

I am not, and the opposition is not, for increasing regulation on all these other professions and people who develop new business models. What we are for, though, is ensuring that existing industries are not bedevilled by an increasingly complex regulatory regime, that other industries are not hampered and rendered uncompetitive against some new business models simply because of artificial barriers that are created by government policy. That concern has been expressed to me and to many of my colleagues by many of the organisations we have spoken to over an extended period.

Why do we bring this motion today? We bring it because there is a real opportunity, and indeed a need, for the government to address these matters at this point. The government set up a commission to take evidence on regulation and seeking information on where regulations might be cut. This motion will ensure the government acts on that report, which was released in December.

One of the things that I am sure Mr Baxter would be particularly aware of and that I know featured quite strongly in that report, and again has been part of the representations made to me, is the problem of businesses in border towns along the Murray River, and to a lesser extent along the South Australian border, that operate in both states — in New South Wales and Victoria particularly. I know the Albury-Wodonga area is a significant market, and indeed the Riverina beyond is a significant market for many Victorian businesses. Yet they face an enormous problem with regulatory regimes that cross both the states of Victoria and New South Wales and which require them in many cases to have additional licences or to meet two sets of standards in terms of licensing and regulations when in fact they are really providing a service seen by the marketplace as a basic service that might well be satisfied by simply one regulatory regime.

At one stage VECCI came to me and some of my colleagues and suggested that there was a particular business in Shepparton that had to get 46 different licences to operate. I am not sure if this is rural folklore or if this business actually exists, but I did ask to be put in touch with that business so I could sit down and work out how we could cut many of those licences or regulations. To this point I have not been introduced to that business. It is certainly possible, given that the business is based in Shepparton, that it is also providing goods or services into the New South Wales market and

it may well be caught up in this problem of having to meet with two different regulatory regimes.

The government has taken some initiative here in terms of the economic efficiency commission. It now needs to implement some of those recommendations. It also needs to go further, because I am not sure the work that commission has done goes anywhere near far enough in terms of winding back regulations. I am a great believer in the sunseting of regulations to make sure that we put the acid test on bureaucrats and on government policy. It ensures the regulations that are on the books are still required, that they are doing what they were intended to do, and that they have an economic benefit and are not a penalty or an anchor on business competitiveness here in Victoria. We have to move more towards that sort of regime. I am not sure that the commission went anywhere near far enough. Nonetheless, I want to see the response of the government to that commission's recommendations as far as they go, and I want to see the regulations cut — and so too do industry associations.

I also want to see taxes cut. All of the industry associations that have been talking to me — and I know many of them have met with the state Treasurer, the Honourable John Brumby, and no doubt with other government members — have been arguing for cuts in business taxation because, contrary to what this government claims in terms of being a low taxing state, Victoria's taxation levels are above the national average. Indeed the government's update on its finances, which were released late last year, put the lie to much of the propaganda that the government has been issuing about being a low taxation state. The government was forced to admit that its taxes were close to the national average — not below, but close. That is not truthful either because in reality they are above the national average and significantly above the national average, and Victoria's competitiveness is weaker because of the taxation regime in this state.

That is unfortunate because this state has been the beneficiary of a very bullish economy over an extended period. The GST income that has come to this state, the property boom that has occurred, and a range of other economic factors, have certainly increased taxation levels for this state government. It has been a significant bonus for the government which it has been able to spend, it seems, without the sorts of disciplines that one would expect of a government. Indeed much of the windfall gain that has come from these taxation revenues over the past few years has not been reinvested in major areas like infrastructure, as it should have been, or in trying to curtail taxation levels. Taxes have increased.

It is important to the opposition that Victoria is able to maintain its competitiveness in an increasingly global marketplace. The issues for us are not just whether we win export contracts, but whether we are able to maintain the viability of Victorian businesses in the face of imports.

One of the alarming things that I have noted of late is the number of manufacturing companies that are shutting up shop. When food companies particularly are moving out — and Kraft has recently announced that it is moving production out of Victoria — there is cause for some alarm, because one of the things we have seen as a strength in Victoria has been our ability to produce good clean food at an efficient price. Our farmers are amongst the most efficient in the world. They have been able to produce good food that we have prided ourselves on and considered an export opportunity. It is therefore alarming when you see major food companies starting to relocate out of Victoria and the processing of the agricultural and horticultural produce of this state moving interstate or, even worse, offshore.

There are reduced opportunities for Victorians, there is reduced investment in Victoria and there is real cause for alarm. I am concerned about the closures of a number of automotive accessory suppliers — companies that have been contributing to motor vehicles produced by the big three in Victoria and Mitsubishi in South Australia — and it is alarming to see some of them moving production offshore. But for me it is so much more alarming to see food companies moving out of Victoria. One has to question why. It is not simply a case of cost structures within businesses that are within the control of those businesses but has very much to do with the competitiveness of Victoria in the context of its taxation regimes and the regulatory impacts businesses in Victoria compared with other jurisdictions.

I notice that the Victorian Automobile Chamber of Commerce (VACC) in a submission to the Minister for Small Business in the other place regarding his small business issues paper indicated that:

Victorian taxes and charges on business should not be merely competitive with other states. Victoria should aim to produce the 'fairest and best' tax system that does not over charge business owners. Most small business owners take personal and financial risks to open and run a business, they contribute to the economy and when they employ they involve others in the community, provide income, services and opportunities at little or no risk to the employees. Therefore small business owners should be constantly encouraged by the Victorian government.

The VACC went on to say:

Ideally taxes and charges on small business should be reduced and nuisance taxes eliminated. GST has caused some rationalisation of taxes and should continue. We know this is a battle between state and federal governments and that allocations among the states are contested. Victoria should continue to fight for a fair share of the GST collected and remitted by Victorian business in order to reduce state taxes and charges.

Land tax remains a problem. It is not a good tax, it is applied unfairly on business property owners. The government has not convinced small business that the problems of land tax escalation have been fixed by rebates and amendments in the last state budget. Small business owners suffered under the government policy and will remember the pain. Further amendments proposed for trusts are not well thought through and will again penalise small business if implemented.

The VACC said in commenting on regulation:.

How can the Victorian government through its regulatory regime enable small business to grow and thrive?

Reduce taxes and burden of tax related paperwork.

Consult and keep regulation to an absolute minimum.

Check existing regulations for currency.

Request the federal government to appoint a small business advocate.

That is something I would favour but it is outside the jurisdiction of this government.

The Victorian Farmers Federation (VFF) stated in a submission to the Treasurer regarding the state budget:

With 2006 being a crucial midyear point of the first decade of the new century, it is extremely important that the state government work to get its management priorities right. The government must act to stimulate regional growth through a concerted effort to invest in rural infrastructure (both big and small), reduce regulation and taxes, improve rural education services and maintain a healthy budgetary position.

The Victorian Farmers Federation's submission points out that strong economic management is an essential discipline of modern democratic government. It makes the point — and it is a point that is certainly not lost on the opposition — that this government has really not shown discipline in spending. It has certainly had the income and has produced the budget surpluses that it crows about in public pronouncements, but those surpluses have nothing to do with budget discipline or good economic management. Those surpluses are the result of windfall taxation gains. This government has shown itself to be incapable of reining in expenditures, and it really has very little interest it seems in reining in expenditures in many areas or in directing spending into areas that are of maximum economic value to the state, particularly infrastructure development.

The Victorian Farmers Federation's submission points out that during the financial year 2004–05 the state government collected \$319 million more in state taxes than it did in 2003–04. Those increases came largely from payroll tax, which increased by 12.2 per cent, and land tax, which increased by 13.9 per cent — and in both of those areas the government claims credit for reductions. In both areas the government claims it has actually made reforms and reduced the level of taxes, but the figures give lie to the rhetoric. The government plays with these taxes. In fact the adjustments in payroll tax go back to a business tax review that was launched soon after the government was elected. In the context of GST that review did not go anywhere near far enough in assessing the taxation regime that ought to be in place in the state to capitalise on the GST opportunity and the reform of taxation across Australia to make Victoria a more competitive state for its businesses and to encourage greater investment going forward.

Those changes to payroll tax were implemented, but at almost the instant the ink dried on the Treasurer's signature the sum total of the collections was already rising because of the people who were caught in the net and the bracket creep that applies to business payrolls. Whilst the government claims it has made reforms, there has not been any attempt to cap payroll tax collections and pass on a lower payroll tax regime overall. The government has been happy to simply fiddle at the edges and ensure it maintains its collections, and indeed that those collections grow. In the last financial year collections went up by 12.2 per cent to ensure they grow to meet the profligate spending of this government.

Similarly with land tax, last year we had genuine concern by many small businesses about their future under a land tax regime that was simply crippling small business. Again the government fiddled at the edges and made some changes in the last state budget, but essentially those changes will be exposed as a ruse this year, because many people will be exposed to land tax charges for the first time because of changes made to the trusts. Many other companies, small businesses or land tax payers who thought they might be given some relief under measures introduced in last year's budget will find that as a result of valuations it was in fact a pea and thimble trick. Their actual payments will not decrease this year, and they will again face difficulties in meeting their land tax commitments because the government did not make any significant reform of the land tax process or tackle that taxation area but rather simply fiddled at the edges to provide some short-term relief and to get land tax out of the headlines at that time.

The Victorian Farmers Federation (VFF), the Victorian Automobile Chamber of Commerce (VACC) and no doubt all the other industry associations, particularly those with a state basis, are keen to see the state government adopt the goal of becoming Australia's most competitive tax state. That goal should underpin all future government decisions on government sector taxation matters, which is a position supported by the opposition because we want to see Victoria maintain its competitiveness.

There is no doubt that the opportunities presented by the reform of the federal taxation system and the windfalls that have occurred because of Victoria's strong economic performance started under the Kennett government. No matter how you assess the history and the trends of Victoria's performance, you have to say that the Kennett government rebuilt this state; it was on its knees and he rebuilt it. He put in place the policy settings and the taxation regime that enabled Victoria to get up and moving.

It is interesting to note one of the recent statistics that has come out, which government members used to talk about as one of the measurements of success in terms of how Victoria was travelling. They were quick to point out on a number of occasions that the state had a net migration into Victoria. The migration figures make interesting reading if you are going to use them as a measurement of the performance of the state because until 1996, it was all one way — everything was going out of the state because people were concerned about the state's performance.

They started to ease up from 1994 to 1996 as the Kennett government brought some new vitality, hope and confidence back to the Victorian economy and to Victorians, but from then on until about 2002–03 there was a net migration into Victoria. This government now in office claimed credit for that when in fact the trend had started back in the Kennett years.

Interestingly enough, if that is one of its measurements of how well the state is doing it might look very carefully at the 2004–05 statistics which show a net migration figure of over 2000 people leaving the state. In fact, it had turned around again, and that was consistent with Victoria's poor performance on a whole range of measures. That ought to be a matter of concern to the government and should be a prompt for it to start looking at some of its policy settings to ensure that Victoria does not fall back behind the pack.

Other areas where Victoria has been underperforming of late include unemployment, with Victoria having above the national average rate in 19 of the last

20 months. Job advertisements in Victoria have fallen 9.9 per cent over the year to December 2005. Victorian goods exports fell by 5 per cent in the year to September 2005. Victorian public sector investment had fallen by 9.3 per cent over the same period. We have all seen the Treasurer's slides that show capital expenditure and how, he says, there has been an enormous investment in capital funding. Where is it? It is another pea and thimble trick effectively because indeed public sector investment has fallen by a substantial 9.3 per cent. Our capital spending is down. In fact, in the year before last even Tasmania was doing better than Victoria, as I recall it.

The principal business surveys of Sensis and the Victorian Employers Chamber of Commerce and Industry continue to show that small and medium enterprises have little confidence in the Bracks government's policies and future prospects for the economy. State government taxes and charges on families and businesses are continuing to rise with the Bracks government's congestion tax, public transport fare hikes, new land tax on trusts and the \$8000 per housing block development tax, which are all new taxes that are impacting on Victoria.

I note that the Business Council of Australia recently issued an update on its reform action. The BCA has been pushing for reforms in both taxation and in regulations, and I support the thrust of its arguments because we need to continue taxation reform. I would argue in this place that we need to continue business taxation reform at the federal level as well as at the state level, so I am not leaving out any government levels in that sense. In fact, local government has a role to play, particularly when we talk about regulations.

I note that one of the things the federal government has done is put up a package that encourages local government to look at ways of reducing regulations. I hope that will be a successful program, because local government certainly has a very big impact on the operating performance of many companies, particularly small businesses, because of the regulations it imposes upon them, therefore creating both an administrative burden and a compliance cost for a business.

It is worthwhile placing on the record as a context for support of this motion today that the BCA points out that new laws and regulations in Australia are increasing by 10 per cent a year, which is more than three times faster than Australia's rate of economic growth. Commonwealth and state parliaments added 33 000 pages in new laws, rules and regulations in 2003 alone, and half of all legislation passed by the

commonwealth Parliament since Federation has been passed in just the last 14 years.

What we see at the state level is a mirror of much of that, too, where increasingly we come to this place to deal with legislation that introduces new laws with compliance issues for small business — —

Hon. T. C. Theophanous — Legislation usually does!

Hon. B. N. ATKINSON — Yes, and introduces new compliance regimes, very often new taxes, new administrative burdens, new requirements that are continually confronting business and forcing it to really consider whether or not Victoria is the place to be, particularly when looking at business because Victoria is losing its competitiveness.

We need to be concerned; I am not being alarmist about it, I am simply pointing to evidence that has been put by all those industry associations. When legislation has come before this house opposition members consistently remind the house that we need be more alert to the opportunities Victorian companies have in the global market by ensuring they are competitive by reducing taxation levels and by cutting regulations.

It is interesting to note that the Minister for Small Business in the other place has promised to release a strategy on where he sees small business going and what the government's policies will be on small business. At one point that strategy was to be released in October; it was certainly promised by the end of last year, but here we are midway through February, yet the small business strategy still has not come out.

I do not understand why the minister is dawdling on this, but I know that many people in small business are looking to the strategy as some sort of salvation because they are hoping that the strategy will contain a commitment by the Bracks government to cut red tape and business regulation, to cut business taxes and charges particularly to make reforms in land tax, that it will support the federal government's industrial relations reforms which have introduced more flexibility into the workplace and a strategy to address skills shortages, and a commitment to rein in some of the union involvement in business that is not necessarily helpful to business confidence going forward, and to encourage new investment in this state.

We started this new year just some six or seven weeks ago with a raft of new taxes. The \$400 per space car parking tax, which will rise to \$800 next year; new taxation arrangements on family trusts which will add a significant cost to many small businesses that operate

under that business structure; we have seen the first home owner bonus cut by \$2000 to \$3000; we have seen new taxes on blocks of land from a development point of view equating to around \$8000 — that is all increased taxation when this government should be looking to go the other way.

Interestingly, I spent some time in Vietnam in January where I visited the tomb of the Emperor Khai Dinh, which is in Hue. Mr Nguyen, who shares the name of the royal family of South Vietnam, might well have warned his colleagues that one of the major things that undid the last of the emperors of the Nguyen dynasty in Vietnam was increasing land tax. Increases in land tax brought them undone. The interesting thing as I understand it is that their increases in land tax were only about 30 per cent, which is a long way short of the land tax increases that many businesses have faced here in Victoria. That is a matter of major concern.

The government likes to stand on its economic record and claim that it is doing a wonderful job in that respect. I point out that in 1999, when it came into office, state budget spending was \$19 billion. Today — just seven years later — its spending is more than \$30 billion. The government's economic record will not be judged on its income but rather on its expenditure, and more importantly, the outcomes of that spending.

On that measure this government does not perform terribly well because it has not had the discipline to rein in its spending, and it continues to be wasteful in much of its spending. The latest budget update shows the government expects \$53 billion to come in from its development contribution tax, that it has budgeted to collect \$133 million more this year from stamp duty on home and other purchases, and there is \$78 million more than was in the budget last year to be collected through payroll tax. They are all increases this government is looking to bring into the budget this year.

The tragic fires that happened around Victoria recently brought to light the fact that Victorians pay the highest insurance charges because of the taxation levels on fire and other insurances. Regional Victorians particularly are being heavily affected by taxation levels, stamp duties and so forth on insurance. This government needs to address those issues as a matter of urgency.

The state budget is currently being prepared. It will be an opportunity for the government to start to rein in some of those taxes and to cut taxation levels for businesses to ensure the continued competitiveness of Victorian businesses. The Victorian Competition and Efficiency Commission's report gives us at least the

first stepping stone towards cutting some of the brutal regulation regime that is throttling small business. It is only a first step in that regard because that commission did not go nearly far enough, and there is a lot of regulation that needs to be pruned back because of the importance of it underpinning Victoria's economic performance.

As I have indicated, some of the signs of that performance are not favourable at this point. There are significant pointers to a faltering performance in the Victorian economy and a lowering of business investment in some areas. We need to ensure business in Victoria is given every opportunity to compete not just nationally but in a global economy. I look forward to the government supporting this motion with a view to actually achieving better outcomes for Victorian business.

Mr VINEY (Chelsea) — I am always pleased to take the opportunity to participate in a debate in this place on business, on the government's performance in providing relief to business, on the government's performance in relation to the management of the economy and on our financial performance as a government, because it is a proud record and one we proudly take every opportunity to discuss openly and on which we present our credentials.

We will not be supporting Mr Atkinson's motion, because it is the normal piece of theatre we hear from Mr Atkinson on a regular basis. He talks about the government not doing enough for business, particularly for small business, but the reality is quite different in that it is this government that in seven years has put in place reforms to and cuts in taxation. In an equivalent period the previous government cut only one business tax, which had a grand total value of \$1 million. More than that, the previous government increased the number of companies required to pay payroll tax. Nearly 2500 additional companies started paying payroll tax, because the previous government included superannuation payments in the net. It lowered the threshold for land tax, which I think captured an additional 70 000-odd taxpayers —

Mr Lenders — They put up the top rate to 5 per cent.

Mr VINEY — That is correct, Mr Lenders. It put up the top rate to 5 per cent. The record of this government in business taxes has been starkly different. To give a synopsis, this government has cut payroll tax and land tax. The duty on non-residential leases has been abolished, as have the duties on financial institutions duty, quoted and unquoted marketable securities and

mortgages. Bank accounts debits tax has also been abolished, and the business rental duty will be abolished on 1 January 2007. The rate of stamp duty remains unchanged, which stands in contrast to what happened under previous governments. The maternity leave exemption on payroll tax has been effective from 1 January 2003.

Mr Lenders — Why didn't Mr Atkinson talk about this?

Mr VINEY — I did not hear Mr Atkinson mention any of these things, Mr Lenders — not a single element of the government's performance in these areas was mentioned in his contribution. Quite the contrary was the case. He painted a dark picture — that is, that this government has failed to deliver in any of these areas, yet the opposite is true.

In fact we could go further in talking about our support of businesses in this community. For example, we have seen the establishment of the Office of the Small Business Commissioner. Whilst we are talking about financial management, we now have a government that has proudly put in place protection for ensuring public accountability, and in particular the protection provided by the Auditor-General. The budget is now ticked off by the Auditor-General as being a true and accurate record of the accounts. Those are the sorts of reforms this government has put in place to support business. They stand in stark contrast to the fact that in seven years in power the Kennett government only managed to provide tax relief for small businesses in one area — that is, the mortgage stamp duty on loan refinancing, which was worth a grand total of \$1 million. The contrast is clear.

I turn to payroll tax and will go into detail on some of the issues I have just raised regarding this government's performance. In the area of payroll tax, which as I said before has been cut, we reduced the rate from 5.75 per cent to 5.25 per cent — a 9 per cent reduction in the rate. We also increased the threshold from \$515 000 to \$550 000 per annum. Those two things combined mean that Victoria now has the second-lowest payroll tax rate in Australia. For example, the New South Wales payroll tax rate is 6 per cent compared with 5.25 per cent in Victoria.

In the area of land tax we have increased the threshold from \$85 000 to \$200 000 for 2005–06. We have lifted the middle tax bracket and reduced the middle rates. We have reduced the top rate of land tax from 5 per cent to 3.5 per cent for 2005–06, and it will be phased in at 3 per cent by 2007–08.

In the area of duty on mortgages, we abolished the stamp duty on mortgages. Victoria is the only state that does not tax mortgages on homes. The abolition of stamp duty on mortgages has provided a massive \$230 million a year in tax savings. For example, on a \$330 000 home purchase it represents a saving of more than \$1150. Of course small business benefits from the removal of that duty for those who take out mortgages to expand their businesses. The bank accounts debits tax is commonly known as the BAD tax, but I have heard many people suggest that there are not too many good taxes. The BAD tax has been abolished, at a cost of around \$280 million each year.

The duty on non-residential leases, the financial institutions duty and the duties on quoted and unquoted marketable securities have all been abolished.

Hon. B. N. Atkinson — Deputy President, I draw your attention to the state of the house.

Quorum formed.

Mr VINEY — I appreciate the interruption because it gave me a moment to catch up on a few notes on Victoria's performance that I had delivered to me while I was speaking. In his dark analysis and description of Victoria, Mr Atkinson suggested that Victoria's economic performance is in some doldrums. The absolute opposite is true. In 2004–05 Victoria's gross state product increased by 2.3 per cent, which is the same rate as for Australia as a whole and well ahead of other states such as New South Wales. We have more jobs, a bigger work force and record levels of business investment, and it is all underpinned by very strong population growth. The population grew by 1.2 per cent over the year and remains above the national average.

In Victoria we have a government that has been reducing the tax burden on business and at the same time has been encouraging the economy to grow above that of the rest of Australia. We have in Victoria a government that also has been pushing on with the reform that this nation needs, not the reform of the Howard government that is designed to crush workers through industrial relations reform. Nearly every economist I have read in the debate on industrial relations reform has said that it will not provide any boost at all to Australia's economy and yet the Howard government is pushing on with the reform with a purely ideological agenda.

The Victorian government has initiated a national reform initiative that is aimed to boost the economic gains and fiscal dividends by between \$8 billion and \$13 billion a year after the next 10 years. By increasing

productivity and labour force participation there is the potential also to increase the level of GDP by between 3 per cent and 5 per cent each year. The national reform initiative that the Bracks government has put forward deals with what the country needs. It reduces the regulatory burden, which is a national issue, builds on competition reform and develops our most valuable asset — our people — in health, wellbeing and education with a program of lifelong learning. Those are the areas in which this nation needs initiatives and they are initiatives that are sadly and sorely lacking from the Howard government, whose members are pushing on with a purely ideological agenda in industrial relations.

Mr Atkinson was urging the government to get on board with those industrial relations reforms. I can assure him we will not do so. We do not support those industrial relations reforms because all they are aimed at doing is diminishing the capacity of employers and employees to reach agreement on the best work practices in their workplace. That restrictive set of reforms will make those kinds of agreements nearly impossible to reach. The kind of initiative we need is some genuine reform that will make this country a bigger and better place, not one diminished by the 1950s ideological view of the Prime Minister.

What we have seen — and it has always been thus — is Labor governments pushing forward on genuine reform. It was the Labor Hawke and Keating governments in the 1980s and 1990s that saw the previous waves of national reform, initially with the floating of the dollar and other financial reforms and then national competition policy. It is always the Labor movement and Labor governments that push forward the big national agenda and programs. It is the ideological position of the Liberal Party that pushes through narrow ideological views such as the industrial relations reform that we are seeing from the Howard government. It is a totally inadequate response to the needs of this nation in the development of business in this country and the growth of the economy.

The Bracks government's national reform initiative is a set of proposals that include continuing to build the competitiveness of our businesses, reducing — as I said — regulatory burdens, building on the competition reform, enabling greater market responsiveness and facilitating investment in world-class infrastructure. Something that is greatly needed in this country is a national initiative in infrastructure, including our ports, rail and roads. That is the means by which we need to push through our next wave of reform.

The Bracks government has proposed also that a key element of national reform and improving competitiveness be investment in our human capital, promoting health and wellbeing and facilitating lifelong learning by investing in our health and education systems. By investing in our human capital we can ensure that we are able to maximise the productivity and performance of this country in the international environment. We do so by also promoting people's right to work and ensuring that there are no barriers and disincentives for people working to access the labour force and participate in work. Those initiatives that are sorely needed in this country are lacking from the national government.

In this state we will be pushing on with those investments we have seen from this government: the massive investments in our infrastructure, including our road and rail systems and the exceptional rebuilding of our hospitals across the state and the substantial investment in our education system. To see that, one needs only to look at schools that under the Kennett government were ignored and not supported. The investment in capital in our education system as a key part of the government's long-term economic policy to invest in our young people as the future for our economy has been extraordinary.

Often I reflect on Western Port Secondary College, a school just outside my electorate in the electorate of the member for Hastings in the other place. In my first term, as the government member for the nearest electorate to that school I was invited down to look at the school. After years of representation by Liberals and years of neglect by the Kennett government the school was in serious trouble. The government has invested \$4.5 million in that school, which is in one of the working-class areas of the seat of Hastings. I am sure that manyfold rewards will flow through into the Victorian community through the ability of those students to obtain the relevant skilled jobs that will be needed for the future of this country.

In relation to investment in our economy, there has been a deliberate and substantial initiative by the government to invest in innovation and the infrastructure associated with it, including projects such as the \$203 million synchrotron project in Clayton.

That will deliver great benefits to the community and the economy. It is already seeing business investment in that area of Clayton and Mulgrave. It will become a major attractor of innovative business and innovative thinking in that area.

Down the road from where the synchrotron is being built we have the CSIRO and Monash University. Recently I attended the opening of the extraordinary Toyota facility for some of its innovative testing at Mulgrave. The synchrotron is a major initiator of innovative activity in the economy. We have invested over \$1 billion in innovation since we took office in 1999. We are doing that not because innovation is good in itself, which it is, but because we believe it is only through investment in innovation that we will get the type of economy and kind of jobs that will see this state grow well into the future and be internationally competitive.

Far from my supporting the motion moved by Mr Atkinson today, I say he is a little late on calling on the government to initiate cuts in business taxes and regulations in the coming budget, because that has been the modus operandi of this government since it was elected in 1999 — namely, pushing forward on reform, pushing forward on investment in the future, pushing forward on supporting the business community, pushing forward on cuts in business taxes, investing in our human capital, investing in our health system to make sure we have people who are well, able to work and participate in our economy, and pushing forward in our investment in education to up the skills and the capacity of our young people to participate in the modern economy they will face when they enter the work force in the future.

It is this government that has been putting in that investment, and it is always Labor governments that push forward on the big national economic reforms. It has always been thus. Mr Atkinson's motion is way too late in calling on this government to do those things in the coming budget, because many of them are done. That is not to say it is all finished. I am sure the Treasurer has always got his eye on ways that we can continue to make reforms, to improve the performance of our economy and improve the impact of taxes, charges and regulations on the business community.

I was interested to hear Mr Atkinson mention the GST in his contribution. If there is one tax that has had the most negative impact on the business community in Australia, it is the GST.

Hon. B. N. Atkinson interjected.

The ACTING PRESIDENT

(**Hon. J. G. Hilton**) — Order! Mr Atkinson has had his turn.

Mr VINEY — It was a tax that increased regulations and paperwork on business. I understand

Mr Atkinson is very sensitive when it comes to the GST, because the community know that it is a very unpopular tax, but the fact is that the burden of the GST made every business in this country a tax collector — it transferred the role of the Australian Taxation Office from Canberra to every single business in every High Street in this country. That is what it did!

When it comes to the big reforms, it is the Labor movement that pushes forward. The national competition policy was a Labor initiative; the floating of the dollar and the deregulation of the financial system were Labor initiatives; it has always been Labor governments that invest in education and health, and it has always been Liberal and conservative governments that do the cutting in those areas.

It is Labor governments that invest in the future, and we will continue to do that in this year's budget and in future budgets. We will continue to invest in the future; we will continue to invest in our human capital, and we will continue to reduce the burden on business through cuts in taxation and charges.

One of the great success stories, which I had not touched on before, in relation to the performance of this government has been the reduction in WorkCover premiums. The Bracks government has cut WorkCover premiums twice, first by 10 per cent in April 2004 and a further 10 per cent in the 2005–06 budget. We now have in Victoria the second-lowest premiums in Australia, second to Queensland which has an inferior scheme. What do we know that it did in relation to WorkCover? It cut people's entitlements, cut their access to civil proceedings on this matter, and jacked up premiums.

This government has been able to reduce premiums on business and at the same time maintain fair and reasonable compensation to injured workers. That is in stark contrast to its performance in the past. We are able to contrast the performance of this government in relation to cuts to business taxes and charges in all of those areas that I mentioned. We have been able to cut payroll tax and land tax. We have abolished the duty on non-residential leases, the financial institutions duty, the bank accounts debits tax, the duty on quoted and unquoted marketable securities and the duty on mortgages. We will be abolishing the business rental duty, stamp duty on properties will remain unchanged and payroll tax has now has maternity leave exemptions. All of those things have been done under a Labor government in stark contrast to the former Liberal government which cut business tax by only \$1 million. That is all it did in its seven years in government. We are proud of our record.

I welcome the opportunity Mr Atkinson has given the government to restate its record on supporting business in the community. I welcome the opportunity to state proudly the performance of the government in economic terms, and I also welcome the opportunity to restate the great financial performance of this government in the management of its budget with surpluses every year — with a guaranteed surplus of \$100 million and surpluses achieved above that every year since we have been in government.

These are proud records for a Labor government that at the same time as doing all of those things, has been able to put record investments into our health system and has completely rebuilt our hospitals. It has been able to put 5000 additional nurses back into our health system and thousands more teachers and staff into our schools. It has been able to achieve all of those things at the same time it has reduced the burden on business, while growing our economy, and at the same time leading the nation where the Prime Minister, John Howard, has failed in terms of the national reform initiative.

At the same time that we have been doing those things he has been diminishing this country and making it a narrower place with initiatives like his industrial relations reform which almost every economist agrees will provide no additional benefit to the Australian economy — it will only reduce the capacity of businesses and workers to reach agreements in their enterprise that suit that enterprise. What a great record of achievement by Mr Howard — to bring the country back to his 1950s ideology and to diminish this nation not only in its spirit but in its international reputation.

We all are very proud of what we are doing in Victoria, and I welcome the opportunity to restate our record here as a result of Mr Atkinson's motion. But of course we cannot support the motion, and we will be proudly voting against it.

Hon. W. R. BAXTER (North Eastern) — Poor Mr Viney is the fall guy they wheel out every time they have to defend the indefensible. What have we heard from Mr Viney this morning? The usual rhetoric and claims that his government has cut taxes. He reeled off a string of taxes that have been abolished, like the financial institutions duty and bank account debits tax, but he did not say that it was part of a commonwealth-state agreement under the GST that those taxes would go in return for the Treasurer receiving in his mailbox a cheque that is getting bigger and bigger every month. We heard him falsely claiming credit for that. Mr Viney then resorted to an attack on the Kennett government, completely overlooking the fact that when the Kennett government came to office

this state was on its knees and through grim determination and the willingness and ability to take unpopular but necessary decisions that government turned this state completely around in a time as short as seven years.

What else did we hear from Mr Viney? He of course has left the chamber and is not prepared to have a counter debate. He resorted to attacking the federal government and, in particular, in belittling the Prime Minister of this nation, a Prime Minister who is about to clock up 10 successive years in that office and who is one of the most popular and well-respected Prime Ministers in our history. I do not think Mr Atkinson mentioned the Prime Minister. I do not think he even mentioned the federal government, but the paucity of argument from the other side is such that Mr Viney resorted to belittling the Prime Minister of this country and making completely unsubstantiated and untrue allegations against the Honourable John Howard. I think that is a mark of the embarrassment of this government with this motion Mr Atkinson has brought before the chamber today and which he so eloquently outlined to the house. I congratulate Mr Atkinson on his appointment as a shadow minister and the way he argued his case this morning.

It is interesting to me that Mr Viney did not mention the second part of the motion with regard to regulations except in one brief passing reference, when he happened to look down at the wording of the motion and saw that it includes regulations. He used that word, but we did not hear any defence of the government's sad and sorry record of introducing myriad regulations, which are hindering business in this state.

It was appropriate for Mr Atkinson to bring this motion before the house today because budget preparations are under way. As we know, the budget is due in May, and some very good submissions on it have been made to the government by various industry bodies. For example, I have a copy of the Victorian Farmers Federation submission here. I think it is very well put together, and I commend Mr Ramsay and other VFF office-bearers and staff on that and on the strength of the arguments. There have been submissions from other industry groups, such as the Victorian Automobile Chamber of Commerce, the Victorian Employers Chamber of Commerce and Industry and the like.

I know that the budget preparations are under way because I happen to have an office at the top corner of this building and as I go up there day after day I see that in the Legislative Council committee room something is going on in terms of the budget preparation. How do I know? Because there are hordes of public servants

platooned up there and hanging around, talking madly on mobile phones, twiddling their thumbs, waiting to call or to get the call from whatever department is in before the budget review committee or however this government does it. It seems to be a dreadful waste of the time of public servants and a waste of taxpayers money.

I have some personal experience of it, but I cannot remember the Kennett government having such a clumsy, time-consuming and costly process when taking its budget decisions. I cannot understand why this government cannot similarly put its budget together, bearing in mind, as Mr Atkinson has noted, that it is enjoying a tremendous bull run in the economy. It is not under the sort of pressures the Kennett government was on budgetary matters, yet we have the circus going on up there day after day that I see as I go to and from my office. It was right for Mr Atkinson to press the government to do something about reducing taxes in this state as part of its forthcoming budget.

Let us look at the record on taxes on this state. The government is convicted by its own publications. At page 18 of the 2005–06 budget update, which was tabled in this house as recently as Monday, taxation for 2005–06 is shown as \$10.306 billion. There is also a revised budget of \$10.452 billion. That is a reasonably substantial increase, but one would not complain about that in the sense that budgets are exactly that — a budget can come in above or below. In this case it is a bit above, and I think perhaps Treasury has a history of underestimating taxation receipts year after year.

The estimate for the forthcoming year in taxation receipts shows an increase to \$10.88 billion, in the year after that to \$11.13 billion, and the estimate for 2008–09 is up to \$11.55 billion. This government does not appear to have any intention whatsoever of reducing taxes. In fact, it is forecasting a substantial increase of more than \$1 billion over the next three years. Will the people of Victoria, who are becoming conscious of the fact that \$100 million a day in taxes is being ripped out of their pockets by the Labor government, be comfortable with the fact that on these estimates in the government's own literature there will be another 10 per cent increase in the take? I think not.

I also refer to a matter alluded to by Mr Atkinson. We have heard all the rhetoric from the Premier, the Treasurer and others about how Victoria is a low-taxing state and is leading the way. But if one looks again at the *2005–06 Budget Update* document under 'Highlights', as it is headed, on page 2 one will see it says:

After allowing for known future tax policy changes in all states, Victoria's taxes are set to be around the Australian average.

What weasel words they are! That clearly means they are not the average but are somewhat above the average. Just how far they are above the average is not easily able to be detected from the supplied information. Bearing in mind the tribe of spin doctors this government has over in Treasury Place, if this is the best they can do without telling an absolute lie, I think one can confidently say that taxes in Victoria are well above the national average, going on their well-known propensity to put the best side to London!

What a low aim that is for any government to have — that it will have the taxes set at about the Australian average. That is not very ambitious. It is a pretty mediocre ambition, and I simply do not think it is good enough. Victoria ought to be leading the nation when it comes to tax levels, because we have all the advantages to do so. We are the smallest state geographically on the mainland — we are only 3 per cent of the mainland — and we do not have the huge costs that some of the larger states have with the provision of infrastructure and services, such as health and education, that they have to spread thinly across huge and underpopulated rural areas. We have a reasonably densely populated state, our distances are not great and we ought to be able to provide top-class services at the lower end of the cost scale. But clearly we are not.

We ought to be streets ahead of New South Wales, which is in diabolical trouble from a budget point of view, bearing in mind it has now had about 12 years of gross mismanagement by a Labor government. You need only look at the mess Sydney is in with its trains and the fact that it is running out of water. Today I read in a newspaper that great sighs of relief have been heard up in Sydney, because they now think they will not need a desalination plant because someone has found an aquifer under the Blue Mountains. Thank goodness for that!

Nevertheless, the government up there let the situation get completely out of hand. There are hospitals in New South Wales that cannot even pay their bills. Many small suppliers in my electorate who supply the Albury Base Hospital, part of Greater Southern Area Health Service of New South Wales, have been owed money for up to 60 and 90 days. Recently it has appeared in the newspapers that the health service cannot pay because it has run out of money. New South Wales is in a mess.

Queensland always led the way with lower taxes under former Premier Joh Bjelke-Petersen. It is a huge state

with population increases that have to be accommodated, yet the Labor government in Queensland is still able to have its tax levels much lower than those in Victoria. I heard the Queensland Premier, Mr Beattie, boasting about it the other day when he was giving the journalism lecture at Melbourne University. One has to ask, 'Why can't we beat the pants off Queensland in terms of our tax levels?'. Of course it is not much use comparing us with South Australia and Tasmania as both those states lack critical mass and population, and of course their tax levels will be much higher than what ours should be in Victoria.

I think Victoria ought to be out in front and should not be content to be in the ruck. But that is just what this government is content to be, and this document proves it when it talks about setting tax levels somewhere around the national average, which is really code for well above the national average but not the highest. What is the outcome of all this? Victoria is losing its momentum.

Former Premier Jeff Kennett put on our car number plates 'Victoria on the move' — and it sure was. As I have already noted, during its course that government returned Victoria to be the premier state in the nation in terms of its economy and its get-up-and-go. But since this government has come into office we have stalled; there is no doubt about that. We are no longer on the move — we have absolutely stalled, and we are slipping into being also-rans because we have a timid government that just will not seize the initiative.

Part of seizing the initiative is having a competitive level of taxes. We have not got that, as has been well demonstrated this morning, and industries are beginning to vote with their feet, because we are getting a reputation that it is too expensive to do business in Victoria, that it is overregulated and is weighed down with red tape.

What is happening can be seen with Kraft, and Mr Atkinson has already alluded to that as an example. It is picking up stumps and going, because it is too difficult and too costly to do business in the state of Victoria. It is not the first and it will certainly not be the last to decamp from this state, because Victoria is simply no longer the friendly place in which to do business that it had been made by the previous government. Victoria is losing the initiative that the previous government was competent enough to give it.

Looking at the government's record on taxes, in responding to Mr Viney I have already dealt with the issue of the taxes which were abolished as part of the

GST package. I want to say in passing that it is all very well for Mr Viney to claim that the GST is onerous for businesses. Yes, a lot of businesses felt that in the beginning. However, I think that for most businesses it has increased the level of their bookkeeping competence and their accuracy. Moreover, it actually gives them the use, for three months, of money which belongs to a commonwealth tax pool — interest free, I might add, which I would have thought would be quite a benefit to many businesses.

I might say that in relation to a business I am connected with, at certain times of the year, particularly after harvest, that represents a significant amount of interest-free money that it has in its bank account for three months. I would have thought that for a lot of businesses the GST is not a bad deal at all. If you can use someone else's money without paying for it, that is something not to be scoffed at.

Let us look at some of the new taxes this government has introduced. Mr Viney was clever enough not to mention any of those. In respect to his claims that payroll tax and land tax have been reduced, I invite him to walk down the main street of any town in my electorate, or no doubt in the electorates of Mr Atkinson, Mr Rich-Phillips or Mr Bishop, and ask any of the businesses there — go and ask Bill Toole in Wodonga or anyone else — whether they think their payroll tax has gone down and whether they think their land tax bill has gone down.

Hon. B. N. Atkinson — Or whether their WorkCover premium has gone down.

Hon. W. R. BAXTER — Or whether their WorkCover premium has gone down. They will certainly say, 'It sure has not'.

Mr Viney either believes his own rhetoric and the spin that comes out of Mr Brumby's office or he is prepared to simply ignore what the people at the coalface are actually reporting to me. I cannot understand why he is not getting the same message. He is clearly not out there listening for it.

Members should look at the new taxes we have under this government. There is the congestion levy, which is expected to raise over \$140 million over the next three years. This levy arrived completely out of the blue and it is not going to relieve congestion. We all acknowledge that the central business district has a congestion problem, and that probably some ambitious initiatives and a bit of lateral thinking might have done something to address it. But is that the thinking of this government? No! It says, 'We want a revenue grab and

this gives us an excuse to whip out something else', under the guise that it is doing something for congestion in some way. It is going to raise \$140 million over three years.

We have a water tax, or an environmental charge, which is going to deliver at least \$45 million into Treasury funds. Do you, Acting President, know what I do not like particularly about the water tax? It is a secret tax. This government has instructed the water authorities to collect it, but it has also not permitted the water authorities to show the tax as a line item on water accounts. The water bill is going to go up. The water service provider is going to cop the opprobrium for increasing water bills when in fact the reason is that this government has imposed a tax it does not want to disclose. It is a tax it wants to hide. We hear the rhetoric from Mr Viney about open and transparent government. What a lot of poppycock!

Then we look at government revenue from fines and charges and we see it has gone up by a massive amount every year. That increase is now aggravated by automatic indexation which was introduced by the Bracks government. It was foreshadowed in the 2005 budget and introduced from 1 July last year. This is not only imposing taxes on individuals who fall foul of the parking inspector, speed camera or whatever, but it is also imposing costs on businesses which need to apply for licences and permits for the myriad things this government requires them to do. They are copping an automatic indexation on those things on 1 July every year.

Developers of land on the outskirts of Melbourne are subject to the development tax, which rips an extra \$8000 from them for each block of land. What an attack that is on the building and construction industries and the hundreds of people who work in the industry, whether they be tradesmen, plumbers, painters or landscape gardeners. More particularly it is an assault on those people in the state who are least able to afford the tax at this point in time. They are the new homeowners who have been severely disadvantaged by the big increases in home prices in metropolitan Melbourne. One would acknowledge that the increases have highly advantaged established homeowners but made it jolly difficult for young people to acquire their first home. What does this government do? It makes it even more difficult.

There is a levy on gaming machines. Suddenly and without warning the levy has gone from \$33 up to \$3033 per machine. This is a huge increase. Whilst I am not an advocate of gambling whatsoever, the people who run these businesses have done so in accordance

with the terms of the licences and government expectations. Whilst they might have expected a modest increase from time to time, they hardly expected a thief to come along in the night and increase the levy to the extent it was increased this year.

Mr Atkinson has already mentioned land tax. Members should look at the record and the receipts. They are going up exponentially, yet Mr Viney tells us the government has reduced land tax. Last year the new super land tax was introduced for those individuals who, for good reason — nothing to do with land tax whatsoever — happen to operate a family trust. Small businesses all around my electorate are now about to be lumbered with a super tax on their land-holdings. There is no reason for this other than the advice that has been given by accountants over the years to structure businesses in such a way as to ensure wealth protection outcomes.

There is also the hike in costs for pensioners to register their motor vehicles. It is now \$80 per year. Pensioners now come into my office when their registration is due and say, 'I do not think I paid anything last year. Now I am being asked to pay \$80. Why is it so?'. Again the answer is this high-taxing government.

I have already dealt with payroll tax. What has the government done? We heard by way of interjection credit being claimed for exempting maternity wages from the payroll tax calculation, but the government has extended payroll tax to the wages of apprentices and trainees despite the fact that we have a skills shortage in this nation, and we ought to be encouraging employers to take on apprentices.

We have stamp duty on the conveyancing of real estate. It has gone up a quantum of 80 per cent since the Bracks government came to office. A lot of that has been because of increases in land values. No-one can contest that; that is the truth of the matter. But if this government were honest, it would have allowed for that sort of bracket creep and would have adjusted the scales accordingly. Victoria is now the highest taxing state in the nation when it comes to conveyancing. There is little wonder that young people are decamping to other states, particularly Queensland. At the lecture I referred to earlier, the Queensland Premier, Mr Beattie, boasted that the population of Queensland is going to overtake the population of Victoria in a couple of decades because so many Victorians are moving to Queensland. They are moving to Queensland for a whole range of reasons, but one reason is the high cost of stamp duty in this state.

Another tax which particularly affects rural Victorians is the royalty on sawlogs, which this government increased dramatically and completely out of the blue. In the area that I represent sawmills were put out of business and people out of jobs. We have this litany of new taxes in the state of Victoria which were completely unacknowledged by Mr Viney and which are making Victoria less than competitive when it comes to attracting new industries and new businesses here. What can we expect in the budget? I suppose we will not get any new taxes this year. We are approaching an election and this government is unlikely to roll out a new tax, but will there be any significant cuts to taxes? I suspect not. We can probably expect a whole range of cosmetic taxes that will give the spin doctors the government employs plenty of scope to go out and claim a great deal of credit when the reality will be much less.

One I would particularly like the government to have a look at when preparing the budget is the fire services levy. It is completely out of hand. The fire services levy on commercial insurance policies in regional Victoria is now an add-on of 80 per cent of the premium — in other words, it is going close to a doubling of the premium. When you add on stamp duty of 10 per cent — bearing in mind that stamp duty is charged on the GST as well by this state government, so we have a tax on tax — the cost of the premium is doubled.

The levy is discouraging people from insuring or is causing them to underinsure. We have seen from the recent bushfires the cost that such fires impose on the state. The more the fire services levy goes up, the less people will insure. It becomes like a dog chasing its tail. It is a downward spiral. I think it is high time we looked at a different way of funding fire services in this state so that those prudent enough to insure do not bear the huge burden they are currently bearing, because if the current situation goes on the pool is going to get smaller and smaller and will collapse under its own weight.

I do not want to take all my allocation of time because I know Mr Bishop wants to talk about regulations in particular, but I will also make a quick mention of them. We are getting known right throughout the nation for our level of regulation. I was in Queensland a few months ago and it was said to me that Victoria is becoming the nanny state, that there is a regulation for everything. You cannot take any action now or undertake any business activity without encountering a regulation or having a permit or some sort of licence.

Some of those regulations are totally impractical or are applied in an onerous fashion. We have just seen a ridiculous example of that in way some bureaucrats

chose to apply food regulations during the recent disastrous fires, when some firefighters on the fire front were denied a meal for hours and hours because some bureaucrat declared that all the lovely food that had been prepared by a battalion of women who have been doing it for generations whenever we have had fires had to be rejected on the basis that it had not been prepared in some sort of licensed kitchen. I say that is ridiculous. The low risk that was involved was far outweighed by the need to provide some sustenance to the firefighters on the line — and that home-cooked food would have been a darned sight more tasty and nutritious than much of the stuff that would have come out of a commercial kitchen in any event. It was just a crazy situation in which firefighters were left without food simply because someone was not prepared to take a commonsense decision.

We have the same situation with occupational health and safety. We all want safe workplaces, of course we do, but some of the regulations that are being introduced now are absolutely impractical to apply and implement. They are adding immensely to costs. They are making us less than competitive. Some bureaucrat sitting in an office in Melbourne may draw up a regulation that looks all right on paper, but when you get out at the workplace, particularly in rural and regional Victoria, it just will not work because there has been a misunderstanding about how activities are undertaken in the workplace.

I recently visited the Torrumbarry Weir for the first time since I was there when it was opened by the Prime Minister and the former Deputy Premier, Mr McNamara, in 1998 or 1997. There is a very good display there of the building of the original weir in the 1920s. I could not help thinking to myself that day that if back then we had had the same sort of regulations we have now, we would never have built any of the infrastructure in Australia that has made us the wealthy nation we are today. We have to be very careful that we do not kill initiative with these regulations.

I could go on at length, for example, about native vegetation regulations. They are completely over the top. You cannot even rip rabbit burrows to get rid of an introduced pest to this country now without getting a permit to do it. We heard Mr Vogels talk about the red tape that was involved in getting permission to cut down a burning tree during the recent fires. I simply cannot understand why the regulations we have are so inflexible that commonsense decisions cannot be made. We have a raft of regulations that are about to hit the deck under the Child Employment Act. The costs, including compliance costs, that have been imposed on

business are just horrendous — and that is another reason why people are leaving the state.

I say in conclusion that this budget period is an opportune time for us to regain our pre-eminence in the nation as the state that really is on the move. We have absolutely burgeoning GST receipts. Mr Brumby must thank the coalition federal government every time he goes down to the mailbox and collects his big cheque. He has none of the pain but all of the gain. He certainly has plenty of scope to reduce taxes and thereby release the genie of private sector productivity by enabling industry to get on with the job. This is the opportunity for the government to do it. It has the cash. It just needs to run the ship a bit better. If it did, it could deliver tax gains to the businesses and the people of Victoria which would set us on a course for the future. The government ought to do it in the forthcoming budget.

Hon. G. K. RICH-PHILLIPS (Eumemmerring) — I am pleased to rise this afternoon to speak on the motion moved by the Honourable Bruce Atkinson regarding the need for cuts to taxes and charges in the 2006 state budget and the need to revise and reduce regulations that are adversely impacting on the competitiveness of business in Victoria. Having read the motion I thought the proposition Mr Atkinson was putting before the house was a fairly straightforward one. I thought to myself, ‘How could any member of this chamber or any member of this Parliament or any citizen of Victoria argue against cutting taxes and charges and revising or reducing regulations that adversely impact on the competitiveness of business? How could anyone legitimately argue against those two propositions?’. Yet the lead speaker for the government, Mr Viney, said he would proudly vote against the motion. As lead speaker for the government, representing this Bracks government that says it is here for business, Mr Viney will proudly vote against a motion to reduce regulations and taxes that are adversely affecting business!

I invite subsequent speakers from the government — perhaps Mr Somyurek is going to speak — to outline exactly why the government is proud to oppose a cut in regulations and taxes that are adversely affecting Victorian businesses, because it is quite clear when you look at the evidence that Victorian businesses are voting with their feet, as Mr Baxter said. I would also like to pick up on another of Mr Viney’s comments. In concluding he said, ‘We are not going to support this motion because many of these things are done, but that is not to say they are all done’. So he was having a bit each way; he was going down the half pregnant route. He was saying, ‘The government has done all it is

going to do, but no, it could do something else’. But he is not going to — —

Mr Lenders — Do you read the *Australian Financial Review*?

Hon. G. K. RICH-PHILLIPS — The Minister for Finance asks if I read the *Australian Financial Review*, and I suspect he is going to take us back to an article from 2003. As honourable members would know, the Minister for Finance only ever quotes one article out of the *Australian Financial Review* — and it is from some three years ago. I would welcome him quoting a few more contemporary articles out of the *Australian Financial Review*.

Mr Viney, for the government, spoke about cuts in payroll tax and land tax; and then for some bizarre reason he attacked the commonwealth government’s policy on industrial relations as a means of diverting attention from the very real and substantial problems that exist with the taxation and regulatory framework. As Mr Baxter pointed out, despite the government’s claim to have cut all these taxes on business in Victoria, the reality is that this year and for the forward estimates period, the aggregate level of revenue collected on these taxes individually and collectively is rising.

In every year for the forward estimates period the level of taxation collected from business in this state is to rise. Indeed, this year to this point record taxes have been collected from business. Notwithstanding some adjustments that may have been made to rates to take inflation into account, the level of taxation being collected from business by this government is rising.

I have just had a look at the quarterly update which came out in November reporting on the first quarter of the current financial year, from July to September 2005. It is already showing that for every individual taxation measure — all those that Mr Viney spoke about earlier — the level of revenue collected for that period is substantially higher than for the same period of the previous financial year. I challenge Mr Somyurek as the next government speaker to demonstrate where exactly, through which particular measure, have taxation revenues fallen under this government?

Mr Somyurek — I have my budget paper here.

Hon. G. K. RICH-PHILLIPS — In view of my discussion with Mr Somyurek earlier, I suggest he not refer to the budget paper but in fact to the update which was released in November that already demonstrates the budget paper is out of date. Revenue is running well ahead of the projections in the budget paper.

Why is this an important issue? Because businesses in this state are voting with their feet.

Mr Smith — Is there anyone left in Victoria? Is there any business left here? According to you lot, they have all gone.

Hon. G. K. RICH-PHILLIPS — Mr Smith asks if any businesses have left Victoria. I guess that reflects the level of understanding and knowledge of this government in that a member of the government has woken up, or whatever he is doing over there, and suddenly says ‘Have any businesses left Victoria?’. Has this government been asleep for the last seven years? I will point out to Mr Smith and other members of the government exactly what has been happening with businesses in this state over the last seven years.

I will go to an industry I have a particular interest in — that is, the manufacturing sector. As honourable members would know, Victoria used to lead Australia in manufacturing. Victoria used to have the largest share of Australia’s manufacturing base. We have lost that position in the last 12 to 18 months. We used to be well ahead of New South Wales in our percentage share of manufacturing in Australia. Over the last three or four quarters Victoria has slipped relative to the rest of Australia and unfortunately it looks like under this government, the trend will continue.

I would like to pick up on something Mr Viney said earlier about investment. He quoted some figures but he did not say where they came from. I would like to quote to the house from the Australian Bureau of Statistics (ABS) catalogue 5625, which is a capital expenditure report, and in particular to look at the manufacturing sector.

Mr Lenders — What about gross state product?

Hon. G. K. RICH-PHILLIPS — The Minister for Finance talks about gross state product. As the minister would no doubt know, if the investment is not there increases in gross state product will not be sustained. If we do not have the capital investment behind it, we will see that drop off in two to five years. It might be fine for the government to talk about gross state product, but if the investment is not there, when are we going to see the investment to underpin it and sustain that growth?

The latest ABS catalogue has statistics to September 2005. In the year to September 1999 Victoria attracted \$3.2 billion worth of investment in the manufacturing sector. Yet, six years later — in the year to September 2005 — Victoria is attracting investment worth \$3.3 billion, so the nominal growth in manufacturing investment in the state has been only 2 per cent.

I contrast that figure with the total growth in Australia. Over the same period — namely, the 12 months to September 2005 — Australia attracted \$13.9 billion in manufacturing investment while the figure six years earlier was \$9.7 billion. In a six-year period Australia has attracted an extra 42 per cent in manufacturing investment, but Victoria has only attracted a 2 per cent growth. That has to be a comment on the business environment that this government is creating.

I also refer to employment in the manufacturing sector in this state. In the five years from the peak in November 2000 of 372 000 people being employed in manufacturing in Victoria, to a figure in November 2005 of 338 000 jobs, the decline in the number of jobs was 34 000. It is fine for the minister to talk about GSP but if the investment is not there to underpin it, we will very rapidly see a decline in the level of GSP growth in this state.

Last year I had the opportunity to participate in the Victorian Employers Chamber of Commerce and Industry export enhancement round table —

Mr Lenders — Did you go to the Dandenong business breakfast that showcases great industries in your area? Have you been to Hanimex?

Hon. G. K. RICH-PHILLIPS — Except when you speak, I generally go.

One of the messages that came out of that gathering was the frustration that business has with regulation. It was not confined to a state level — there were equal criticisms made of the commonwealth level. One of the issues raised was that every area of government, not only between levels of government but within levels of government, are off doing their own thing without any coordination between agencies or departments, and that each department considers its regulation in isolation. We have situations such as the one Mr Atkinson spoke about.

Mr Lenders — What about the Victorian Competition and Efficiency Commission?

Hon. G. K. RICH-PHILLIPS — Mr Lenders knows I will get to that. Mr Atkinson spoke about an example of a company in Shepparton that requires 36 or 46 individual permits and permissions from individual government agencies to undertake its business. That example came up at this forum. It is an example that sent a very strong message that governments, both between levels and across levels, need to do a much better job in coordinating the regulations they impose.

I now turn to the issue of the Victorian Competition and Efficiency Commission. Just before Christmas the Treasurer released the commission's report entitled *Regulation and Regional Victoria — Challenges and Opportunities*. Although that report is directed primarily at regional Victoria, it makes a number of comments on regulation in regional Victoria, focusing on particular rural and regional industries. It also makes a number of comments with respect to the regulatory burden across business elsewhere in the state.

One of the tables in this report is very telling because it lists no less than 69 agencies that are involved in imposing regulation on business. I am tempted to read them for the purpose of getting them on the record. The commission has grouped them under 11 separate subcategories: safety, food safety, health, general, transport, gambling, education, environment, animal welfare, construction and other. Under the general category the commission has listed no less than five business regulatory agencies: the Business Licensing Authority, Consumer Affairs Victoria, the Equal Opportunity Commission, the Essential Services Commission and Industrial Relations Victoria. Under health it lists a raft of agencies that are involved in regulating business. Under safety it lists the Country Fire Authority; Marine Safety Victoria; the Metropolitan Fire and Emergency Services Board; Office of Gas Safety; Office of the Chief Electrical Inspector; the Professional Boxing and Combat Sports Board; public transport safety, which is part of the Department of Infrastructure; and the Victorian WorkCover Authority. There are 69 separate government agencies just on a state level regulating business in this state.

Mr Lenders — That is less than under your government.

Hon. G. K. RICH-PHILLIPS — The Minister for Finance thinks that is less than under the previous government. If I had the time I would go through and point out the individual authorities this government has established in the last seven years. Most of these are the work of this government.

The commission also noted that the 69 regulators of business administer 170 acts which have been amended approximately 3400 times since they were enacted, covering 19 600 pages of legislation. Further, they administer 176 regulations which have been amended 342 times consisting of 6400 pages of regulations. It is very clear from this work by the commission that this level of regulation imposed on business is extensive, and I am absolutely baffled that Mr Viney and government members are going to vote against a

motion which promotes regulatory reform in the state of Victoria.

Mr Lenders interjected.

Hon. G. K. RICH-PHILLIPS — The Minister for Finance says the government is doing it. Why is it voting against a motion supporting it?

Mr SOMYUREK (Eumemmerring) — The motion before the house today is, to be polite, a little bit disingenuous. The motion is worded in such a way that implies this government has been a high-taxing government. It does not explicitly state that this government has been a high-taxing government, which it has not been, but the motion implies that it has, so it is a little tricky. However, I will credit the opposition with not having set out explicitly to deceive.

The bottom line is that the Bracks government has cut taxes to the value of \$4 billion over the last five years. Compare and contrast that with the previous state coalition government's record, which I will discuss after I have delineated the Bracks government's record on cuts in taxes and charges. This government's record of reducing taxes can be illustrated by the budget papers. I refer the house to budget paper 4, page 145, table 3.1, under the heading 'General government sector revenue and grants received'.

Hon. G. K. Rich-Phillips — Use the up-to-date budget!

Mr SOMYUREK — To take up the interjection from Mr Rich-Phillips, these figures are actually up to date. If he has a look at the taxation revenue, he will see that the revised taxation revenue was \$10 355.6 million for 2004–05. In the 2005–06 budget the taxation revenue is expected to be \$10 306.2 million — that is, a net decrease in taxation revenue of 0.5 percentage points. That translates to \$49 million. That is a lot of tax relief. I need say no more. I should sit down at this point and rest my case, but I will plod on.

If Mr Rich-Phillips would like a breakdown of how I got those figures, I am happy to provide them. I refer him to budget paper 4, page 148, table 3.2 headed 'Taxation estimates'.

Hon. G. K. Rich-Phillips — I would prefer the update.

Mr SOMYUREK — This is not the updated version but it is pretty close, and it reflects a trend.

The 2005–06 budget for payroll tax — which is the first line item — is \$3179.2 million. I understand this has

been revised upwards but nevertheless if we work off the budget papers that is an increase of 6.2 per cent. Why is there that increase? I will tell you why. It is because of the growth in employment and wages. That is a positive. Employment growth is good. It is positive for the state, and especially in Eumemmerring Province!

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

Business interrupted pursuant to sessional orders.

QUESTIONS WITHOUT NOTICE

Consumer affairs: mall traders association

Hon. BILL FORWOOD (Templestowe) — I direct my question without notice to the Minister for Consumer Affairs, the Honourable Marsha Thomson. The minister would be aware that the Bell Street Mall Traders Association, which has used the electorate office of the member for Ivanhoe, Mr Craig Langdon from the other place, for the past nine years, has made a series of payments to the Ivanhoe state electorate campaign committee, an ALP campaign account. According to statements made to the media this week by the association's treasurer and president, Mr Craig Langdon, these payments — he calls them donations — are usually \$500 or \$600 but are sometimes more. Mr Langdon's treasurer's report for May 2005 shows a cheque 0892 for \$700. What action has the minister taken since this matter came to light to assure herself that the mall traders association has met all its statutory obligations under the Associations Incorporations Act?

Hon. M. R. THOMSON (Minister for Consumer Affairs) — Whilst I know the member likes using this chamber to play politics, he knows very well that Consumer Affairs Victoria takes its statutory obligations very seriously. Mr Forwood might want to take cheap shots at a member in the other place in relation to matters that I think the member may have responded to himself in the other place, but I can say in relation to the traders association that consumer affairs has in fact been quite complimentary about the assistance Mr Langdon is giving to help track some information it is seeking in relation to the association. In relation to consumer affairs, the registrar takes his responsibilities seriously.

I am aware that Mr Forwood is very interested in this issue and that he has been following what this association is doing, but I can assure him that consumer affairs does take its obligations seriously and is following up matters in relation to this association.

Supplementary question

Hon. BILL FORWOOD (Templestowe) — I thank the minister. I have a supplementary question. On 3 February Consumer Affairs Victoria advised me that the Bell Street Mall Traders Association was in breach of section 30 of the Associations Incorporations Act. What action does it now intend to take given it has confirmed in writing to me that the association, the president and treasurer of which is the member for Ivanhoe, is in breach of the act?

Hon. M. R. THOMSON (Minister for Consumer Affairs) — There are thousands of incorporated associations throughout Victoria that from time to time do not meet their statutory obligations. The registrar gives those associations more time to meet those obligations, and from time to time associations are actually struck off as associations if they do not meet those obligations. But every opportunity is given to voluntary organisations to meet their statutory obligations, and that is the case in this instance. In fact Consumer Affairs Victoria is investigating this matter, as I have already indicated to the member, and is getting a great deal of assistance from the member for Ivanhoe in another place in so doing.

Commonwealth Games: public transport

Ms MIKAKOS (Jika Jika) — I refer my question to the Minister for Commonwealth Games, the Honourable Justin Madden. Given that we are expecting 90 000 interstate and international visitors to Victoria next month, and that thousands of Victorians, including me, will be attending the Commonwealth Games, the city undoubtedly will be busier than usual. In fact I can advise the house that I have just about broken the bank in buying my tickets to attend the greatest sporting event that Victoria has ever seen. Therefore, I ask the minister to advise the house of what initiatives the Bracks government has implemented to assist the public in accessing the games.

Hon. J. M. MADDEN (Minister for Commonwealth Games) — I appreciate the question asked by Ms Mikakos and also appreciate that she is particularly excited about the games and, I understand, has purchased quite a number of tickets. I particularly appreciate her very tangible support for the games in more ways than one.

There will be thousands upon thousands of visitors to this state next month, and it is expected that they will attend one or more Commonwealth Games events — even millions may attend one or more events associated

with the games — whether they be sporting events or events on the festival program. Some 90 000 interstate and overseas visitors will attend the games, and we will have 6000 athletes and officials and 15 000 volunteers across the two weeks in March, so the city will be absolutely abuzz with excitement.

Inevitably there will be disruptions to the way in which the city normally conducts its business. There will be changes to public transport and to traffic access across Melbourne, as well as changes for people who live or work close to games venues. For those going to the games, even those Melburnians who are seasoned commuters, travellers and event-goers, there will be changes. All of us will need to do things differently and to be conscious of doing so.

For example, there will be airport-style security at games venues and for large crowds in the city during the games. This will mean that people will need to leave home early and to plan their journeys to get to their events on time. I would encourage anybody entering the city to plan ahead and give themselves plenty of time. It is also worth appreciating that there will be no public parking at sports venues that normally have parking. It is also worth appreciating that public transport will play a large part in the success of the games, with approximately 70 per cent of spectators expected to travel to the major city venues for the games on public transport.

A ticket to a Commonwealth Games event will entitle people to travel free on the day of the event on any part of Melbourne's metropolitan transport system that accepts Metcard. We have worked particularly hard with those transport operators to increase services to meet the demands of spectators and regular commuters. We will see 28 000 additional tram, metropolitan train and bus route services operating while the games are being staged.

Public transport service operating times will be extended to 1.15 a.m. for the evening of the opening ceremony, 1.30 a.m. for the evening of the closing ceremony and 12.30 a.m. on the other nights of the games. Nightrider bus services will operate every night of the games as well. Spectators should be conscious of the fact that during the games there will be bus shuttles and links to venues from transport hubs, particularly the accessible bus shuttle that will link many of those hubs and venues.

More than 200 additional train and coach services will operate, including late-night services to Ballarat, Bendigo, Geelong, Leongatha, Seymour and Traralgon. I also want to reinforce that spectators will be able to

use the \$10 V/Line return ticket on the day before or after the event, but they will have to book ahead, so I encourage them to do that. The games work force, which includes accredited volunteers, will also have access to the purchase of V/Line \$10 return tickets during the month of March.

We have been working hard at this for a number of years, particularly in terms of the transport arrangements. I look forward to seeing all of us in this city — commuters, spectators visiting the games or spectators visiting the festival — united by the moment.

Snowy River: environmental flows

Hon. D. McL. DAVIS (East Yarra) — I direct my question without notice to the Acting Minister for Environment, Ms Broad. I refer to the government's decision to sell its 29 per cent stake in the Snowy Mountains scheme. The Bracks government was elected in 1999 on a promise to restore environmental flows to the Snowy River. Will the minister advise what progress has been made in achieving the 28 per cent environmental flow for the Snowy River?

Mr Viney — On a point of order, President, I seek your advice on whether a question can be directed to a minister in their capacity as an acting minister. I imagine that is open to interpretation. It might be based on previous rulings, but I seek your advice as to whether that question is in order.

Hon. Philip Davis — On the point of order, President, the precedent has been established in this place when from time to time the Leader of the Government has acted as Treasurer. Indeed I recall the Leader of the Government inviting questions to himself in that capacity. Questions have been put to the Leader of the Government as the Treasurer when he has been in an acting capacity, and he has dealt with them expeditiously to the satisfaction, I am sure, of the house.

Mr Lenders — On the point of order, President, on an issue of an acting minister being asked a question, there have been occasions when I have been asked a question as Minister for Finance and Acting Treasurer, and I have answered those questions as Minister for Finance. Further to the point of order, my recollection is that members in this place, such as the Leader of the Opposition, have asked a number of questions of me about a number of portfolios, and I have been gracious to answer in those terms. As to the point of order, I cannot recall an occasion when an acting minister has been required to answer a question.

Hon. D. McL. DAVIS — On the point of order, President, it is quite within the minister's capacity to respond to this question. I draw the attention of the house to the fact that she has made a public statement in her capacity as acting minister on precisely the matter of the Snowy River, on which I am asking this question. The press release is dated Wednesday, 1 February.

The PRESIDENT — Order! I have a couple of questions to ask. I do not know who the acting minister is, so I need confirmation of that. Standing order 6.01, which relates to questions seeking information, states:

Questions may be put to ministers of the Crown relating to public affairs with which the minister is connected or to any matter of administration for which the minister is responsible.

The first question I have to ask is, 'Is the minister responsible?', because I do not know. If the minister is responsible through an administrative direction of the executive, then it would fall into the category of a matter of administration for which the minister is responsible. But I need to find out that information first before I can rule further. Could the minister enlighten the house?

Ms BROAD (Minister for Local Government) — I am very happy to advise you, President, and the chamber that I am currently Acting Minister for Environment, Acting Minister for Water and Acting Minister for Victorian Communities.

The PRESIDENT — Order! The minister has advised the house that she is the minister acting in three portfolio areas whilst the Deputy Premier in another place is overseas. I call on the minister to respond, as ministers do, in whichever way she deems appropriate. At this point I call on the minister to respond.

Ms BROAD — I suppose I can congratulate the member of the opposition for again trying desperately to achieve some relevance in this chamber, given that he continues to have a shadow portfolio for a minister not in this chamber. When he held the shadow health portfolio, he had similar problems.

It is correct that in my capacity as Acting Minister for Environment and Acting Minister for Water I have put out a number of statements on behalf of the Deputy Premier. However, when it comes to making statements in the Parliament on his behalf, I will take on notice any questions that the opposition cares to raise, and I am sure that the minister will deal with them when he is able to do so.

Hon. Philip Davis — On a point of order, President, this is an outrageous abuse of the Parliament.

Honourable members interjecting.

The PRESIDENT — Order! Raise the point of order.

Hon. Philip Davis — My point is: the minister has acknowledged in the house that she has responsibility for the portfolios of environment, water and Victorian communities. Under the standing orders of this place, in that capacity she has an obligation to take questions in her capacity as minister. All members know that ministers come and ministers go, but frankly, today there is one minister responsible to answer.

The PRESIDENT — Order! With respect to the minister answering the question, there have been numerous rulings in this house by my predecessor, and I have reinforced them, going back to 1991. They are that a minister is not obliged to answer a question, but if she makes an answer the answer should be relevant and responsive. The minister has answered the question relevantly and responsively in the sense that she will take it on notice and have Minister Thwaites respond in due course. That has been the response of numerous ministers to numerous questions over the time that I have been President and before, and it is in line with what has happened in the house previously. I do not uphold the Leader of the Opposition's point of order. The minister has answered the question in line with previous rulings and previous responses to the house.

As I have indicated to the house previously, as President I cannot compel ministers to answer a question. If they choose to answer it and they have responded to it, that is the end of the matter.

Hon. T. C. Theophanous — On a point of order, President, I seek clarification of your earlier ruling. You may want to come back to the house with it. The concern that I have relates to the following: during the course of the asking of this question, reference was made to a document which the minister signed as acting minister. I have just finished acting as Minister for Planning, in which role I signed a number of documents. I believe that the standing orders of this house do not allow members of the opposition to ask me questions, particularly as the current Minister for Planning is now back on duty, on what I did as Acting Minister for Planning.

I seek your clarification because of the words:

... any matter of administration for which the minister is responsible.

I put it to you, President, that being responsible as acting minister is a different connotation from being responsible in one's own ministerial portfolio. I ask that you to come back to the house with some clarification of this matter.

The PRESIDENT — Order! On the point of order raised by Minister Theophanous, he is drawing the attention of the house to the fact that he has previously been an acting minister. The rules of the house are that you can answer questions on what you are responsible for at the time. Minister Theophanous has signed off some documents previously, he is no longer responsible for that area, so questions on that cannot be asked of him.

Ordered that answer be considered next day on motion of Hon. BILL FORWOOD (Templestowe).

Commonwealth Games: major events expertise

Mr SCHEFFER (Monash) — My question is directed to the Minister for Commonwealth Games. We often refer to Melbourne and Victoria as the sporting capital of Australia and to our track record in hosting major events. Our first-class sporting infrastructure and the regular flow of hugely successful major events is testament to that reputation. I ask the minister to outline what action is being taken by the Bracks government to showcase — —

Honourable members interjecting.

The PRESIDENT — Order! I am having difficulty in hearing Mr Scheffer's question. I am sure that the Minister for Commonwealth Games wants to hear it. We know that that event will take place shortly. I ask members on both sides to desist from interjecting across the chamber and allow Mr Scheffer to ask the minister the question, so that Hansard can record it and I can hear it.

Mr SCHEFFER — I ask the minister to outline what action is being taken by the Bracks government to showcase our events expertise to other major event host cities.

Honourable members interjecting.

The PRESIDENT — Order! I have just sat down after asking members on both sides of the house to stop interjecting. If members continue to do that, I will use sessional orders to remove them.

Hon. J. M. MADDEN (Minister for Commonwealth Games) — Whether it be the Australian Open, the Australian Formula One Grand

Prix, the Artistic Gymnastics World Championships, the World Cycling Championships or the Rugby World Cup — and the list goes on and on — we host some of the best events in the world. I thank Mr Scheffer for highlighting the fact that we do and his interest in this particular matter.

Next month will see the biggest event ever held in Victoria. Of all the sporting and cultural events we have ever hosted, this gives us one of the greatest opportunities to showcase our capacity to the world. Not only is it a great way to grow the economy — in particular, jobs, because we will see the equivalent of 13 000 full-time jobs come out of the games — but what is most important is the expertise that we have developed in this city and state, particularly in relation to major events. We have the reputation of being not only the sporting capital but also one of the major events capitals of the world. Because of that, many sports have their headquarters located here in Victoria. They hold some of the biggest contests in this state because of the foundation we have established over many, many years.

We have technical know-how, and we also have the business connections and a major events industry, as it were. Because of the interest generated not only by those events but the Commonwealth Games, we will be sharing that wealth of knowledge — we will be offering it to the world — whether it be in infrastructure development, city management, transport, technical sport expertise or event management broadly. By doing that, we are assisting in passing on expertise. But we are doing it also on a commercial basis.

This government, in partnership with Melbourne 2006 and the international Commonwealth Games Federation, has established the Melbourne 2006 Observers Program. This is a tremendous opportunity to showcase our professionalism, sell our expertise first hand and offer participants around the world an opportunity to gain an insight into the delivery of major multi-sports events and valuable knowledge which will support those bidding for or staging other events around the world, whether it be other Commonwealth Games, regional events, Olympic Games or single major sporting events.

Significant delegations will be here for our Commonwealth Games, as part of that observers program. Those we are expecting include representatives from Beijing, the London Olympic Organising Committee and the Delhi Commonwealth Games Organising Committee as well as other countries and cities bidding for the Commonwealth Games in 2014 — the likes of Halifax in Canada,

Glasgow in Scotland and Abuja in Nigeria. It is great to know that as well as those representatives there will be others from locations like Barbados, which will be involved in delivering World Cup cricket, and Rio, which will deliver the Pan-American Games, as well as representatives from the Doha Asian Games.

That program, which is to be run in conjunction with Business Club Australia, will allow participants to talk about their businesses with those in the observers program and sell their wares. It is great to know that not only is Victoria a great place to work, live and raise a family, and not only will it be united by the Commonwealth Games, but also that it is a great place to conduct and showcase that business.

Commonwealth Games: tourism

Hon. P. R. HALL (Gippsland) — I direct a question to the Minister for Commonwealth Games. I refer the minister to the Commonwealth Games web site, and in particular to the campaign which encourages Commonwealth Games visitors to visit areas of Victoria beyond Melbourne. Why is it that the Gippsland region is missing from the list of links to other tourism areas, which is especially surprising given that the preliminary basketball games will be played in the very heart of Gippsland?

Hon. J. M. MADDEN (Minister for Commonwealth Games) — I welcome Mr Hall's question in relation to Gippsland because we know The Nationals do not have as much courage down there as they used to. The web site links are part of the promotion of the broader tourism opportunities for the games. If those links do not exist, I will be happy to follow up in that case to ensure there is a link. My understanding is that Tourism Victoria has been involved with most of the local tourism authorities, particularly the regional tourism authorities, in developing that work. If that is not the case, I will be happy to have departmental officers look at that to ensure that we are promoting those opportunities in the Latrobe Valley, particularly because we have the basketball at Traralgon and the live site at Moe.

I am particularly excited about the live site at Moe because it will be at the Moe racecourse. For people who have not been there, the Moe racecourse is located in the heart of the town. The people of Moe are excited about it because normally when the name of the town is in the newspaper it is not necessarily all that positive, but on this occasion Moe is being showcased to the world and the Moe racecourse will have a live site. When you stand where the live site will be located at the racecourse and look across to the ranges in the

distance you realise it is a spectacular location. It will not only promote Moe but will be a great opportunity and will give it confidence for the future.

There is a connection with the Maltese community in Moe in the Latrobe Valley through the Adopt a Second Team program. I have met with a number of representatives from the Maltese community, who are excited about it. There is a fair difference in height between most of them and me, of course, and I think they felt compelled to want to feed me food, which was surprising. There is a tremendous opportunity for Moe and Traralgon — for the Latrobe Valley — to showcase what they, and Gippsland in particular, have to offer. I would be very keen to ensure that if that link does not exist, it can be promoted as soon as possible.

Supplementary question

Hon. P. R. HALL (Gippsland) — I thank the minister for that encouraging answer and remind him that those hills he sees beyond Moe when standing at the Moe racecourse are the hills that were burnt in the recent Moondarra fire. The government has already pointed out the need to promote tourism back into that area, and I am talking in particular about Erica, and beyond that, Walhalla and those areas. It is important that those links be established. I ask the minister to give me an assurance that I can go back tomorrow to my tourism areas in the Gippsland region and give them confirmation that the minister will expeditiously amend the web site to include Gippsland tourism regions.

Hon. J. M. MADDEN (Minister for Commonwealth Games) — I do not have the technical expertise personally to operate or develop a new web site or links, but I am eager to ensure that occurs. I know on a number of other occasions when Mr Hall has asked me questions in relation to facilitating outcomes regarding the Commonwealth Games I have been very keen to ensure that that reflects well on all of us, particularly broadly across the state. I look forward to ensuring that we make that happen as soon as practically possible.

Commonwealth Games: consumer protection

Mr VINEY (Chelsea) — My question is to the Minister for Consumer Affairs. All members of this house, I am sure, want to be confident that Victoria hosts a great and successful Commonwealth Games. Will the minister advise the house how the Bracks government is ensuring that consumers get a fair go during the games?

Hon. M. R. THOMSON (Minister for Consumer Affairs) — I thank the member for his question. People will realise that there has been a theme to the questions this week because everyone is getting excited about the Commonwealth Games and looking forward to participating in the activities that will occur as a result of their being held, whether they be cultural, economic or the games themselves. In April last year the Bracks government released the consumer protection strategy for the Commonwealth Games because we want to ensure that the games are a great experience for all who come to Victoria — not only the citizens of Victoria but everyone. The strategy aims not only to raise awareness among consumers about their rights and entitlements but also to promote among traders the way they should be treating their customers as they come through the door. The strategy aims to do that not only in relation to the law itself, which of course it does, but also regarding best customer practice. We want every Victorian and every visitor to go away from the Commonwealth Games feeling like it was a wonderful experience and pleased they participated.

Consumer Affairs Victoria worked closely with the Office of the Commonwealth Games Coordination and M2006 as well as with other key stakeholders, including local government, consumer organisations, and industry and trader groups, in developing the strategy. It is proving to have been a worthwhile exercise. A good example is our 'Shopping tips' brochure, which will be distributed via visitor information centres and will target outlets across Melbourne.

We are also spending time with traders. Consumer Affairs Victoria inspectors are talking to traders not only about the things to look out for and the things they need to do under their statutory and legal obligations but also, as I said before, about best practice. Consumer Affairs Victoria has developed a promoting games-ready business kit to give to traders in Melbourne and regional Victoria to help them make the most of the opportunities, and around 1200 retailers have been visited in key tourist precincts around Melbourne, including Federation Square, Southbank, the Crown casino complex, Acland Street and Melbourne Airport.

This is a true demonstration of the government working together to ensure that we will make the Commonwealth Games as good an experience as anyone could ask to have during such a major event. We are all looking forward to it, and I am sure Victorians are looking forward to it. Consumers coming from interstate and overseas can now be assured they

will have the best possible opportunity to enjoy all the additional attractions that Melbourne and beyond have to offer.

Commonwealth Games: compensation

Hon. B. N. ATKINSON (Koonung) — I address a matter to the Minister for Commonwealth Games. Seven Yarra River rowing clubs have received \$25 000 each in compensation for disruption during the Commonwealth Games. The Australian Football League has similarly received compensation from the government, and the Melbourne Tigers have received concessions at the State Netball and Hockey Centre. Does the minister intend to provide compensation to other sports bodies that have suffered disruption to their activities as a result of the Commonwealth Games?

Hon. J. M. MADDEN (Minister for Commonwealth Games) — I welcome Mr Atkinson's question. I also welcome the fact that he has been elevated to the front bench. It is good to know that the Liberal Party has finally considered that sport is worth positioning on the front bench. I hope it gets the value out of the frontbench position that it seeks, and I will be interested in any policy announcements that the opposition make in relation to sport.

It is interesting how the opposition wants to bandy about the word 'compensation'. In every instance where we have organised arrangements for the games, whether it be the venue management in other regions or around the state, whether it be with stakeholders whose venues we want to use in the course of the games — such as the rowing clubs on the Yarra River — we are not paying compensation. Let me reinforce that there is only one group being paid any compensation. I will talk about that in a moment. But there is no compensation for any organisation. What we have done is enter into a commercial arrangement, whether it be at the Melbourne Cricket Ground, the Melbourne Sports and Aquatic Centre, or at regional venues.

It is a particularly interesting question when you consider that it comes from a party that introduced the grand prix legislation and placed great emphasis on the fact that there would be no compensation within that legislation. Now the opposition members come cap in hand to the government as if compensation is a great idea. But it is not about compensation.

Let us not be alarmist, as the opposition would like to be at every opportunity. We expect the opposition to continue to support the games because one of the great benefits of the games will be to the sports themselves. Through this government's additional investment in the

games and sport, we will see greater uptake of sport, as we have seen more physical activity in the Warming Up for the Games Day and the come-and-try days in local communities. For the alarmist opposition members to bandy about the word 'compensation' is just shameful. How two-faced they are to come to the government, cap in hand, to ask for money for stakeholders they hardly ever have conversations with unless it is to be alarmist.

Supplementary question

Hon. B. N. ATKINSON (Koonung) — As a supplementary question I ask: what criteria was used to provide compensation, concessions — or, if you like, to enter business arrangements — with the seven Yarra rowing clubs, the Australian Football League and the Melbourne Tigers, but to exclude compensation, concessions — or, if you like, business arrangements — with other state sports bodies such as netball, hockey, swimming, table tennis, badminton and basketball?

Hon. J. M. MADDEN (Minister for Commonwealth Games) — Again I make the point that the only area where there is compensation is in relation to the Australian Football League. I am happy to explain that that is because the AFL is contributing \$150 million to the redevelopment of the Melbourne Cricket Ground and the only way to bring the agreement together at the last minute — and I am proud to say that this government was able to achieve it — was to allow for some compensation to be paid because the AFL was not sure how long it would be dislocated after the games. That is the critical issue: it was not during the games but after the games.

It is also worth appreciating that in each one of these venues, with each one of these groups and each one of the stakeholders, this has been a commercial arrangement. It has not been compensation. I rule out compensation in every sense, but a commercial arrangement has been negotiated either through us or a third party.

Bushfires: government response

Hon. J. H. EREN (Geelong) — My question is addressed to the Minister for Local Government, Ms Broad. Can the minister inform the house of ways the Bracks government is assisting Victorian councils and shires and communities recover from the devastating effects of recent bushfires?

Hon. B. N. Atkinson — What a waste of an opportunity! You could have asked her about Geelong!

Ms BROAD (Minister for Local Government) — So could you!

I thank the member for his question. I also wish to thank him for his participation in the visit of the ministerial task force on recovery from the bushfires to Anakie on Monday of this week.

Firstly, I would like to pay tribute to the thousands of volunteers, firefighters and staff from the Department of Sustainability and Environment and Parks Victoria who put their lives on the line fighting the bushfires. I especially want to acknowledge and thank the officers and staff in local government who have made a huge contribution to the emergency effort and continue to work tirelessly on the recovery effort. Through their brave and heroic behaviour many properties and lives have been saved.

I am pleased to inform the house of the progress made by the ministerial task force recently announced by the Premier. Yesterday and today I accompanied other task force members, together with the member for Ripon in the other place, on a two-day visit to Dunkeld, Halls Gap, Moyston and Pomonal. The job of the task force is to go to the communities affected by the bushfires to see first-hand the devastating effect of the fires, to listen to community concerns, and with the community develop a package of assistance to help them recover from the impact of the fires.

The Bracks government has acted swiftly to help rebuild fire-affected communities. Our actions include a \$5000 grant to ensure that this year's Halls Gap Jazz Festival will go on. The message for this year's jazz festival is that despite the recent bushfires, Halls Gap is open for business and the show will definitely go on.

We also announced a \$154 000 grant to the Rural City of Ararat Council for the Moyston recreation reserve, as well as a \$40 000 grant to Ararat council to bring forward a plan to upgrade Willaura's memorial park.

These grants are in addition to the Bracks government's bushfire assistance measures including low-interest loans and specific grants to councils to restore lost community assets. The Bracks government has also provided an additional \$1 million to the community safety emergency support program to help emergency service organisations across Victoria. We are delivering for families in Victoria that have been badly affected by the bushfires and we are helping them get their lives back on track.

Along with members of the community, I am extremely disappointed that the opposition is trying to politicise the fires. No-one — absolutely no-one — who spoke at

the many meetings held by the task force over the past two days supported the claims by the Liberal member for Western Province.

An honourable member — Which one?

Ms BROAD — Both. I might say that The Nationals member for North Eastern Province has also come in for criticism for slamming Parks Victoria staff. His attack is insulting to the many Parks Victoria staff who risked their lives in bringing under control these bushfires started by lightning.

Honourable members interjecting.

Hon. David Koch — On a point of order, President — —

Honourable members interjecting.

The PRESIDENT — Order!

Hon. David Koch — I would like that statement withdrawn.

Ms Hadden interjected.

The PRESIDENT — Order! Ms Hadden!

Hon. David Koch — I would like that statement withdrawn. At no stage have I not supported those people who very bravely fought the fires through Western Province. To have the minister say otherwise is totally incorrect.

Honourable members interjecting.

Hon. Bill Forwood — She can lie as much as she likes.

The PRESIDENT — Order! I find that offensive and ask Mr Forwood to withdraw.

Hon. Bill Forwood — What?

The PRESIDENT — Mr Forwood heard me.

Hon. Bill Forwood — I withdraw.

Honourable members interjecting.

The PRESIDENT — Order! I am having some difficulty on this matter because I am not sure what the Honourable David Koch wants withdrawn. What were the words the minister said that he found offensive? Because I was listening to her contribution I know there was some difficulty about whether it was referring to one member for Western Province or the other, as we

have two, but I am not sure about what the member found offensive.

Hon. David Koch — President, my point of order is purely in relation to refuting the statement which was offensive from the point of view that the minister suggested I was not supportive of those brave people who fought those fires in the Grampians region by inference in saying ‘both Western Province members’.

The PRESIDENT — Order! I have some difficulty upholding the point of order and asking the minister to withdraw because of the words that Mr Koch has said the minister used. It is up to me to rule as to whether it is offensive and then ask the minister or the member to withdraw. I do not believe what Mr Koch is saying meets that criterion, so I do not uphold the point of order. The minister, to continue.

Ms BROAD — President, in contrast, the government — —

Honourable members interjecting.

Hon. J. A. Vogels — On a point of order, President, the minister is going down the track, which she did yesterday as well, of claiming — —

The PRESIDENT — Order! The member will not debate it, but will raise the point of order.

Hon. J. A. Vogels — The minister was saying the members for Western Province have been criticising the fire effort of the volunteers et cetera in the Grampians, which is an absolute fabrication in her mind.

The PRESIDENT — And the point of order is?

Hon. J. A. Vogels — The point of order is that she should withdraw because it is not true.

Honourable members interjecting.

The PRESIDENT — Order! The Honourable John Vogels has taken offence to the response the minister has given to a question. It is the same as what I said to the Honourable David Koch — that is, I do not believe it is offensive and I am not going to uphold the point of order. The minister has 4 seconds remaining.

Ms BROAD — President, in contrast, the government thanks all of those brave men and women who have worked so hard and continue to work on the — —

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

Melbourne showgrounds: redevelopment

Hon. PHILIP DAVIS (Gippsland) — I direct my question without notice to the Minister for Major Projects. I refer to the redevelopment of the Melbourne showgrounds. In particular I refer to the Auditor-General’s report on the finances of the state of Victoria 2004–05 and his comments that:

The showgrounds redevelopment was originally forecast to have commenced in April 2002 and to be completed in time for the 2005 Royal Melbourne Show.

Therefore, will the minister advise the house why this project has been delayed, as it is currently scheduled to be completed now by the 2006 Melbourne show?

Mr LENDERS (Minister for Major Projects) — I welcome Mr Philip Davis’s question and his interest in the Melbourne showgrounds. I hope he has a greater interest in the showgrounds on which he asks questions than he did on the Nowingi waste site, on which he asked questions but never even put in a submission to the environment effects statement process.

On the showgrounds, there is a choice here for government, for the Royal Agricultural Society (RAS) and for the Victorian community. There is a choice of the style in how such a program is built. This government has a view that on major infrastructure projects like the Royal Melbourne Show you want to take your stakeholders with you, that you want to take into account the views of the RAS, the residents of the area and the people who actually use that area, and that accordingly you actually move forward and progress on the basis of taking them with you and working together as a team.

This government is committing more than — —

Hon. Philip Davis — Like a herd of sheep.

The PRESIDENT — Order! There is enough chatter in the chamber. I ask members on both sides to desist. If they want to have a conversation, they should go out.

Mr LENDERS — Thank you, President. This government is spending more than \$100 million on the redevelopment of a great asset for not just that part of Melbourne but all Victoria, where people from regional and rural Victoria have been coming to the show for 150 years. We are investing in that asset — unlike the party that Mr Philip Davis is with. That Premier cruelly, on a number of occasions, went to the Royal Agricultural Society and made promises, made comments without talking to anybody about what he would do with their showgrounds — and without

consultation. Not only did he do that, he then did not deliver. They were cruel and hollow promises.

This government is committed to building the showgrounds as a capital asset that can be used by the Royal Agricultural Society for the two weeks of the year when our great show is on, and so that there is a facility and a capacity to use it for the remaining 50 weeks of the year for other purposes.

In doing so we already have five hoppers and other things in place from last year’s show, and they will be completely in place for this year’s show. In doing so we are open and transparent in what we are doing, we have a joint partnership with the RAS and other stakeholders, and we have an Auditor-General who has commented on where the project is going. That comment is on the public record, and that comment is one that this government is always — —

Honourable members interjecting.

Questions interrupted.

SUSPENSION OF MEMBERS

The PRESIDENT — Order! That is enough! Under sessional orders Mr Mitchell and Ms Hadden will remove themselves from the chamber for 30 minutes.

Hon. R. G. Mitchell and Ms Hadden withdrew from chamber.

Questions resumed.

Mr LENDERS (Minister for Major Projects) — President, not only do we have a great major project that is delivering for the state of Victoria — for regional Victoria, for Flemington, for Kensington and for Melbourne as a whole, for the community — and are investing in a project in partnership with the RAS which will be used at all times of the year but we are investing capital in it and we are working in collaboration with the stakeholders, unlike what the Kennett government did.

As part of that consultation we have rescoped the project, and we are operating within our new scope and budget. This is how major projects are built in this state. This is how this government is delivering more than \$2 billion of infrastructure per year — critical assets whether they be economic, environmental or social. We are doing it in partnership with the community because we have a vision. We want to take this state forward and bring Victorians with us. Unlike the party of which Mr Davis was a parliamentary secretary and which was

Melbourne centric — his leader called rural Victoria the toenails of the state — we are delivering and working with communities. As a Victorian I am proud of the new showgrounds.

Supplementary question

Hon. PHILIP DAVIS (Gippsland) — Mr Lenders is not improving. My supplementary question relates to some of his comments, particularly when he said he would take stakeholders with him. Therefore I ask: how can the Melbourne showgrounds redevelopment be bigger and better when there is a significant reduction in pavilion space from the 110 000 square metres requested by the Royal Agricultural Society of Victoria in 2003 to the now allocated 47 754 square metres in the new design?

Mr LENDERS (Minister for Major Projects) — The Leader of the Opposition thinks that size matters. The Liberal Party has been expanded by the inclusion of Senator McGauran, which has improved the IQ of both parties. I can say here and now that Mr Davis does not understand what the showgrounds is about. Firstly, size does not matter. Stakeholders in this case have a new showgrounds —

Hon. Philip Davis interjected.

The PRESIDENT — Order! Mr Philip Davis will stop interjecting!

Mr LENDERS — We have new showgrounds which stakeholders want. Members and Mr Davis have spoken about the Royal Melbourne Show. Anyone who has been to the show during the last few decades knows that the infrastructure is dilapidated and tired. There has been no provision made for any capital rejuvenation or any serious maintenance. That is why the Royal Agricultural Society of Victoria and the state government have come together in this joint venture to rebuild and replenish the showgrounds. We are confident that this is a good outcome. The stakeholders are pleased with that. It is a good outcome for Victoria.

Commonwealth Games: mining industry contribution

Ms ARGONDIZZO (Templestowe) — My question is to the Minister for Resources, Mr Theophanous. Can the minister inform the house of the contribution the rapidly expanding Victorian mining and extracted industries are making to the success of the Commonwealth Games?

Hon. T. C. THEOPHANOUS (Minister for Resources) — I thank the honourable member for her

very imaginative and interesting question. For the information of members of the house, and to answer this question, I would like to outline the contribution of the resource sector to the success of the Commonwealth Games. There are two major ways in which the resource sector has contributed and is contributing to the Commonwealth Games. The first relates to gold and the second relates to bricks and mortar. Both these resources have been very important to the Commonwealth Games.

In relation to gold, members may be aware that on 29 November last year the Premier presided over the handing over of Ballarat gold at Sovereign Hill for the gold medals of the Melbourne 2006 Commonwealth Games. It is an official provider-level sponsorship agreement between the City of Ballarat and Melbourne 2006 that all gold struck for the Commonwealth Games will be done using gold which has been mined in Ballarat. All gold medals that are won by Australians will come from Ballarat. All gold medals won by athletes from overseas countries will also come from Ballarat.

Mr Lenders — Name them!

Hon. T. C. THEOPHANOUS — You never know, Cyprus might be one of those overseas countries! This has been an important arrangement and is symbolic and practical. This also marks the re-emergence of Ballarat as a major centre of gold production. As the mayor pointed out at the time, there is the possibility that at the end of the games, Ballarat gold could end up in every one of the 71 nations of the commonwealth, which is a pretty exciting possibility.

Gold is not the only contribution. In the extracted industries sector, the use of our quarries has received a huge boost. It may not be commonly known but over 254 000 tonnes of quarry products have been used in the construction of new facilities or in the upgrade of existing facilities. Most particularly, this includes the massive redevelopment of the Melbourne Cricket Ground. All these quarry products have come from Victorian sources and have provided an enormous boost to our extractive industries with the many millions of dollars spent in relation to cement, clay, bricks and all of the other products which have been sourced out of Victorian quarries as a result of the Commonwealth Games.

This is another example of the way in which our industries have benefited from the Commonwealth Games in this state. The Commonwealth Games is not just an important event because of the people who will come here and the funds they inject, but it has had a

phenomenal effect on local industries like gold, mineral sands and quarrying. I congratulate the Minister for Commonwealth Games for his part in that as well.

Hon. Philip Davis — On a point of order, President, I take the minister's answer as a ministerial statement. Therefore I move:

That the minister's answer be taken into consideration on the next day of meeting.

Hon. Bill Forwood — On a point of order, President, at page 2206 of *Hansard* of 4 December 2003 the Leader of the Government, in answer to a question from the Leader of the Opposition, said:

... as Acting Treasurer I have been waiting for questions in this place.

Given the Leader of the Government's contribution during the point of order discussion earlier, I wonder if he wishes to reconsider his statements at that time, which I am sure were inadvertent.

The PRESIDENT — Order! That point of order is out of order.

Hon. Bill Forwood — No, it is not.

The PRESIDENT — Order! Mr Forwood will not back-answer me; I am telling him it is out of order.

A motion was moved by the Leader of the Opposition that the last answer of the Minister for Resources be taken into consideration on the next day of meeting.

Motion agreed to.

Ordered that answer be considered next day.

QUESTIONS ON NOTICE

Answers

Mr LENDERS (Minister for Finance) — I have answers to the following questions on notice: 1833, 2164, 2322, 2362, 3409, 3412, 4281, 4616, 4664, 4760, 4797, 4848, 4849, 4855–58, 4994, 4998, 5011, 5117–19, 5248, 5275, 5373–75, 5378, 5380, 5382–84, 5434, 5447–49, 5451, 5452 (a), 5452 (b), 5657–59, 5662, 5664, 5666, 5667, 5694, 5930–32, 6020–46, 6144–46, 6149, 6151, 6153–55, 6370–72, 6375, 6377–81, 6608–10, 6613–18, 6620, 6650, 6669, 6789, 6808, 7020–22, 7025, 7027, 7029–32, 7125, 7249–51, 7254, 7256–61, 7372.

Hon. Bill Forwood — On a point of order, President, I just want to be clear: did you rule out my

point of order because I raised it at the wrong time or because you do not think it was a point of order?

The PRESIDENT — Order! Because there is no point of order.

Hon. Bill Forwood — My understanding of the rules and practice of this house is that if a member becomes aware that another member has misled the chamber, he is entitled to raise the matter.

The PRESIDENT — Order! With respect to Mr Forwood's allegation based on — —

Hon. Bill Forwood — My statement of fact.

The PRESIDENT — Order! On Mr Forwood's allegation or statement with reference to what is in *Hansard*, the process of the house is to raise such a matter through a substantive motion, so I suggest he do that. That would be more in order than raising it through his point of order, which is not in order.

BUSINESS: TAXATION AND REGULATION

Debate resumed.

Mr SOMYUREK (Eumemmerring) — Before lunch I was going through the taxation revenue of the government and delineating which taxes had been cut or abolished by it. I was referring to table 3.2 at page 148 of budget paper 4. As I recall it, I had just finished going through the first line item, and that was the payroll tax dividend. As I said before lunch, that has gone up by about 6.2 per cent due to factors such as employment growth, wages growth and economic growth, but cushioning that or offsetting a potentially greater growth in payroll tax were the policies of our government, such as a reduction in the rate of payroll tax from 5.75 per cent down to 5.25 per cent. That is a reduction of 9 per cent. We have also increased the payroll threshold from \$515 000 to \$550 000, making Victoria's the second lowest payroll tax rate in Australia. It is prudent to note that New South Wales has a 6 per cent rate and a threshold of \$600 000.

I have decided I will not go through this line by line because I am constrained by time, but I will go through the tax cuts this government has made. We have increased the threshold on land tax from \$85 000 up to \$200 000 for 2005–06. We have also lifted the middle tax bracket and reduced the middle rate. We have reduced the top rate of land tax from 5 per cent to 3.5 per cent in 2005–06, and that will be phased down to 3 per cent by 2007–08.

I will not bore the house with the details, but we have abolished duty on mortgages. Victoria, therefore, is the only state that does not impose a tax on mortgages on homes; although it is not confined to mortgages on homes. We also help small business. A lot of small businesses expand and a significant proportion of those businesses take out mortgages on their land so it dovetails into business and has a positive impact on business as well.

We have abolished the bank accounts debit (BAD) tax, which was worth about \$280 million each year. Duty on non-residential leases, financial institutions duty and duty on quoted and unquoted marketable securities have all been abolished.

Finally, there have been reductions in WorkCover premiums. The Bracks government has cut WorkCover premiums twice — firstly by 10 per cent in April 2004, and secondly by a further 10 per cent in the 2005–06 budget. Victoria now has the second-lowest premiums in Australia — second only to Queensland, which we believe has an inferior system.

Mr Smith — It is absolutely pathetic in comparison.

Mr SOMYUREK — Thank you, Mr Smith. I will briefly touch on the government's targeted business tax packages that this government has delivered since coming to government in 1999. Obviously time constraints preclude me from going through each package, but I think it is prudent at this stage to recap for the information of members on both sides who may have forgotten the targeted tax incentives or tax packages that this government has provided to the state of Victoria.

In 2001 the Bracks government released a Better Business Taxes package with \$774 million of tax cuts promised to be delivered over the subsequent four years. In 2002 Building Tomorrow's Business Tax Today provided an additional \$262 million in tax cuts over four years. In 2004, we released the Victoria: Leading the Way program which was worth another \$1 billion over five years. In the 2005–06 budget government land tax relief was worth \$834 million, with further cuts to WorkCover premiums and the abolition of business rental duty.

That is a record I am happy to say we on this side of the political divide are proud of. The opposition, however, has a credibility deficit in relation to this issue, so I am most surprised that Mr Atkinson put this motion forward for debate.

Having said that, I will now turn to the opposition's record on taxes and charges. My research indicates that

during the seven years of the previous coalition government, the only tax relief offered to the Victorian people was to put stamp duty on loan refinancing, and that was worth a measly \$1 million. My research also indicates that during the seven years of the previous coalition government it abolished only one business tax, so there is a body of evidence to suggest that its record in respect to this matter is not too great, so I reiterate that I am very surprised that this motion has been moved. On that note, I conclude my comments.

Hon. W. A. LOVELL (North Eastern) — In standing to speak on this motion today I would like to congratulate the Honourable Bruce Atkinson, who has brought forward this very important motion calling on the government to cut taxes and charges in the 2006 state budget and revise and reduce regulations which adversely impact on the competitiveness of businesses in Victoria. As a former small business person I understand how hard it is for small businesses to operate in Victoria under hefty government regulation. Part of the reason I stand here today as a member of Parliament is that in the first three years of the Bracks government it became so difficult for our family to operate as a small business that I felt I needed to get into this place to try to make a difference, try to make it a little bit easier for small businesses in Victoria. I understand when decisions are made at a government level how they impact at the grassroots level of businesses.

Under the Bracks government things are getting harder and harder for business. Regulation and red tape are not only imposts on the time of businesspeople but an additional cost that businesses cannot afford. More importantly, they divert the energies of business owners away from the development of their businesses. It is important when you are running a small business to have the time to work on the development of your business and not just be complying with government regulations.

Taxes are breaking the backs of small businesses. In the past 12 months we have seen more than 900 Victorian business owners go bankrupt — the second-worst result of any state in Australia. The Bracks government's policies of increasing taxes and regulations are placing unnecessary burdens on small and medium businesses and making it harder to them to survive. It is important that the government understand that small and medium businesses are employers, are the people who drive the economy in this state. Small and medium businesses need a government that will provide an economic environment which allows them not only to survive but also to thrive. A thriving business sector will create a stronger economy and jobs growth in Victoria.

The Bracks government is not interested in supporting business; it is only interested in supporting its union mates. That has been made evident by the lack of interest in his portfolio of the Minister for Small Business in the other place, André Haermeyer. The minister promised to release his small business strategy before the end of last year, but we are still waiting. That is evidence that the Labor government has no strategy to support small business in Victoria. The Sensis business survey released last October shows that small and medium businesses are highly critical of the Bracks government. It shows that the Bracks government's approval rating amongst small and medium-sized enterprises was at negative 16 per cent. It shows that only 14 per cent of Victorian small and medium enterprises believe the Bracks government's policies support small business, and that 32 per cent of businesses consider those policies work against small and medium enterprises.

The survey's authors also identified that land tax, excessive taxation in general and excessive and wasteful government expenditure were key reasons that business did not support the Bracks government. The survey shows that Victorian business confidence was as low as 51 per cent, which was the second worst of any state, as compared with the national average of 55 per cent. It shows that business confidence in regional Victoria was entrenched at well below the national average. It was actually 11 percentage points lower than the national average. This was the lowest level of confidence of any regional area in the nation. The survey shows that few small and medium enterprises believe Labor Treasurer John Brumby's claims that he had provided substantial tax relief over the last two years were true. They just do not believe him.

The Liberal Party is not alone in believing the state government should reduce taxes and regulations. I have an advertisement which appeared prior to the last state election and which was placed on behalf of the Victorian Automobile Chamber of Commerce. It says:

VACC believes that a government with a real commitment to small business is in the best economic interests of this state.

It further says:

The next government must turn words into action on the following key issues for the retail automotive industry:

the unsustainable imposts of overregulation, burdensome red tape and onerous compliance costs;

a payroll tax threshold set too low and a rate set too high;

windfall government revenues on taxes and levies on commercial insurance (which are the highest in the world) and the unfair burden borne by business ...

None of those areas has been addressed. We have more regulation and burdensome red tape, more onerous compliance costs, increased taxes and a government that has even put in place a system where it hikes up the cost of every fee, fine and charge in this state on 1 July every year. There are increased costs for business on all sorts of fees and charges.

The Victorian Farmers Federation (VFF) has also identified the imposts this government is putting on the rural sector through burdensome red tape. Its September 2004 submission to the Victorian Competition and Efficiency Commission's regulatory barriers to regional economic development inquiry says:

Victorian agricultural producers are experiencing an unprecedented level of interference in the way they do business. Regulations which have the effect of restricting growth and development in rural areas are escalating exponentially.

The VFF went on to say that in response to these increasing costs it themed its 2004 conference around the red tape and taxes strangling Victorian farmers.

The submission further states:

Regulations affecting native vegetation, farm management (right to farm), planning, industrial relations, farm safety, transport, water, health, animal welfare and indigenous affairs are having a significant negative impact on farmers, and on their ability to operate profitable farm businesses and enterprises over the long term.

It particularly lists a recent tidal wave of rules, regulations, impositions, taxes and charges which are crushing farmers and their businesses and which have been imposed on them by the Bracks government. Amongst those it lists native vegetation controls; pest control regulations; unfair and inconsistent regulations governing stubble burning, stock movements and basic farm expansion; green wedges legislation; child employment laws; industrial relations laws; WorkCover regulations; transport regulations; unworkable ground water assessment protocols; food safety regulations and permits; irresponsible farm access issues surrounding Royal Society for the Prevention of Cruelty to Animals (RSPCA) inspectors; cultural heritage requirements and additional regulations that will come in very soon due to the government's white paper on water; ammonium nitrate control regulations and licensing; and the result of the Maxwell review into occupational health and safety which has proposed even further restrictions and impositions including farm access for unions, roving

health and safety representatives and industrial manslaughter.

The VFF is right in saying that the Bracks government does not care about the rural sector at all. In contrast, the Liberal Party has a policy about cutting red tape, and I congratulate the Honourable Bruce Atkinson and the Honourable Philip Davis on the work they have done in listing a number of areas where red tape can be cut to make Victoria a more business-friendly environment that encourages business and supports small and medium-size enterprises.

Not only does this government create red tape but it does not want to enforce it, which is an unusual situation. I have a couple of examples. One is a letter from VentureTape Australasia Pty Ltd. This was an open letter to the Premier that was printed just prior to the last state election. VentureTape is a manufacturer of tapes and adhesive products for industrial purposes. The letter particularly talks about the regulations that were introduced to require the fire rating of flexible duct tape. VentureTape spent quite a lot of money in gearing up its operation to comply with the regulations. The letter states:

However, we cannot find any tangible evidence of the government's efforts to enforce these standards.

...

Over an eight-month period, numerous phone calls and correspondence to the office of the Minister for Planning, Mary Delahunty, and government officials have gone unanswered.

As a result, my company has suffered considerable commercial damage and I am reviewing the future viability of my business in Victoria.

Our experience in dealing with the Bracks Labor government has been like doing business in the Third World.

This climate of uncertainty has created an environment in which it is almost impossible to run my business.

That letter is signed by Angus Cummings, the general manager of VentureTape Australasia. I agree with him that it is not fair when governments introduce legislation and you comply but other businesses do not. It does not create an even playing field for businesses, and if the government does not enforce it, then it is unfair on those businesses which have invested in compliance.

Another complaint to my office was about the Private Security Act 2004 which came into effect on 1 July last year. The act introduced licensing and training for firms that install security systems. The company that complained to me had complied with those standards

but said others in their area had not. Again, this has created an unfair environment for them. I have many more examples that I could use but in order to give Mr Forwood some time to speak I will finish my contribution.

Mr SMITH (Chelsea) — I was not going to participate in the debate on the opposition's motion until I heard some of the puerile arguments being put by the other side. Being the individual I am I could not resist. It appears to me from the contributions made so far that the heart and soul of the opposition is not in this motion. Opposition members do not genuinely believe what they are saying, so I started to think why they would be bringing this motion on if they really did not believe it or were not convinced about it.

It is pretty clear that they are touting for support from their perceived base of small business and big business. The top end of town is clearly extraordinarily frustrated with the performance — or lack of performance — by the Liberal Party. It understands that the Liberals are a divided rabble and it is simply not going to support them. It is the same with small business. Small business has just given up on them. It has clearly given up and the opposition is desperately trying to rope back in that support base. The problem is this: the government has already done it. We have already set in motion all the things that are necessary for ongoing improvements in the area of business taxation et cetera.

I am a bit bemused about the complaints from those opposite about WorkCover, taxes and manslaughter legislation impacting on businesses and businesses not being able to dedicate their time to building their own little business because they have to concentrate on these other responsibilities. This is extraordinary. Do they not accept responsibilities? If they have people employed and working for them, do they not feel some sort of responsibility for their health and safety? Who should pay for all of this? We think we are a better society by having a fairer tax system and if people want to compare us with the low business tax regime of Queensland under good old boy Joh Bjelke Petersen, good on them. But let them have a look at the record. If they want the same health system that Queensland has, with all its problems, that is fine for them, but we do not.

Let me tell members opposite, and everyone listening, the reason we are in government and the opposition is not is because it has not been listening and we have been listening. We understand what people expect from governments, and we have done those things that are necessary to assist businesses. We have had, I think it is fair to say, a brilliant Treasurer since 1999; he is a

brilliant performer by any measurement. You can compare the Treasurer with treasurers over past decades or with those now in office around the country, but you will be hard-pressed to come up with someone as good as this guy. The Treasurer has delivered for Victoria and will continue to do so.

Hon. B. N. Atkinson — The member does not believe that!

Mr SMITH — I mean it absolutely! The Victorian economy is performing extremely well, the GST has increased by 2.3 per cent and by national standards that is an extraordinarily good performance. We have created more jobs in Victoria. We have benefited from greater business investment in Victoria. We have employment growth of 1.2 per cent, which is the best in the country. That means someone is getting something right! Can opposition members get that into their heads? Someone is doing something right; the score is on the board — it is there, job growth is the best in the country.

Hon. Andrea Coote — Acting President, I direct your attention to the state of the house.

Quorum formed.

Mr SMITH — The other thing I would mention is that it is a bit rich that members opposite are trying to give us lessons in tax management and tax systems when we look at the state of the federal government and its attitude towards tax reform, business taxes and the like. I may be wrong but I have read in the *Australian Financial Review* about complaints by the Business Council of Australia and others about the lack of changes or reforms coming from the federal government. Old Mr Conservative himself, federal Treasurer Peter Costello, sits there seeing nothing and doing nothing when the rest of the country is saying, 'Give us back some of our money'.

The opposition should not talk to me about tax reform; it has no credibility and more importantly, it knows that. We on this side also argue that not only are we a reformist government, we are also business and tax reformers and we actually have — —

Hon. Andrea Coote — What about Bill Shorten? Tell us about him.

Mr SMITH — That is a great point being raised by the Deputy Leader of the Opposition, who refers to an aspirant to Canberra from the Labor Party, Mr Bill Shorten, who has come out and talked publicly about the need for tax reform. Mr Shorten will get a lot more votes on that bandwagon than the member will on hers

because he is absolutely right. Ordinary taxpayers including shiftworkers are sick to death of the amount of tax they are paying and want changes. I also refer the Deputy Leader of the Opposition, the Honourable Andrea Coote, to the comments made by federal member Malcolm Turnbull because he is on the same bandwagon.

This is a visionary government, and we understand what changes need to be made in the area of business. Look at some of the big ticket items we are engaged in. The opposition wants to pillory the synchrotron. We talk about the future, where we need to go and about the advantages of resources for business. We are on the ball. We talk about channel deepening, but the opposition looks for ways to exploit it politically. We understand what is needed in these areas. We looked at introducing fast trains but all the opposition wanted to do was bag them. People will be the beneficiaries of that for years to come and will be very grateful.

The leader of this government, Premier Bracks, has been calling nationally for massive changes in the way taxes and red tape are structured in this country. We are taking the lead and leaving nothing for members opposite to run with at the end of this year. That is what the opposition is trying to do now — grab hold of something by its fingernails. It says, 'Is there something we can grab on to, look at our support base, where are we going to get our backing from?'. That is what this motion is about; it is puerile and I oppose it.

Hon. B. W. BISHOP (North Western) — I rise to speak on the motion moved by the Honourable Bruce Atkinson, and I want to concentrate my remarks on the part that deals with regulations pertaining to agriculture.

We seem to have got more and more rules in relation to agriculture than we ever had before. The issue I am about to raise concerns the use of fertilisers and involves WorkCover. I will name them: ammonium nitrate, potassium nitrate and calcium nitrate, which I have been advised come under this umbrella of licensing that has been brought in some months ago. These fertilisers are one of the tools used in horticulture. The issues I will raise today are about transporting and storing this product.

I put on the record that our farmers understand the government's concern that some of these products may well have been used in the past by terrorists for the making of bombs. We now believe that issue has probably moved on. However, we understand that concern of governments. When these processes were being put together we raised our concerns. We thought the regulations would be over the top, overzealous,

overly bureaucratic and certainly restrictive and expensive. Unfortunately what we were arguing against at that time has come true. It is true that you have to get a licence — that is something that has always been accepted — but it is another layer of red tape.

I have had a number of calls on this issue, and I would like to relate to the house the process that farmers have to go through to gain a licence for using, storing and transporting these fertilisers. You need to fill out eight pages of forms to get a security licence and about 12 pages for maps and security plans. A number of the growers have got sick of it. It is very, very difficult to get through the process. As I understand it, one of the farm organisations has done a trial run with one of its growers which it thought he would get through easily, but for whatever reason he has not been able to get through and some others have given up. There are no other options except to use other products where you have to gear up your machinery, which is quite expensive. The other products are also very dear.

You need to go through police and Australian Security Intelligence Organisation checks as well. A constituent of mine has three properties, so in the transportation of these particular products he needs to have a designated route. He can have no more than three tonnes of product, may have to have a special licence and the product must be under surveillance at all times. Those restrictions are quite stringent but — wait for it! — let us turn to the storage of these products. The storage requirements are absolutely oppressive. This gentleman has a very good shed — an excellent shed — with two roller doors. Those two doors have to be bolted down with a built-in concrete locking device. There are entrance doors on the sheds, and they must have what are called compliance locks applied to them. Those padlocks cost around \$250 to \$300 each, so it is a very expensive process. Whilst our growers will want to use this product after harvest, it is interesting to note that they cannot get these padlocks because they are not available at this time, so we have a system that is not working at all.

It is also interesting to note that the walls of this particular shed — as I said, it is a good shed that is very strong and has corrugated iron walls which are very secure — are attached with screws. To get a licence to store these products in that shed the owner has to take out those screws and put in non-reversible, non-removable screws. That is another layer of red tape the productive sector in agriculture has to deal with. I am advised that if you have a shed where you store that product and in that shed is a pump and employees may go in and out of the shed to turn the pump on and off, you need to provide security in the form of a cage

around the product. I am also advised that if you have a number of employees, you must have a manifest which notes every key involved with that shed.

As I said before, we raised this issue in the Parliament last year because we were concerned that the process would become very heavy, and it has. It has become very difficult and very oppressive — far worse than we thought. I appeal to the minister to have a decent look at this and to step in to make the process more practical and workable. It has got out of kilter when compared with other areas. In the United States of America, where people store the same products, restrictions are much less stringent than ours, which makes it difficult for us to compete in those particular areas. That is one lot of regulations the minister could have a look at. I believe quite honestly that with some goodwill between the industry and the government we could solve a lot of these issues. Again I make the point that growers want to use this product after harvest, which is fast approaching, but they cannot do that because they cannot get the things they require to comply with this very stringent set of rules and regulations.

I do not want to take up too much more of the time of the house. In conclusion I can remember talking about the red tape and regulations surrounding agriculture previously. There has been some mention of it today but not a lot. I think it was in 2003 that the *Weekly Times* ran a full page containing a list of 25 laws and regulations that impinged on agriculture. If that was the case in 2003, I suspect that in 2006 we could have double that number.

Mr Viney — Including laws about bribery?

Hon. B. W. Bishop — We probably could have had at least twice as many, Mr Viney.

Mr Viney — It tells us as much about bribery in agriculture too. Wheat!

Hon. B. W. BISHOP — The comments from the other side show that the member does not understand growers' concerns about the regulations imposed on them. I will name five of them. The first three are child employment permits, firewood licence restrictions and the baiting of foxes, which we have spoken about this week in the Parliament. The fourth item is that the rules and regulations now ban people from using carrots in the eradication of rabbits. Carrots have been used for years and have been highly successful, but the government has made up its mind. Government members say, 'You cannot use carrots, no matter how you go about it, for the eradication of rabbits'. The fifth item is that you cannot rip up rabbit warrens if they are

around native vegetation. You have to get a permit if you want to rip up a rabbit burrow, which is something you never had to do before, because you may be clearing native vegetation.

That is only five items, but there are 25 items on the list. I suspect now that it is two and a bit years since the list was put together there are probably twice as many now. As I said, the list goes on and these restrictions are smothering agricultural businesses. These things raise costs and frustrate farmers as they go through difficult times, which was also spoken about in this house this week, particularly in the horticultural sector.

I fully support the motion moved by the Honourable Bruce Atkinson. I do so because with goodwill between the government and the farming industries we could go about making regulations much more practical, more acceptable to the farming community and more workable. We could also achieve a great reduction in cost, which would make us more competitive in the markets in which we operate.

Mr PULLEN (Higinbotham) — I said earlier today that I would not be able to contribute to this debate because when my good friend Mr Atkinson moved it I was at a press conference for the launch of the Economic Development Committee's report on its inquiry into the viability of the thoroughbred/standardbred breeding industries in Victoria. I was disappointed that I could not be here for all of Mr Atkinson's contribution, but I did arrive in time to hear a little of it. Similarly I heard a little of Mr Baxter's contribution and those from members of the opposition parties, which are supporting this motion.

I have said a number of times that I am amazed when we debate opposition business in this place. Obviously the opposition pulls the short straw, because it brings up issues that have no relevance whatsoever, and this issue certainly has no relevance for and has no support from the Victorian people. I want to pick up on something which Mr Atkinson said today and which members of the opposition continually say in this chamber — that is, that since the Labor government came to power the Victorian tax take has increased from \$19 billion to \$30 billion. That is fair enough.

We have taken an additional \$11 billion from the people. But all that money is being put back into the economy. We have had the receipts and the payments have been going out to restore the disgraceful destruction that took place in this state under the Kennett government. I have done this before in this chamber, but let us compare that with the Howard

government's tax take from the Victorian people. The overall tax take by the Howard government since it came to power has increased from \$153 billion to \$231 billion as at 2004, which are the last figures that I have and represent a massive increase of \$78 billion. If we go down the path of noting that Victoria has one-quarter of Australia's population, that represents an increase of between \$20 billion and \$25 billion that the federal government has taken out of the state — and we have got absolutely nothing for it.

I also pick up on a point that Mr Baxter raised in the little bit of his contribution that I heard — that is, that under the Kennett government Victoria's debt was reduced from \$33 billion down to \$5 billion by the time they left office. Members should never forget that the debt in this state was commenced under the Bolte government. It did put in a lot of infrastructure, but debt was 40 per cent — I know my good colleague Mr Somyurek puts it at even a bit higher, at around 60 per cent at times — of the gross state product. The facts are that the reduction of \$28 billion was the exact amount that our power industry — the electricity and gas of this state — had been sold for. That is where they got it from, and they slashed and burnt everything in the meantime. Today state debt is about 0.7 per cent of the gross state product.

It is important to come back to the motion moved.

Hon. B. W. Bishop interjected.

Mr PULLEN — I had to put that in, Mr Bishop, to give an idea of where all the furrphies from the opposition side continue to come from.

Hon. B. W. Bishop — I don't think mine are.

Mr PULLEN — You do a pretty good job, because you are from The Nationals. But we know that there are a lot of problems with The Nationals at the moment. The other day I even got word that a gentleman in the Gippsland area who put up his hand as a candidate for The Nationals in the last election has now put up his hand to be the Liberal Party candidate at this election! That is Mr Peter Bomber, a good friend of Mr Hall's. That is what I have heard. I do not know what is going on down there with the musical chairs. It is absolutely ridiculous. I would say it is even worse, that the opposition parties are actually moving the chairs on the *Titanic*.

I have said before in the chamber that there will not be a great downturn in the housing industry in this state because there is so much confidence in the state under the Bracks Labor government. We have the highest level of building activity.

Hon. W. R. Baxter interjected.

Mr PULLEN — At least Mr Baxter has come back into the chamber now. He has obviously been listening to this contribution, which is really hurting The Nationals. I have a lot of time for The Nationals.

Hon. Bill Forwood — What?

Mr PULLEN — I have a lot of time for them, I said. I have no time for the Liberals but I have a lot of time for The Nationals. It is good to see Mr Baxter. I must admit that since I have been in this chamber I have learnt a lot from Mr Baxter. I must remind the chamber of the most important thing. It was he who fixed the roads so that we knew whether to turn left or right on them. People were moving around everywhere. One of the reasons we have had a big reduction in the number of smashes is because of what Mr Baxter did when he was Minister for Roads and Ports. He chopped that left-hand turn and right-hand turn where no-one knew where they were going. I congratulate him on that but I cannot congratulate The Nationals on anything else.

Coming back to the building approvals, in the calendar year 2005 Victoria had the highest value of the building approvals of any state, at \$15.1 billion. That means that Victoria has now achieved building approvals in excess of \$1 billion for 45 of the last 47 months. That assists small business, particularly contractors. I have a great deal of interest in contractors and I am working on an issue at the moment. We have a wonderful bill coming up — I think it has been introduced into the lower house — on payments to builders. The building activity really helps building contractors particularly in rural areas, where we have a big lack of tradespeople. We should encourage a lot more of them to go to rural areas. Given the growth in population, the government is encouraging people, particularly skilled migrants, to move to rural areas, particularly in your electorate, Mr Bishop, around the Swan Hill area. A lot of good tradespeople have moved up there but they need a lot more in that area.

Hon. B. W. Bishop interjected.

Mr PULLEN — Yes. The value of the regional building approvals, which is the important thing, are at an all-time high, reaching \$3.88 billion in 2004–05, and the value of total regional building approvals has more than doubled over the past six years.

As I said, I was disappointed that I could not hear all of Mr Atkinson's contribution. I would have liked to have been here. I know that I will have the opportunity to hear a little bit more next Monday at the Victorian

Automobile Chamber of Commerce luncheon, which Mr Atkinson is addressing in his role as spokesperson for small business and a few other issues. I will be there. My ears will be listening to what Mr Atkinson has to say. I trust that it will be a better performance than the little bit that I heard in here today. Mr Atkinson does a lot of work as the small business spokesperson but there is no doubt that he did draw the short straw here today. He was really not interested in what he was putting across because it lacked a lot of real substance to hit the government around the ears with.

Hon. B. W. Bishop — I talked with absolute passion. I'll show you.

Mr PULLEN — All right. The government cannot accept the motion that has been put forward today because it is not right. The facts are that since the election of the Bracks government we have done so much for small business. Members opposite and their federal colleagues create all the red tape, particularly with the GST, which is sending people in business nuts!

Hon. BILL FORWOOD (Templestowe) — I am pleased to rise in support of the motion. At the outset I should say that I do find it strange that the government has decided to oppose a motion that calls on the government to reduce taxes and charges and revise regulations because it seems to be one of the mantras that the government is always going on with, that it wants to do such things. Members of the government do not need me to tell them that part of the Council of Australian Governments agenda tomorrow is about the sorts of things that this house should be supporting today. It is ridiculous to suggest, as some members on the other side have, that we have done enough or the economy is going okay and we cannot do any better, because of course we can. They do not need me to convince them of that.

If members opposite look at the *Benchmarking Reform Action* document of the Business Council of Australia they will see the four steps that need to be taken to assure Australia's future. One of them is, of course, to lower tax. That is what the motion is about. The second is business red tape — cut red tape. That is what this is about. The third is infrastructure renewal — and that is one of the issues that the government is taking to Canberra tomorrow, and good on them. The final one is workplace reform, in which the Howard government is taking huge leaps and strides, in the interests of all Australians. It seems very strange to me that a motion brought to this house calling on the government to lower taxes and reduce regulation in the interests of a competitive economy is being opposed by any government. To me that smacks of hubris.

Hon. B. N. Atkinson — Arrogance!

Hon. BILL FORWOOD — And arrogance — that will do. One of the things about the motion before the house that fascinates me most is the government's decision to oppose a motion that calls for the revision and reduction of regulations adversely impacting on the competitiveness of business because the government itself has established an organisation called the Victorian Competition and Efficiency Commission (VCEC). So the government itself has recognised that there is an issue about these sorts of things and in particular about red tape.

I refer honourable members to the June 2005 final report of the VCEC entitled *Regulation and Regional Victoria — Challenges and Opportunities*, the government's own report. For example, talking about the regulatory environment, it says:

Nevertheless, improving this environment, particularly the way that regulatory intent is implemented, could contribute to improving the economy of regional Victoria.

What we have today in this house is the government voting against a motion that would do what its own report says — that is, improve the economy of regional Victoria. It says:

Businesses in regional Victoria face a major challenge in navigating the complex and evolving regulatory framework. The 69 regulators of business administer about 26 000 pages of legislation and regulation.

The government is doing some minor work. This motion talks about a revision of that stuff, and the government's own committee about regional Victoria talks about 69 regulators and 26 000 pages. It goes on to say:

The commission has identified specific improvements to regulations affecting land-use planning, native vegetation, other environmental areas, food safety, and various industries (mining, forestry, aquaculture and broiler chickens).

In other words, there is an agenda already there for the government to act on. You would think it could have at least supported the motion about this agenda. It goes on to say:

Additional reforms that would assist in addressing recurring problems include improving consultation on new or modified regulation, more systematic identification of key cross-border regulatory inconsistencies, enhancing coordination across government agencies, tightening the linkage between policy intent and regulation, and articulating a whole of government approach to cost recovery, supported by implementation guidelines.

The government recognises there is an issue, and good on it. What I am critical of is not only the fact that it

will not support a motion asking for something to be done but despite the fact that it has the Bible it will not do enough to fix the problem.

Mr Viney — That is not true.

Hon. BILL FORWOOD — Mr Viney interjects that it is not true, but he knows that that is just playing politics with real people's lives. What that is about, and he knows it, is trying to put your finger in the dike to stop the flood because, as all Victorians know, they are being hamstrung by regulations. You do not need any better example than the women who were not allowed to cut sandwiches and take them to the firemen. Of all the crazy regulations, that one has to be a classic.

I wish to turn briefly to the issue of tax. I heard one of the government speakers — it might have been Mr Somyurek — articulating a list of tax reforms that he maintains the government has generously provided and which are, he says, leading to a better economy. What Mr Somyurek did not do in my mind adequately enough was to point out the massive growth in the size of the economy.

It is easy to say, 'We have given you \$100 million off here', but \$100 million in percentage terms compared with the growth of the economy is chickenfeed. There is a little bit of chuck back. You should not fall for the thimble and pea trick that this government is so good at, particularly when it says, 'We will give you \$600 million worth of tax cuts over three years'.

I will tell the house how it works. It makes a \$100 million cut in the first year and that flows on to the next year. The next year it has another \$100 million plus the existing \$100 million, so that is \$300 million. The following year it has another one, so it cuts \$100 million three years in a row and counts it six times. The government has been doing it for years — the first year, \$100 million; the second year, \$100 million; and the third year, \$100 million. They are legitimate \$100 million cuts, but you count one the first year, two the second year, three the third year, and you have \$600 million.

It is a complete doubling of the actual amount of tax cuts. The government has been doing it for years. We explain it; some people know and others do not, but it is a con, just like the attitude that the government is taking towards the motion. Government members, of all people, should be supporting the motion. It is nonsense that they are not.

The ACTING PRESIDENT (Hon. R. H. Bowden) — Order! I will put the question that the

motion moved by the Honourable Bruce Atkinson be agreed to.

Hon. Bill Forwood — He has a right of reply.

The ACTING PRESIDENT (Hon. R. H. Bowden) — Sorry.

Hon. Bill Forwood — Down boy!

The ACTING PRESIDENT (Hon. R. H. Bowden) — Order! Mr Forwood will not be inappropriate in relation to the Chair. The Honourable Bruce Atkinson has a right of reply.

Hon. B. N. ATKINSON (Koonung) — I appreciate your enthusiasm, Acting President, in putting this vote to the test, as does the opposition, because it is extraordinary, as has been pointed out by the Honourable Bill Forwood, that the government has decided to reject this motion today.

It is interesting also to reflect on the contributions that have been made by members of the government, because what they have tried to do is talk about past history, about changes that they might have effected in some areas, and indeed tax reform that they have implemented in some areas. Those matters they have alluded to in debate are a matter of public record and are acknowledged. Certainly the interpretation of the value of some of those concessions that have been made to the business sector in particular have been somewhat contorted by government members.

It is interesting to reflect on Mr Viney's contribution, when he talked so much and with such fervour about the number of taxes that the government had cut, but he failed to point out that the reason for most of those taxes being abolished was because of an agreement under the GST, which he also canned as part of his presentation despite the fact that GST income comes entirely to the states and is not taken up by the federal government.

The states have been rather slow in trying to return any of the proceeds of the GST to the federal government because they recognise that it is an important tax so far as the states are concerned, and they do not want to abolish or dramatically reform the GST because they are happy with the proceeds that have come to them.

This government has been given an opportunity today to support a motion which calls for tax cuts in the next budget. The motion does not talk about past history or what is happening in terms of tax cuts previously, it says that in the forthcoming budget the government

ought to bite the bullet and reduce taxes. It also invites the government to make changes to red tape.

The government has said, 'We can rest on our laurels because, frankly, we have done enough, everybody is delighted with us and the small business sector is delighted with us'. Speaker after speaker has said that, but they are not at all delighted with this government. The submissions I outlined and spoke from today — from organisations such as the Victorian Employers Chamber of Commerce and Industry, the Victorian Farmers Federation, the Victorian Automobile Chamber of Commerce, the Australian Retailers Association, the Australian Industry Group, and the Business Council of Australia — all called for reduced taxation levels in Victoria and cuts in regulation.

It is interesting to also note that a number of the speakers talked about the differences between the current government and the previous government. As I said, we have deliberately stayed away from past history because, frankly, if you start to go back, then you have to go back a little bit further because you have to consider the position of the Kennett government and its taxation opportunities in the context of a state that was left devastated and bankrupt by the Cain and Kirner governments, a state where we saw the loss of the State Bank of Victoria, Tricontinental and a number of other leading organisations. This state was on its knees.

In that context the Kennett government's opportunities for tax reform were limited, but the legacy that it left for this government was significant with more than \$3 billion available in this government's first two years in office from Kennett government policies. When you look at the performance of the economy and at the federal government policy, particularly in terms of GST and so forth, you see this government has had the opportunity to do a lot in terms of taxation reform. My argument is that it should have done more. I agree that things have been achieved but I say it should have done more. Indeed this motion invites the government to do more.

Those who spoke in glowing terms about this government's recent performance might like to reflect on a few things. One is that since November 2002 almost 16 000 Victorians have lost their jobs with 58 major firms.

An honourable member — How many?

Hon. B. N. ATKINSON — Almost 16 000 since November 2002.

The Victorian unemployment rate has been higher than the national average for 20 of the last 21 months — for example, in December 2005 Australia's unemployment rate was 5.1 per cent against Victoria's 5.4 per cent. A couple of ministers, including Princess Jacinta Allan, used to send out press releases frequently about how Victoria's unemployment rate was better than the other states, but now —

Mr Pullen — On a point of order, Acting President, I take offence to Minister Allan being called a princess.

Hon. B. N. ATKINSON — Yes, you are right; she is no princess. I withdraw.

An honourable member — She is a queen!

Hon. B. N. ATKINSON — No, that is another one of them. That is Queen Mary.

There are no longer press releases issued about how good Victoria is doing in terms of the unemployment rate because it does not stack up. In 2004-05 Victoria's gross state product — one of our economic performance indicators — was the second worst of all states and territories. To top it off our gross state product has been below the national average in four of the past six years. This government's policies have not been effective in delivering a competitive business environment. This motion gives us a chance to tackle two of the key issues: taxation levels and regulation.

House divided on motion:

Ayes, 19

Atkinson, Mr (<i>Teller</i>)	Forwood, Mr
Baxter, Mr	Hadden, Mr
Bishop, Mr	Hall, Mr
Bowden, Mr (<i>Teller</i>)	Koch, Mr
Brideson, Mr	Lovell, Ms
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 (<i>Teller</i>)	Nguyen, Mr
Carbines, Ms (<i>Teller</i>)	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	Viney, Mr
Madden, Mr	

Motion negatived.

CRIMES (SEXUAL OFFENCES) BILL

Second reading

Ordered that second-reading speech be incorporated for Hon. J. M. MADDEN (Minister for Sport and Recreation) on motion of Hon. T. C. Theophanous.

Hon. T. C. THEOPHANOUS (Minister for Energy Industries) — I move:

That the bill be now read a second time.

Incorporated speech as follows:

Sexual crime in all its forms horrifies us as a community. The effects of sexual crime on our society are profound and far reaching. Victims of sexual assault experience incredible trauma and stress, the effects of which are long-term and devastating. The impact of the crime also extends to victims' families, our public health system, the capacity of victims and their families to contribute to our society, and of course, our criminal justice system.

Whilst the right to a fair trial is a cornerstone of our legal system, for too long the balance of fairness in the prosecution of sexual assault has been heavily weighted against the complainant. Regrettably, for many complainants this has meant the process failed to treat them with respect and in a way that preserved, as far as possible, their dignity. The criminal justice system has thus not only denied them an acknowledgment of their experience but, worse still, has had the effect of retraumatizing them through the very process through which they have sought redress.

Over the last 15 years, there has been recognition of the need to improve the way the criminal justice system deals with sexual crime. Yet despite previous reforms in 1991 and in 1999 to address these problems and improve the way the criminal justice system responds to sexual assault, positive change has to a large extent been marginal. This is why the government gave the Victorian Law Reform Commission a reference in 2001 to review law and procedure governing sexual offences.

In its final report, *Sexual Offences Law and Procedure*, the commission found that there is a high incidence of sexual assault, a low disclosure rate, serious health consequences for victims of sexual assault, low prosecution and conviction rates and a criminal justice response that causes further trauma to victims, especially children.

The commission's final report put forward a large number of wide-ranging recommendations in recognition of the need for a broad systemic response to the problem of dealing with sexual assault. This bill implements the majority of the legislative recommendations put forward by the commission and represents one component of a broader policy initiative to make the criminal justice system respond to sexual assault in a fairer way and in a way that does not retraumatise victims.

I have previously acknowledged its work but would again like to take this opportunity before the house to thank the Victorian Law Reform Commission for its excellent work in preparing its report, which has been of tremendous assistance to the government.

Evidence from children and people with a cognitive impairment

The bill will make it easier for children and people with a cognitive impairment to give evidence in the prosecution of sexual offences against them. It will do this through four key amendments.

Firstly, it amends the Magistrates Court Act so that children and people with a cognitive impairment cannot be required to give evidence at the committal stage of the prosecution of sexual offences against them.

Secondly, the bill amends the Evidence Act to create a right for children and people with a cognitive impairment to give their evidence to the court through alternative arrangements that do not require them to be in the same room as the accused person, instead allowing them to be seen and heard via closed-circuit television. These alternative arrangements will also allow children and people with a cognitive impairment to have their evidence-in-chief prerecorded once and played before the court at trial. These amendments will ensure that children and people with a cognitive impairment give evidence-in-chief and are cross-examined only once, thus protecting them from having to repeatedly give evidence and from unnecessary delays and further trauma in the prosecution of sexual offences against them.

Thirdly, the bill will make it easier for children and people with a cognitive impairment to give evidence by amending the Evidence Act to create a right for them to have a support person of their own choosing present with them when they give evidence.

Fourthly, the bill amends the Evidence Act to protect children and people with a cognitive impairment from confusing, misleading, harassing or inappropriate questioning when giving evidence in sexual offence cases.

The bill will also make it easier for children to give their evidence in sexual offence cases through other changes. It will amend the Evidence Act to expand the scope for out-of-court statements made by children to be admitted in evidence as a specific exception to the hearsay rule, subject to certain requirements being met. This will recognise that in many cases, evidence of what a young child has said to a trusted adult will be the best evidence available to the court.

Furthermore, the bill amends the Evidence Act to make it easier for courts to assess the competence of children and people with a cognitive impairment to give sworn or unsworn evidence, and ensures that, even where a child is not competent to give evidence in general, there may be some matters in relation to which a child can give evidence that is able to be understood and that should therefore be heard by the court.

Restriction of evidence that is prejudicial or confidential, and exclusion of direct cross-examination of complainants by accused persons

The bill will amend the Evidence Act to ensure that a complainant's privacy and dignity are better preserved

through clearer and tighter restrictions on the use of evidence related to the complainant's sexual history or activities with the accused person or with another person, and to confidential counselling communications between a complainant and their counsellor.

The bill amends the Evidence Act to remove the ability for unrepresented defendants to personally cross-examine complainants in sexual offence cases. It will introduce a special procedure whereby an unrepresented defendant who wishes to question a complainant in a sexual offence case must have their questioning conducted by a barrister who is specially appointed by Victoria Legal Aid for that purpose.

Protecting children and people with a cognitive impairment from sexual abuse

The bill amends provisions in the Crimes Act that set out sexual offences against children and people with a cognitive impairment to provide better protection against sexual abuse for this vulnerable group.

The bill integrates and expands the current offences of soliciting and procuring of children and young people to capture the kinds of grooming activities commonly engaged in by paedophiles, whether online, through electronic communications or through other means or activities. This offence will cover soliciting and procuring of children under 16, of young people under 18 in relationships of care and supervision, as well as soliciting or procuring of another person to take part in an act of sexual penetration or an indecent act with a child.

The bill clarifies the types of relationships that are covered in sexual offences against young people by their carers and supervisors through the express inclusion of specific roles such as employers, teachers, sports coaches and others that bring with them particular responsibility, authority and influence over young people.

There is a need for better protection for people with a cognitive impairment from sexual exploitation from their medical and therapeutic service providers, and from workers at facilities that provide special services designed to meet the educational or developmental needs of people with a cognitive impairment. The bill clarifies and expands these offences to place a responsibility on a greater range of service providers not to sexually exploit people with a cognitive impairment, irrespective of whether the medical/therapeutic service is connected to the person's cognitive impairment or whether a facility is residential or non-residential. The bill also substitutes 'cognitive impairment' for the term 'impaired mental functioning' where it appears in the Evidence Act and the Crimes Act.

The bill will clarify that where sexual penetration constituting incest occurs under coercion from the perpetrator, this is not an offence on the part of the victim. It will also rename the sexual offence of 'maintaining a sexual relationship with a child' to that of 'persistent sexual abuse' in recognition that an offence under this provision is actually sexual abuse not a 'sexual relationship'.

In relation to the offence of sexual penetration with a child under 16, where the child is aged 10 years or over, there has been a lack of clarity as to whether the burden of proof for the defence of reasonable belief that the child was aged over 16 should lie with the accused person. This bill amends the

Crimes Act to clarify that the onus of proof for this defence is on the accused, to prove, on the balance of probabilities that they reasonably believed that the child was aged over 16, when claiming the defence.

Expert evidence and the concept of consent

Recognising that expert evidence on the dynamics of sexual assault is rarely led in the prosecution of sexual offences in Victoria, the bill amends the Evidence Act to provide that expert evidence on the nature and effects of sexual assault may be heard by the court more readily and not unfairly excluded.

The bill will also make judges' explanations to juries about the concept of consent in rape cases clearer, to ensure that it is understood that agreement to one act at one time is not consent to other acts at other times.

Better understanding by courts of sexual assault

The complex and unique nature of sexual assault will be recognised in the bill through the inclusion of a statement of principles. These principles expressly acknowledge that sexual assault is significantly under-reported, that women, children and people with cognitive disabilities overwhelmingly make up the majority of victims of sexual assault, that offenders are commonly known to victims and that physical signs of a sexual offence are unlikely to be present. These will form the basis for the interpretation of particular provisions of the Crimes Act and the Evidence Act relating to sexual offences.

I commend the bill to the house.

Debate adjourned on motion of Hon. C. A. STRONG (Higinbotham).

Debate adjourned until later this day.

GUARDIANSHIP AND ADMINISTRATION (FURTHER AMENDMENT) BILL

Second reading

Ordered that second-reading speech be incorporated for Hon. J. M. MADDEN (Minister for Sport and Recreation) on motion of Hon. T. C. Theophanous.

Hon. T. C. THEOPHANOUS (Minister for Energy Industries) — I move:

That the bill be now read a second time.

Incorporated speech as follows:

This bill seeks to further improve the Guardianship and Administration Act 1986 ('the act') to ensure the scheme for guardianship and administration effectively protects the rights of Victorians with a disability.

The amendments contained in this bill arise from recommendations from, or discussions with, a variety of organisations or individuals involved in applying the act,

including the guardianship list of the Victorian Civil and Administrative Tribunal (VCAT), the public advocate, State Trustees Ltd, medical researchers and human research ethics committees. Consultation has also taken place with other key stakeholders.

Medical research procedures

This bill will change the current procedures in the Guardianship and Administration Act 1986 ('the act') for seeking consent to medical research procedures being conducted on 'patients'. Within the context of the act, 'patients' are adults with a disability who are incapable of giving informed consent.

The act currently provides that consent must be obtained from VCAT before a 'special procedure' can be performed on a patient. 'Special procedure' includes, among other things, any procedure carried out for the purpose of medical research. This bill changes the arrangement for seeking consent to procedures carried out for the purposes of medical research, not special procedures generally. Application will still need to be made to VCAT for consent to the other types of 'special procedure' including sterilisation, termination of pregnancy and removal of tissue. In Australia, medical research proposals undergo rigorous ethical and procedural assessment by the relevant institution's human research ethics committee before they are approved and before research can be conducted on humans.

Human research ethics committees assess medical research proposals under the National Health and Medical Research Council's National Statement on Ethical Conduct in Research Involving Humans.

The national statement provides a comprehensive national framework for the ethical consideration of research relevant to humans. Research projects involving humans must be reviewed and approved by a properly constituted human research ethics committee. Such committees also have a role in monitoring research. The national statement includes additional specific requirements for clinical trials, including progress reports and the mandatory notification of serious and adverse events during a trial. The national statement also provides that human research ethics committees may take measures to monitor research (including random inspections of research sites) and to ensure the development of appropriate plain language information forms for practitioners to use when seeking consent to medical research. Properly approved medical research is important both for individuals who will have an opportunity to benefit from the medical developments and for society as a whole. It may also assist a patient in cases where conventional medical treatments are ineffective.

Prior to 1999, the ability to perform medical research procedures on people with disabilities who lacked capacity to consent, was unregulated by Victorian legislation and the common law applied. At common law, family members cannot provide valid consent to a medical procedure on a patient's behalf. A medical practitioner can only carry out a medical procedure with lawful authority, such as where the patient has given consent or in an emergency situation.

The common-law position operates unfairly on people who have a disability that affects their capacity to consent. It is important to ensure that people with disabilities are able to access required treatment and to be enrolled in medical

research projects where appropriate. People with disabilities should not be disadvantaged simply because their disability means they cannot provide consent themselves.

In 1999, the act was amended to include a comprehensive scheme for medical practitioners to seek prior consent from VCAT for special procedures (including procedures for the purposes of medical research) in relation to people with long-term or indeterminate disabilities who were incapable of giving informed consent.

In 2002, the act was amended so that the processes for seeking consent to special procedures (including procedures for the purpose of medical research) applied to all patients with a disability (whether short or long-term) who lack capacity to consent. I am informed that in practice, medical research was conducted on patients with a short-term or indeterminate disability with the consent of the 'person responsible' not VCAT, prior to the 2002 amendments.

When considering an application for consent to perform a medical research procedure on a patient, VCAT requires the applicant to satisfy certain criteria in relation to each patient before it will consent. First, the research must have been formally approved by the institution's human research ethics committee. This is appropriate because ethics committees have the specialist expertise required to consider ethical issues in relation to medical treatment and research. Second, there must be confirmation that there is no objection from the patient's next of kin. Third, VCAT requires evidence that the research may be in the patient's best interest. If these criteria are satisfied, VCAT will generally approve the application.

Where the research is time critical, seeking the prior consent of VCAT can lead to delays. The VCAT guardianship list has established a process where members are on call 24 hours a day, 7 days a week to consider applications for consent to medical research procedures. However, if there is only a brief window of opportunity for the enrolment of a patient in medical research, any delay can result in a patient being ineligible to participate in the research project. This could compromise the care of a patient, if there is no standard treatment that is likely to be beneficial and where participation in the procedure being researched would be in the patient's interests.

It is considered that the requirement to obtain VCAT consent to medical research procedures on patients has added no discernable protections or safeguards in practice over those resulting from an assessment of a medical research project by a human research ethics committee and through the involvement of the person responsible in considering the interests of the patient of participating in the project.

In developing amendments to the act the government has been guided by the following principles:

- protection of patients' interests;
- respect for the autonomy of patients, wherever possible;
- recognition of the importance of research being properly authorised by human research ethics committees;
- respecting the important role that persons responsible can play in decision making for patients, where appropriate;

avoiding unnecessary duplication in decision making; and

allowing critical medical decisions to be made in a timely fashion.

This bill provides that a medical research procedure may only be performed on a patient when the research project under which the procedure is being carried out has been approved by a human research ethics committee. This entrenches the current practice. When there is such approval, the next question that will have to be addressed by a practitioner who is involved in research is whether a patient is incapable of consenting to the procedure that is part of a research project. If so, the bill requires consideration of whether, in light of the nature of the research project and the patient's condition, it is likely that the patient will regain capacity within a reasonable time. If so, consent to participation in the project should be sought from the patient when they have regained capacity.

What is a 'reasonable' time will vary, depending upon each patient's circumstances. For instance, if the research protocol approved by the ethics committee involves assessing the effectiveness of a proposed new treatment for brain injury that typically occurs to road trauma victims, and it is necessary to perform the relevant new treatment immediately upon admission to hospital, the relevant question to ask is whether the patient is likely to regain capacity by that time. If so, then the patient's own consent must be sought. If not, then the new approval processes under the bill would apply.

In contrast, a clinical trial may test the effectiveness of two different medications. The trial is to continue for a number of years and under the criteria for the research protocol the patient may be eligible to participate at any time. In this scenario, the question to be answered is whether the patient is likely to regain capacity during the relevant period of the clinical trial. If so, then the practitioner should wait until the patient regains capacity and seek the patient's own consent. If not, then the new approval processes will apply.

If a patient will not be capable of deciding whether to consent to a medical research procedure within a reasonable time, then the following alternative sources of authority to conduct the procedure will apply.

Consent for a patient to participate in medical research may be sought from the 'person responsible' (usually a patient's guardian or next of kin). The bill provides that all steps that are reasonable in the circumstances must be taken to identify the relevant person responsible and seek consent from that person. I understand that in most cases it is possible to contact the person responsible.

The bill provides that the person responsible may only approve the involvement of a patient in research where this is not contrary to the best interests of the patient.

The bill recognises that in rare circumstances, it will not be possible to contact a person who is willing to act as the patient's 'person responsible'. In such a case, the practitioner may perform the research procedure on a patient if stringent criteria are met. These comprehensive criteria are set out in new section 42T and include requirements relating to the nature of the research and the research protocol approved by the ethics committee. The practitioner must also certify his or her belief that inclusion in the research project and the

research procedure are not contrary to the wishes of the patient.

The bill requires that a certificate stating that the statutory safeguards set out in section 42T have been met must be forwarded to the public advocate and the relevant human research ethics committee. These notifications will be readily available if, for example, an audit or inquiry is considered necessary. The certificate must also be retained on the patient's clinical records.

The practitioner must also ensure that steps that are reasonable in the circumstances are taken to contact the person responsible, and if that person is located, or if the patient regains capacity, then the procedure cannot be continued under the authority of new section 42T. In such a case the consent of the person responsible or patient (as applicable) would be sought, and their decision respected.

The bill allows an application to be made to VCAT by a person responsible or a person with a special interest in the affairs of the patient. If the public advocate or another interested person were concerned about whether a medical research procedure should be performed on a patient, or about the continuation of medical research procedures on a patient, then they may apply to VCAT for an appropriate order.

The bill includes new offences. The existing penalty for performing a special procedure without the required VCAT consent has been increased from 20 penalty units to imprisonment for two years or 240 penalty units or both. This is to reflect the severity of performing a special procedure such as sterilisation, termination of pregnancy or tissue transplant on a patient without the required consent. Medical research procedures cannot be performed unless the research project has been approved by a properly constituted human research ethics committee.

The bill contains an additional obligation to perform a medical research procedure consistently with any conditions of the ethics committee's approval relating to that procedure. Except in a medical emergency or where other lawful authority exists, it is to be an offence to perform a medical research procedure unless a person responsible has given consent or the procedural authorisation requirements have been met. It will also be an offence to falsely certify that the criteria for procedural authorisation of a medical research procedure have been met. In some cases, prior to commencement of the amendments, VCAT will already have provided consent to the involvement of a patient in a medical research project or have conferred the authority to continue consent on a person responsible. The bill ensures that this consent (or continued consent) remains valid and is sufficient authority to perform a procedure after commencement. In contrast, the provisions of this bill will apply after commencement to the enrolment of new patients under existing research projects, to ensure the new system takes effect at the earliest opportunity in relation to patients who have not already been the subject of an order by VCAT.

Minor and technical amendments

A number of minor and technical amendments requested by the Office of the Public Advocate and the state trustees have been included in the bill to improve the operation of the act.

The bill enables the public advocate to delegate any power, duty or function (except the power of delegation) to

appropriate staff or employees at the Office of the Public Advocate without being required to seek prior approval of that delegation by VCAT. This is to facilitate the exercise of powers and functions of the Public Advocate by the appropriate staff or employee without the need to obtain approval from VCAT.

Enduring guardianship allows a person to choose in advance the person or people who may make certain decisions on his or her behalf if they become unable to make those decisions themselves. The bill will improve the form for appointing an enduring guardian so that it will no longer require the appointor, proposed guardian, alternate guardian and the two witnesses to all be present and sign or witness the form at the same time. The bill will allow the signature of the appointor, proposed guardian and alternate guardian to be witnessed separately, which will make it easier for people to use the forms, for example when the proposed guardian or alternate guardian lives interstate.

The bill will protect the acts or decisions by the administrator of an estate in circumstances where an administration order has been set aside by a court or tribunal (or an order has the effect of setting aside an administration order). The acts and decisions will remain valid from the date of the administrator's appointment until the date the order was set aside (unless the court or tribunal otherwise orders).

The bill also includes provisions relating to the payment of costs and expenses to an administrator or former administrator from an estate.

The bill enables a person previously sworn in as acting public advocate to act as public advocate during the public advocate's temporary absence upon notice in writing from the Attorney-General, rather than requiring an order of the Governor in Council. The appointment of the acting public advocate during any suspension of the public advocate will still require the order of the Governor in Council.

In conclusion, this bill reaches an appropriate balance between the protection of vulnerable patients and improving the consent process for medical research procedures by giving statutory recognition to the institutional processes that govern the ethical conduct of medical research, patient autonomy and the important role often played by patients' next of kin (who will usually be the person responsible). The proposal has been supported during consultation.

The minor and technical amendments will further the objective of continuous improvement to the guardianship and administration regime in Victoria.

I commend the bill to the house.

**Debate adjourned on motion of
Hon. C. A. STRONG (Higinbotham).**

Debate adjourned until next day.

PRAHRAN MECHANICS' INSTITUTE (AMENDMENT) BILL

Second reading

Ordered that second-reading speech be incorporated for Ms BROAD (Minister for Local Government) on motion of Hon. T. C. Theophanous.

Hon. T. C. THEOPHANOUS (Minister for Energy Industries) — I move:

That the bill be now read a second time.

Incorporated speech as follows:

The Prahran Mechanics' Institute Act was passed in 1899 to incorporate the Prahran Mechanics Institute and Circulating Library (PMI) and transfer ownership of the assets and liabilities of the original trustees of the institution to the corporate body.

The PMI is the only mechanics institute in Victoria governed by an act of Parliament. The PMI is also one of the oldest mechanics institutes in the state, celebrating its 150th anniversary last year. The PMI is a valuable community centre whose activities are in line with the original aims of mechanics institutes to educate and inform the general public. In particular the PMI holds a collection focusing on Victorian local history, family history and genealogy. There is also a small lending library, a series of lectures, book discussions and the PMI Press was recently established with a grant from the state government enabling the PMI to assist people to publish books about places, people and organisations in Victoria.

PMI has become an important community facility to the people of Prahran. There are over 350 members of the institute and it continues to play an important role in the community.

Following the amalgamation of the City of Prahran and the City of Malvern in 1994 into the Stonnington City Council, the committee amended its rules by order in council in 1995. However the act was not amended to reflect the changes and as a result the act and the rules have been inconsistent since this time.

The government has introduced the PMI (amendment) bill to correct the inconsistencies between the rules and the current act. Additionally, the proposed amendments will ensure that decisions of the governing committee of the institute are not invalid because of these inconsistencies.

I now turn to the bill and its contents.

Firstly, the bill will reorganise committee membership to reflect the changes made to the rules in 1995. Currently the act provides for nine members and the rules for seven members. The PMI has been operating with seven members since the change in rules.

Section 6 of the act will be amended to provide that the membership of the governing committee of the PMI is to be made up of seven members, one of whom will be appointed by the Stonnington City Council.

Section 7 of the principal act (relating to extraordinary vacancies) is also amended by the bill, again to ensure consistency with the rules and to reflect the new make-up of the governing committee.

Section 8 of the principal act (relating to appointment in default by Governor in Council) is to be repealed as an updated provision is to be inserted as section 6(4).

Section 9 of the principal act is amended to require a quorum of the governing committee of four members, representing a majority of members. This amendment was requested by the PMI to ensure that important management decisions impacting on the PMI are not made by a minority of the committee.

The bill inserts a new section 15 in the principal act. Section 15 provides that no decisions of the governing committee of the PMI shall be invalid solely because the committee was wrongly constituted at that time.

Through this bill, the government demonstrates its commitment to supporting and strengthening local communities.

I commend the bill to the house.

Debate adjourned for Hon. J. A. VOGELS (Western) on motion of Hon. E. G. Stoney.

Debate adjourned until next day.

TERRORISM (COMMUNITY PROTECTION) (AMENDMENT) BILL

Introduction and first reading

Received from Assembly.

Read first time for Mr LENDERS (Minister for Finance) on motion of Hon. T. C. Theophanous.

CRIMES (SEXUAL OFFENCES) BILL

Second reading

Debate resumed from earlier this day; motion of Hon. J. M. MADDEN (Minister for Sport and Recreation).

Hon. C. A. STRONG (Higinbotham) — In rising to speak on the Crimes (Sexual Offences) Bill I indicate that the opposition will be supporting this piece of legislation which goes some way to easing the trauma and problems that exist when there have been sexual offences against people who are later brought to court and often find there is the potential for them to be cross-examined, so it can be a fairly traumatic and disconcerting situation.

The bill amends the Crimes Act 1958, the Crimes (Criminal Trials) Act 1999, the Evidence Act 1958 and the Magistrates Court Act 1989 to create new sex offences and the implementation of new procedures for the prosecution of sex offences which involve children and also people who suffer from various cognitive impairments and are perhaps not able to be as good at defending themselves as normal people.

It is unfortunate that people who have this type of impairment can be preyed upon by sexual predators who more and more, as laws and opinions and community standards change, have a harder job preying on normal women and others in danger of this type of behaviour and move on to those in the community who are less able to protect themselves, being younger people and those with an impairment.

The bill implements a number of recommendations of the Victorian Law Reform Commission's report on sexual offences and in particular puts in place a whole series of procedures that will make it less stressful for witnesses — including those who have a cognitive impairment and who lack the capacity to defend themselves and who may be more traumatised by the giving of evidence — and will make it a lot easier for them to give evidence in committal proceedings for sex offences committed against them.

Witnesses who lack capacity or have a right to give evidence in a trial from a remote location can give evidence by video link. We have done this in many other cases. The bill also allows evidence to be tape-recorded and submitted. The bill allows for a streamlined and simplified process for giving statements which can be presented to the court. This will make it easier and less stressful for these people when they come before the court. Out-of-court statements by witnesses who lack capacity may also be admitted, which is a specific exemption to the hearsay rule.

A judge may direct a jury that a victim's lack of verbal indication of consent to a sexual act is enough to show there was no consent and the whole ability for cross-examination is diminished. At present unrepresented defendants will not be able to cross-examine witnesses who lack capacity. The court can direct Victoria Legal Aid to appoint people to fill those roles. Given that these people lack cognitive ability compared to the rest of the general community, all of the amendments to the Evidence Act seek to streamline, simplify and de-traumatise that process. The opposition certainly thinks this is eminently appropriate.

The bill also establishes a new offence relating to persons who lack capacity. As I said, it is an unfortunate situation that sexual predators tend to increasingly pursue people who lack the capacity of normal citizens to resist or understand fully what is being proposed and what is happening to them. The bill creates a new offence of soliciting and procuring children or young people aged 16 to 18 to take part in sexual or such activities. We all know the Internet is used a lot to solicit people, and that is included in the prohibitions.

The bill also amends the provisions for the offences of rape and incest to ensure that a person who compels another to sexually penetrate a third person is also guilty of an offence. In other words, this enhances the procurement provisions and creates a new offence of compelling sexual penetration and provides a very significant penalty of 25 years in jail.

The bill amends other provisions relating to people who prey on those who are under-age or who have some impairment. The bill also increases penalties for such offences. In other words, the bill does quite a lot to discourage those who seek to prey on people who are less able to protect themselves. Insofar as the taking evidence from such people, the bill formalises and puts into statute many of the procedures currently used in courts, such as video evidence and statements which are directed by the court. This bill codifies those to ensure they will be used. As I have said, the opposition will be happily supporting this bill. I commend it to the house.

Debate adjourned for Hon. W. R. BAXTER (North Eastern) on motion of Hon. P. R. Hall.

Debate adjourned until next day.

QUESTIONS ON NOTICE

Answers

The PRESIDENT — Order! The Honourable Bill Forwood has written to me seeking my ruling in relation to question on notice 5313. In my view, part 1 of Mr Forwood's question has been adequately answered. However, in my view parts 2 and 3 have not been answered. Therefore I direct that those parts be restored to the notice paper.

Business interrupted pursuant to sessional orders.

ADJOURNMENT

The PRESIDENT — Order! The question is:

That the house do now adjourn.

Police: Mornington Peninsula

Hon. R. H. BOWDEN (South Eastern) — I seek the assistance of the Minister for Police and Emergency Services in the other place. The matter is to do with increasing community concern in the Hastings area and in the eastern part of the Mornington Peninsula area, including Baxter, Balnarring and Somers, which is the responsibility of the Hastings police station.

In recent months there has been increasing concern about the lack of available police numbers. The officers work hard and are well respected, and the supervisory staff at the Frankston headquarters are also respected and their work is appreciated. So this is in no way an implied or inferred criticism of the excellent work those officers do in the community. The problem is that we simply do not have enough qualified police officers.

I refer honourable members to an article in the *Hastings Leader* of 6 February headed ‘More cops “just words”’. It is a concern being expressed by a responsible police officer in that area on behalf of work colleagues about the shortage of police numbers in the area. There are ratios and there is work being done to address police numbers in various parts of Victoria, but I honestly suggest that we have a crisis on our hands in the area, because it has openly been said by serving officers in the Hastings area that they are truly concerned. To give one very short quote, an officer is quoted in the paper as saying:

The staff regularly worked with less than the basic minimum of two sergeants at the station and two members on the road.

That is dangerous in an area such as we have, so my request of the minister — and I am mindful of the separation of powers — is for him to consult with police command and convey to them the growing concern in the Hastings area about the lack of police and the stress this is putting on the available officers. Will the minister please convey the concern to the police command and take action to make sure police command understand there is real concern in the community on this particular issue?

Breast cancer: Herceptin

Hon. H. E. BUCKINGHAM (Koonung) — I address my adjournment matter to the Minister for Health in the other house and the Premier on a topic close to my heart. It concerns the availability of the

drug Herceptin to treat a specific type of breast cancer. We are told that in clinical trials this drug lessens the likelihood of tumours reappearing by up to 80 per cent.

Breast cancer attacks young women in their prime, like Kylie Minogue, mothers and older women. They all deserve and are entitled to access the best possible medical intervention. When drugs in phase III, the final stage of clinical trials, show such encouraging results, they morally, ethically and medically should be made available and fast-tracked, as they are in Britain and the USA onto the pharmaceutical benefits scheme.

As a cancer survivor, though I did not have this type of cancer, I ask the minister and the Premier, through their ministerial round tables and Council of Australian Governments meetings, to lobby the federal government to include the monoclonal antibody Herceptin on the pharmaceutical benefits scheme, and make it available to all those courageous women battling this particular type of breast cancer.

Environment: Merbein wastewater

Hon. D. McL. DAVIS (East Yarra) — My matter for the adjournment debate tonight is for the attention of the Minister for Environment in the other place. It relates to the activities, and licensing activities in particular, of the Environment Protection Authority and an alleged failure of a duty of care by the EPA in terms of its ongoing licensing of a particular premises.

In doing so, I draw the minister’s attention to the property, Continental Motors at Merbein, near Mildura. It is owned by Leo Cicalese and is situated at the corner of Main Avenue North and Game Street, Merbein. It is a motor shop next to a large industrial concern, the well-known Irymple Citrus Products group. The issue relates to seepage of wastewater from the ICP premises into the neighbouring property. This is clearly visible and evident and has been continuous during ICP production periods which are, with fruit, intermittent, resulting at some stages in over a foot of water seeping into work pits at the service station.

I make the point that Mr Cicalese is an older man — a 76-year-old, I am told — and has been pushed and prodded with this matter to the huge detriment of both his health and his business. He is a man whose full investment is in his small business and his is a case that could be described as a hard-luck case, and we would want to see a government in Victoria that protects small business.

The EPA, of course, has responsibility for ensuring that the licensing of large concerns is done in a way that

ensures that wastewater that comes from those properties does not damage others in terms of outflows. I am in possession of an engineers report from a reputable firm in Mildura, Gallasch and Associates Pty Ltd, Deakin Avenue, Mildura. That report points to the level of wastewater that is present at certain points. One test on 3 November last year showed a build-up to 1300 milligrams per litre, more than 18 times the allowable level of 70 milligrams per litre, and a chemical oxygen demand of 200 to 230 milligrams per litre — that is, significant amounts of effluent.

In making this request to the minister I ask him to intervene and examine the EPA's involvement to ensure that it has acted in every way as it should and to release details of any EPA investigation publicly.

Crowd controllers: training

Hon. KAYE DARVENIZA (Melbourne West) — I wish to raise a matter for the attention of the Minister for WorkCover and the TAC, Mr Lenders. It concerns the issue of crowd control, specifically the need for training for those employed as crowd controllers and for the companies who employ crowd controllers. We have all seen stories in the media from time to time about crowd unrest at a variety of different venues, such as pubs, clubs and other gatherings. Community concern about the possibility of unruly behaviour at these types of venues and events has resulted in more operators employing crowd controllers or engaging the services of security companies so that the operators are able to promote their events as being safe venues for the patrons who attend.

Crowd controllers are often in the very front line of aggressive and often violent behaviour and, like any other worker who is confronted by aggressive and violent behaviour whilst carrying out their job, they need the right sort of training, knowledge and support to ensure they are able to respond to this kind of behaviour within a crowd or with an individual in the most appropriate way.

I also understand that the injury rate of crowd controllers has increased over the last five years. Specifically I want to know from the minister what action he and his department are taking to ensure that crowd controllers have quality training, and what is being put in place to ensure that is happening, and also importantly that issues such as staffing levels, dealing with stress and fatigue, along with using equipment such as video monitoring and communication equipment, are also part of that whole training regime.

There is a growing understanding in the community of the importance of well-trained crowd controllers in our pubs, clubs and other venues, and we also know that more needs to be done to make crowd controllers, as well as patrons who are attending events, safer.

Victorian Electoral Commission: rolls

Hon. BILL FORWOOD (Templestowe) — The issue I wish to raise tonight is either with the Premier or the Attorney-General, whoever is responsible for the Victorian Electoral Commission (VEC).

The PRESIDENT — The Attorney-General.

Hon. BILL FORWOOD — I suspect it might be the Attorney-General. I received correspondence just before Christmas from a Robert Macdonald, who is a constituent in my electorate. He spells his name 'M-a-c-d-o-n-a-l-d' — that is, all the letters after the 'M' are spelt in lower case. He has not had any problem at all with the Australian Electoral Commission, which is quite capable, but what he has discovered, though, is that the VEC's electoral database automatically capitalises the first 'D' in 'Macdonald', so that any materials printed by the VEC list him as 'Robert MacDonald' rather than his correct name, which, as I have said, has all bar the first letter written in lower case.

It seems the Victorian Electoral Commission gets this information from the Australian Electoral Commission by way of computer, but its computer automatically converts it to capitalise the 'd'. Apparently the VEC has advised him it has a new database system which automatically capitalises the 'd' and there is no way for the VEC to correct the spelling of his family name. As a person who in his life has suffered a little bit from the spelling of my family name — —

Hon. T. C. Theophanous — Not as much as me!

Mr Somyurek — Nor me!

Hon. BILL FORWOOD — I fully understand both Mr Somyurek's and Mr Theophanous's comments, but my name is Forwood, and I would hate to count the number of times it has been spelt with 'ar' instead of 'oo'. I sympathise greatly with Mr Macdonald, and I certainly think that, if any institutions and instrumentalities ought to spell people's names properly, the VEC is one. I therefore ask that the Attorney-General quickly assess what is going on and find a way of ensuring that people like Mr Macdonald are not disfranchised by having their names automatically misspelt.

Neighbourhood houses: funding

Hon. P. R. HALL (Gippsland) — Tonight I wish to raise a matter for the Minister for Local Government in her capacity as the minister responsible for neighbourhood houses. It concerns the level of funding provided to neighbourhood houses. As all members would know, the neighbourhood houses in our respective electorates have for some time been asking for additional funds for administrative and coordination purposes. I have met with a number of representatives of neighbourhood houses in my electorate expressing that view. We are aware that the Association of Neighbourhood Houses and Learning Centres has requested of the government a budgetary figure of \$84 million over five years to improve the coordination time made available to neighbourhood houses. I support the association in that regard.

I have in my hands direct support from 239 constituents who have lobbied for that level of funding by signing a petition. They come from places in my electorate such as Korumburra, Foster, Outtrim and Arawata in South Gippsland; Lakes Entrance, Sale, Bairnsdale, Briagolong, Maffra, Stratford, Benambra and Omeo in East Gippsland; and a few other small places as well. Unfortunately, and to my surprise, the form of that petition does not allow me to table it in the chamber because it requests a certain dollar figure. I take blame for that, because I thought it was in an appropriate form. We learn something everyday when we are in this job. I am unable to formally table it in the chamber, but I am going to go one better and ensure that it be personally handed to the minister via the Minister for Energy Industries, who is at the table this evening.

My request is to the minister responsible for neighbourhood houses to do everything she can through the budgetary process to ensure that the level of funding sought by the association is made available. Further, I directly ask the Minister for Energy Industries to hand these petitions on to the minister responsible for neighbourhood houses.

Bushfires: beekeepers

Hon. E. G. STONEY (Central Highlands) — My matter is for the Minister for Environment in the other place and regards saving the bee industry in the Grampians and in Victoria. The recent bushfires have destroyed many commercial beehives. Of the 100 beekeeping sites in the Grampians, 58 were burnt. A total of 2919 hives were completely destroyed. To give an example of how hot the fire was, the only thing left at that those sites was some twisted and melted steel bands that used to hold the hives together. According to

local beekeeper Gavin Jamieson, normally a bushfire only scorches the hives. It kills the bees, but the actual construction of the hives survives so they can be re-established with bees. This time everything went. The Grampians bushfire has affected 21 beekeepers. The concern is that the sites will not be viable again until the canopy re-establishes and the flowers come back on the trees, which could be at least 20 years. This is very concerning because most beekeepers do not have any alternative income. The ones in the Grampians have been relying on those sites.

The problem is that under the present government rules beekeepers will have to keep paying for their sites on the burnt land even if they cannot be used. If they do not pay for their leases, they will lose sites and the leases will lapse. The standard procedure is that Parks Victoria cancels the sites and does not reissue them as a bee site. This has been the standard procedure for many years. This is why the number of bee sites on public land is diminishing. The government must move immediately to assist the affected beekeepers and change the rule. I point out that if the government cannot provide practical options for the beekeepers, local honey will be in very short supply. We import an enormous amount of honey now and that will increase over the years.

The government has already reduced the original number of beekeeping sites from 263 to 100, and now, after the fires, only 42 sites remain, about 16 per cent of the original number. I ask that a moratorium be placed on the burnt beekeeping sites until they can be used again. Part of that request is that the minister guarantee in writing that the sites will be available again when the forest recovers and that while all this is happening new sites of similar production capacity are found. They should be allocated now so that beekeepers can continue the operation and continue supplying Victoria with high-grade honey.

Responses

Hon. T. C. THEOPHANOUS (Minister for Energy Industries) — The Honourable Ron Bowden asked me a question for the Minister for Police and Emergency Services in the other place in relation to the Hastings police station and the number of police available at that station. I will pass his request for additional police to the minister for a response.

The Honourable Helen Buckingham asked me a question for the Minister for Health in the other place. It related to breast cancer and the use of the drug Herceptin. The request was that the drug be available

under the pharmaceutical benefits scheme. I will certainly pass that request on to the Minister for Health.

The Honourable David Davis, who is not present in the house to hear the response, asked a question for the Minister for Environment in the other place. His request had to do with effluent in Mildura. I will pass that on to the minister for a response.

The Honourable Kaye Darveniza asked a question for the Minister for WorkCover and the TAC about the safety of crowd controllers, given the unruly behaviour of some people in our community. It is important that they be protected, and I will certainly pass that request on to the Minister for WorkCover and the TAC for a response to Ms Darveniza.

The Honourable Bill Forwood raised an issue in relation to the surname Macdonald and the way in which 'Macdonald' was written in relation to a Mr Robert Macdonald. He also voiced his frustration at being referred to as 'Forward' and not 'Forwood', and I am sure that he is not the only one who shares that frustration about the pronunciation of names. However, I will pass on his request to, I think, the Attorney-General in the other place to see if something can be done about the database.

The Honourable Peter Hall asked a question about additional funding for neighbourhood houses, and I will pass that request on to the Minister for Local Government; and I will also pass on the petition that he has made available to me.

Finally, the Honourable Graeme Stoney made representations in relation to a range of matters concerning the 21 beekeepers that were affected by the bushfires. I will pass that on for consideration by the Minister for Environment in the other place.

The PRESIDENT — Order! The house stands adjourned.

**House adjourned 4.49 p.m. until Tuesday,
28 February.**