

PARLIAMENT OF VICTORIA

**PARLIAMENTARY DEBATES
(HANSARD)**

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

Wednesday, 7 May 2008

(Extract from book 6)

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By authority of the Victorian Government Printer

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Professor DAVID de KRETZER, AC

The Lieutenant-Governor

The Honourable Justice MARILYN WARREN, AC

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Minister for Industry and Trade, Minister for Information and Communication Technology, and Minister for Major Projects	The Hon. T. C. Theophanous, MLC
Minister for Housing, Minister for Local Government and Minister for Aboriginal Affairs	The Hon. R. W. Wynne, MP
Cabinet Secretary	Mr A. G. Lupton, MP

Legislative Council committees

Legislation Committee — Mr Atkinson, Ms Broad, Mrs Coote, Mr Drum, Ms Mikakos, Ms Pennicuik and Ms Pulford.

Privileges Committee — Ms Darveniza, Mr D. Davis, Mr Drum, Mr Jennings, Ms Mikakos, Ms Pennicuik and Mr Rich-Phillips.

Select Committee on Gaming Licensing — Mr Barber, Mr Drum, Mr Guy, Mr Kavanagh, Mr Pakula, Mr Rich-Phillips and Mr Viney.

Select Committee on Public Land Development — Mr D. Davis, Mr Hall, Mr Kavanagh, Mr O'Donohue, Ms Pennicuik, Mr Tee and Mr Thornley.

Standing Committee on Finance and Public Administration — Mr Barber, Ms Broad, Mr Guy, Mr Hall, Mr Kavanagh, Mr Rich-Phillips and Mr Viney.

Standing Orders Committee — The President, Mr Dalla-Riva, Mr P. Davis, Mr Hall, Mr Lenders, Ms Pennicuik and Mr Viney.

Joint committees

Dispute Resolution Committee — (*Council*): Mr P. Davis, Mr Hall, Mr Jennings, Mr Lenders and Ms Pennicuik. (*Assembly*): Mr Batchelor, Mr Cameron, Mr Clark, Mr Holding, Mr McIntosh, Mr Robinson and Mr Walsh.

Drugs and Crime Prevention Committee — (*Council*): Mr Leane and Ms Mikakos. (*Assembly*): Mr Delahunty, Mr Haermeyer, Mr McIntosh, Mrs Maddigan and Mr Morris.

Economic Development and Infrastructure Committee — (*Council*) Mr Atkinson, Mr D. Davis, Mr Tee and Mr Thornley. (*Assembly*) Ms Campbell, Mr Crisp and Ms Thomson (Footscray)

Education and Training Committee — (*Council*): Mr Elasmarr and Mr Hall. (*Assembly*): Mr Dixon, Dr Harkness, Mr Herbert, Mr Howard and Mr Kotsiras.

Electoral Matters Committee — (*Council*): Ms Broad, Mr Hall and Mr Somyurek. (*Assembly*): Ms Campbell, Mr O'Brien, Mr Scott and Mr Thompson.

Environment and Natural Resources Committee — (*Council*): Mrs Petrovich and Mr Viney. (*Assembly*): Ms Duncan, Mrs Fyffe, Mr Ingram, Ms Lobato, Mr Pandazopoulos and Mr Walsh.

Family and Community Development Committee — (*Council*): Mr Finn, Mr Scheffer and Mr Somyurek. (*Assembly*): Mr Noonan, Mr Perera, Mrs Powell and Ms Wooldridge.

House Committee — (*Council*): The President (*ex officio*), Mr Atkinson, Ms Darveniza, Mr Drum, Mr Eideh and Ms Hartland. (*Assembly*): The Speaker (*ex officio*), Ms Beattie, Mr Delahunty, Mr Howard, Mr Kotsiras, Mr Scott and Mr K. Smith.

Law Reform Committee — (*Council*): Mrs Kronberg, Mr O'Donohue and Mr Scheffer. (*Assembly*): Mr Brooks, Mr Clark, Mr Donnellan and Mr Foley.

Outer Suburban/Interface Services and Development Committee — (*Council*): Mr Elasmarr, Mr Guy and Ms Hartland. (*Assembly*): Ms Green, Mr Hodgett, Mr Nardella, Mr Seitz and Mr K. Smith.

Public Accounts and Estimates Committee — (*Council*): Mr Barber, Mr Dalla-Riva, Mr Pakula and Mr Rich-Phillips. (*Assembly*): Ms Munt, Mr Noonan, Mr Scott, Mr Stensholt, Dr Sykes and Mr Wells.

Road Safety Committee — (*Council*): Mr Koch and Mr Leane. (*Assembly*): Mr Eren, Mr Langdon, Mr Mulder, Mr Trezise and Mr Weller.

Rural and Regional Committee — (*Council*) Ms Darveniza, Mr Drum, Ms Lovell, Ms Tierney and Mr Vogels. (*Assembly*) Ms Marshall and Mr Northe.

Scrutiny of Acts and Regulations Committee — (*Council*): Mr Eideh, Mr O'Donohue, Mrs Peulich and Ms Pulford. (*Assembly*): Mr Brooks, Mr Carli, Mr Jasper, Mr Languiller and Mr R. Smith.

Heads of parliamentary departments

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

MEMBERS OF THE LEGISLATIVE COUNCIL
FIFTY-SIXTH PARLIAMENT — FIRST SESSION

President: The Hon. R. F. SMITH

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Mr GAVIN JENNINGS

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Mr PHILIP DAVIS

Deputy Leader of the Opposition:

Mrs ANDREA COOTE

Leader of The Nationals:

Mr PETER HALL

Deputy Leader of The Nationals:

Mr DAMIAN DRUM

Member	Region	Party	Member	Region	Party
Atkinson, Mr Bruce Norman	Eastern Metropolitan	LP	Lenders, Mr John	Southern Metropolitan	ALP
Barber, Mr Gregory John	Northern Metropolitan	Greens	Lovell, Ms Wendy Ann	Northern Victoria	LP
Broad, Ms Candy Celeste	Northern Victoria	ALP	Madden, Hon. Justin Mark	Western Metropolitan	ALP
Coote, Mrs Andrea	Southern Metropolitan	LP	Mikakos, Ms Jenny	Northern Metropolitan	ALP
Dalla-Riva, Mr Richard Alex Gordon	Eastern Metropolitan	LP	O'Donohue, Mr Edward John	Eastern Victoria	LP
Darveniza, Ms Kaye Mary	Northern Victoria	ALP	Pakula, Mr Martin Philip	Western Metropolitan	ALP
Davis, Mr David McLean	Southern Metropolitan	LP	Pennicuik, Ms Susan Margaret	Southern Metropolitan	Greens
Davis, Mr Philip Rivers	Eastern Victoria	LP	Petrovich, Mrs Donna-Lee	Northern Victoria	LP
Drum, Mr Damian Kevin	Northern Victoria	Nats	Peulich, Mrs Inga	South Eastern Metropolitan	LP
Eideh, Khalil M.	Western Metropolitan	ALP	Pulford, Ms Jaala Lee	Western Victoria	ALP
Elasmarr, Mr Nazih	Northern Metropolitan	ALP	Rich-Phillips, Mr Gordon Kenneth	South Eastern Metropolitan	LP
Finn, Mr Bernard Thomas C.	Western Metropolitan	LP	Scheffer, Mr Johan Emiel	Eastern Victoria	ALP
Guy, Mr Matthew Jason	Northern Metropolitan	LP	Smith, Hon. Robert Frederick	South Eastern Metropolitan	ALP
Hall, Mr Peter Ronald	Eastern Victoria	Nats	Somyurek, Mr Adem	South Eastern Metropolitan	ALP
Hartland, Ms Colleen Mildred	Western Metropolitan	Greens	Tee, Mr Brian Lennox	Eastern Metropolitan	ALP
Jennings, Mr Gavin Wayne	South Eastern Metropolitan	ALP	Theophanous, Hon. Theo Charles	Northern Metropolitan	ALP
Kavanagh, Mr Peter Damian	Western Victoria	DLP	Thornley, Mr Evan William	Southern Metropolitan	ALP
Koch, Mr David Frank	Western Victoria	LP	Tierney, Ms Gayle Anne	Western Victoria	ALP
Kronberg, Mrs Janice Susan	Eastern Metropolitan	LP	Viney, Mr Matthew Shaw	Eastern Victoria	ALP
Leane, Mr Shaun Leo	Eastern Metropolitan	ALP	Vogels, Mr John Adrian	Western Victoria	LP

CONTENTS

WEDNESDAY, 7 MAY 2008

ROYAL ASSENT	1441	ENERGY AND RESOURCES LEGISLATION AMENDMENT BILL	
JUSTICE LEGISLATION AMENDMENT BILL		<i>Introduction and first reading</i>	1533
<i>Introduction and first reading</i>	1441	PUBLIC SECTOR EMPLOYMENT (AWARD ENTITLEMENTS) AMENDMENT BILL	
PETITION		<i>Introduction and first reading</i>	1533
<i>Wallan Secondary College: funding</i>	1441	ADJOURNMENT	
BUDGET PAPERS 2008–09	1441	<i>Rail: V/Line coach services</i>	1533
SCRUTINY OF ACTS AND REGULATIONS COMMITTEE		<i>Emergency services: telephone alerting system</i>	1533
<i>Alert Digest No. 5</i>	1441	<i>Maffra Secondary College: funding</i>	1534
PAPERS	1443	<i>Water: Wimmera–Mallee pipeline</i>	1534
MEMBERS STATEMENTS		<i>Volunteers: government support</i>	1535
<i>Racing: country meetings</i>	1444	<i>Solar energy: hot water systems</i>	1535
<i>Transport: east–west link needs assessment</i>	1445	<i>Solar energy: feed-in tariffs</i>	1536
<i>Disability services: funding</i>	1445	<i>Disability services: supported accommodation</i>	1536
<i>Gippsland Youth Commitment</i>	1445	<i>Roads: Ballarat pipeline</i>	1537
<i>Cr Andrew Katos</i>	1446	<i>Budget: Autism Training Institute</i>	1537
<i>Health: eastern suburbs</i>	1446	<i>Women: Fitted for Work program</i>	1538
<i>Israel: 60th anniversary</i>	1446, 1448	<i>Police: Bendigo</i>	1538
<i>Budget: ambulance services</i>	1446	<i>Responses</i>	1539
<i>Budget: Wallan Secondary College</i>	1447		
<i>Water: Moonee Valley</i>	1447		
<i>Drugs: Vermont South</i>	1447		
<i>World Youth Day</i>	1448		
<i>Budget: schools</i>	1448		
<i>Fr Samir Haddad</i>	1448		
<i>Anzac Day: Caulfield</i>	1449		
JOINT SITTING OF PARLIAMENT			
<i>Senate vacancy</i>	1449		
VICTORIAN WATER SUBSTITUTION TARGET BILL			
<i>Withdrawn</i>	1450		
VICTORIAN WATER SUBSTITUTION TARGET SCHEME	1450, 1473		
QUESTIONS WITHOUT NOTICE			
<i>Budget: stamp duty</i>	1464, 1469		
<i>Budget: taxation reform</i>	1465		
<i>Budget: land tax</i>	1466		
<i>Budget: government performance</i>	1467		
<i>Budget: hospital beds</i>	1468		
<i>Budget: families</i>	1468		
<i>Budget: information and communications technology</i>	1470		
<i>Agriculture: genetically modified crops</i>	1471		
<i>Budget: natural resource management</i>	1472		
<i>Supplementary questions</i>			
<i>Budget: stamp duty</i>	1465, 1470		
<i>Budget: land tax</i>	1466		
<i>Budget: hospital beds</i>	1468		
<i>Agriculture: genetically modified crops</i>	1472		
QUESTIONS ON NOTICE			
<i>Answers</i>	1473		
GOVERNMENT: PERFORMANCE	1480		
THE UNITING CHURCH IN AUSTRALIA AMENDMENT BILL			
<i>Introduction and first reading</i>	1532		

Wednesday, 7 May 2008

The PRESIDENT (Hon. R. F. Smith) took the chair at 9.35 a.m. and read the prayer.

ROYAL ASSENT

Message read advising royal assent on 23 April to:

**Co-operatives and Private Security Acts
Amendment Act
Crown Land (Reserves) Amendment (Carlton
Gardens) Act
Essential Services Commission Amendment Act
Legislation Reform (Repeals No. 2) Act.**

JUSTICE LEGISLATION AMENDMENT BILL

Introduction and first reading

Received from Assembly.

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

PETITION

Following petition presented to house:

Wallan Secondary College: funding

To the Legislative Council of Victoria:

The petition of certain citizens of the state of Victoria draws to the attention of the Legislative Council the concerns of the local community that the facilities at Wallan Secondary College have reached their limit because the government has failed to provide funding for the stage 3 development.

Your petitioners therefore request that the state government provide immediate funding to allow stage 3 of the Wallan Secondary College to commence.

**By Mrs PETROVICH (Northern Victoria)
(70 signatures)**

Laid on table.

BUDGET PAPERS 2008–09

Mr JENNINGS (Minister for Environment and Climate Change) — By leave, and on behalf on my colleague the Treasurer and Leader of the Government, I move:

That there be laid before this house a copy of the following 2008–09 budget documents:

- (a) Treasurer's speech (budget paper 1);
- (b) strategy and outlook (budget paper 2);
- (c) service delivery (budget paper 3);
- (d) statement of finances (incorporating quarterly financial report 3) (budget paper 4); and
- (e) budget overview.

Motion agreed to.

Laid on table.

Ordered to be considered next day on motion of Mr JENNINGS (Minister for Environment and Climate Change).

SCRUTINY OF ACTS AND REGULATIONS COMMITTEE

Alert Digest No. 5

Mr EIDEH (Western Metropolitan) presented *Alert Digest No. 5 of 2008, including appendices.*

Laid on table.

Ordered to be printed.

Mr O'DONOHUE (Eastern Victoria) — I move:

That the Council take note of the report.

The Scrutiny of Acts and Regulations Committee is one of the most important committees in the Parliament, in my opinion. It is critical that the committee act without interference from the executive, from other members of Parliament or from other groups. Indeed, in the Westminster system, where executive government is drawn from members of the Parliament, it is even more important that a scrutiny committee such as SARC armed with the time and resources to discharge its responsibilities without fear, fully and completely.

SARC draws its authority or its powers from the Parliamentary Committees Act 2003. I refer to section 17, which says that SARC has a role:

- (a) to consider any Bill introduced into the Council or the Assembly and to report to the Parliament as to whether the Bill directly or indirectly —
 - (i) trespasses unduly on rights or freedoms;
 - (ii) makes rights, freedoms or obligations dependent on insufficiently defined administrative powers;

- (iii) makes rights, freedoms or obligations dependent on non-reviewable administrative decisions;
- (iv) unduly requires or authorises acts or practices that may have an adverse effect on personal privacy within the meaning of the Information Privacy Act 2000;
- (v) unduly requires or authorises acts or practices that may have an adverse effect on privacy of health information within the meaning of the Health Records Act 2001;
- (vi) inappropriately delegates legislative power;
- (vii) insufficiently subjects the exercise of legislative power to parliamentary scrutiny;
- (viii) is incompatible with the human rights set out in the Charter of Human Rights and Responsibilities ...

The final paragraph, paragraph (viii) — the reference to the Charter of Human Rights and Responsibilities — has added significantly to the workload of SARC. Indeed, if one reads the *Alert Digests*, one sees that the charter reports are often longer than the normal reports. I think that very much reflects the increased workload the committee has.

In discharging its function and that very important responsibility, SARC members have the capacity to submit a minority report, as often happens with joint parliamentary committees. They also have the power to conduct public hearings, as happened earlier in this Parliament with the stem cell bill which the health minister, in the statement of compatibility, said contained no human rights issues. That again reinforces the importance of SARC in properly reviewing the workings of the executive when such erroneous assertions are made.

In a previous Parliament public hearings were held with regard to terrorism legislation. I sat in the Assembly yesterday and noted the attempt, during debate on the tabling of *Alert Digest No 5*, to also have tabled a minority report, which was presented and signed by the SARC coalition members. I note that SARC is chaired by a member of the government and that its numbers are controlled by the government. That situation does not help the committee to act in a truly bipartisan fashion and in the true interests of the Parliament.

Alert Digest No. 4 made a number of comments with regard to the Police Integrity Bill and raised a number of questions for the Minister for Police and Emergency Services, Bob Cameron, in the other place. *Alert Digest No. 5* — that is, the document presented yesterday to the Assembly and today to the Council by Mr Eideh — gives some answers to the questions that were asked by the committee. In my opinion

serious issues have been raised through *Alert Digest No. 4* and the responses in *Alert Digest No. 5* do little to alleviate those concerns. In my opinion there is real scope and real need for a greater analysis of the implications of this bill with regard to the role of the Scrutiny of Acts and Regulations Committee.

In summary, it is critical that the Scrutiny of Acts and Regulations Committee be given the time and resources to discharge its functions properly, and moreover that it be able to act without interference from the executive or other external parties, so that its very important functions can be discharged adequately and properly in the interests of the Parliament and of Victorian democracy.

Mrs PEULICH (South Eastern Metropolitan) — I wish to endorse and echo the concerns raised by my colleague Mr O'Donohue in relation to *Alert Digest No. 5*, which has been tabled today. I rise to draw to the attention of all members that this *Alert Digest*, especially in relation to probably one of the more controversial pieces of legislation before this Parliament, is incomplete, because the Scrutiny of Acts and Regulations Committee (SARC) initially took the unanimous view that it should hold public hearings to ensure that the range of issues which are well documented in the report were canvassed and that we could try to find some workable solutions to those issues to ensure that the government objectives, combined with the rights, freedoms and liberties of the population, were effectively balanced.

I was pleased to see that the committee, chaired by the member for Coburg in the other place, Carlo Carli, took that unanimous decision, which was to involve the placement of advertisements in daily newspapers. Unbeknown to non-government members, that decision was not enacted; it was clearly sabotaged, I can only assume due to some external pressure to close down that inquiry exerted by the executive government, and probably by the Attorney-General.

One expects that a unanimous decision of an all-party parliamentary committee will be acted on, but it was not. I believe this chamber ought to reassert its authority, and when it later comes to debating the Police Integrity Bill it ought to send the legislation back to the Scrutiny of Acts and Regulations Committee to allow it to finish its job. Otherwise the whole process, including the charter of human rights and the role of the Scrutiny of Acts and Regulations Committee, becomes a farce, we are a laughing-stock and taxpayer money is wasted.

Why did this happen? Because it is chaired by a government member, an inquiry can be shut down at any given time. The money spent by SARC on sending members to be trained and to learn about the operation of human rights and how parliamentary democracy can be strengthened is wasted. This chamber should reassert the integrity of that process; it should protect the integrity of the Scrutiny of Acts and Regulations Committee and reassert its authority here today.

We only learnt yesterday that this committee has operated under inaccurate advice, whether provided by the chairman or the executive officer, about its functions and roles. For one and a half years SARC has operated under inaccurate advice. It has been given inaccurate advice about how it can make decisions; in fact erroneous advice was given that a legitimate decision can be taken by email, but clearly this has not been the case.

It has also been given inaccurate advice about why the public hearings have not proceeded. Someone has to accept that responsibility, and I invite the clerks to make sure that every single member of an all-party committee has a procedures manual in their hand to make sure that the integrity of all-party committees is protected.

I am deeply disappointed that a longstanding committee — a committee that is respected right around the world under a government that certainly pays lip-service to protecting the rights and liberties of the population — has basically been shut down and gutted because the government may be placed in a difficult or uncomfortable situation. That is the price of democracy, and that is the price of government action. Unless Parliament protects the integrity of this committee and this process there is no future for SARC, unless of course this Parliament takes another decision — that is, to make sure future Scrutiny of Acts and Regulations Committees are not chaired by government members.

With those few words, I draw the attention of the house to the range of questions raised today in the *Alert Digest* and suggest in the strongest possible terms that this report to Parliament is incomplete. I suggest that you, President, should ensure that work is done so that the best decisions possible can be made.

Mr TEE (Eastern Metropolitan) — I wish to speak on the Scrutiny of Acts and Regulations Committee report. I have noted the comments that have been made. There are a number of opposition members in this house who are on that committee, and it is interesting that their comments were not contained in the

appropriate vehicle for identifying such comments — that is, a minority report. I note that there is no minority report on behalf of the opposition. Instead of doing the work on that committee — —

Mrs Peulich — On a point of order, President, my concern is that the member on his feet may inadvertently mislead the house by claiming that there was no minority report prepared. The previous speaker, Mr O'Donohue, indicated — —

The PRESIDENT — Order! Mrs Peulich knows that her comments are not a point of order.

Mr TEE — The clear process which has been outlined involves committee members trying to work together to reach an outcome. When they are unable to do so, the clear process and opportunity available to them is by way of a minority report. I note that no such report has been made; on that basis, the only report that should be accepted, adopted and considered by this house is the committee's report, as tabled.

Mr D. DAVIS (Southern Metropolitan) — I am concerned about the matters the chamber has just heard about this important Scrutiny of Acts and Regulations Committee report and its deliberation on an important and complex bill. If it is the case that the committee has not been able to — and I can only speak about what I have heard in the chamber today — —

Hon. T. C. Theophanous — You don't know what you are talking about, then!

Mr D. DAVIS — I have heard comments in the chamber that give me great cause to worry about the integrity of that process; I am concerned that the process is not such that the Parliament can have the confidence it should have in the Scrutiny of Acts and Regulations Committee and its activities.

That committee is one of the most important committees of this Parliament. It has an important duty to ensure that the rights of individuals are not trespassed upon unnecessarily by the actions of the Parliament when passing bills and that the Charter of Human Rights and Responsibilities is adhered to as required and as appropriate. I must say that the comments I have heard give me great cause for concern. I think the chamber will need to examine this issue more closely.

Motion agreed to.

PAPERS

Laid on table by Clerk:

Auditor-General — Report on Victoria's Planning Framework for Land Use and Development, together with the Planning Permit Application: Assessment Checklist and Planning Scheme Amendment: Assessment Checklist, May 2008.

Auditor-General's Office — Annual Plan, 2008–09.

Major Events (Aerial Advertising) Act 2007 — Minister's order of 8 April 2008 in relation to Australian Rules Football matches.

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

Ballarat Planning Scheme — Amendments C92, C103 Part 1, C108 and C111.

Bass Coast Planning Scheme — Amendments C46 Part 2 and C74.

Baw Baw Planning Scheme — Amendment C53.

Boroondara Planning Scheme — Amendment C40.

Brimbank Planning Scheme — Amendment C109.

Casey Planning Scheme — Amendments C80 Part 2 and C84.

Glen Eira Planning Scheme — Amendment C58.

Greater Geelong Planning Scheme — Amendments C86 Part 1 and C136.

Greater Shepparton Planning Scheme — Amendments C83, C85, C86 and C104.

Maribymong Planning Scheme — Amendments C52 and C58.

Melton Planning Scheme — Amendments C52 and C73.

Moreland Planning Scheme — Amendment C49.

Northern Grampians Planning Scheme — Amendments C18 and C22.

Port Phillip Planning Scheme — Amendment C52.

Stonnington Planning Scheme — Amendments C73 and C81.

Surf Coast Planning Scheme — Amendment C42.

Warrnambool Planning Scheme — Amendment C40.

Wodonga Planning Scheme — Amendment C28.

Yarra Ranges Planning Scheme — Amendments C69 and C74.

Statutory Rules under the following Acts of Parliament:

Corrections Act 1986 — No. 30.

Dangerous Goods Act 1985 — No. 24.

Police Regulation Act 1958 — No. 25.

Road Safety Act 1986 — Nos. 26, 27 and 28.

Subordinate Legislation Act 1994 — No. 31.

Supreme Court Act 1986 — No. 32.

Victims of Crime Assistance Act 1996 — No. 23.

Water Act 1989 — No. 29.

Subordinate Legislation Act 1994 —

Minister's infringements offence consultation certificate under section 6A(3) in respect of Statutory Rule No. 26.

Ministers' exception certificates under section 8(4) in respect of Statutory Rule Nos. 29, 31 and 32.

Ministers' exemption certificates under section 9(6) in respect of Statutory Rule Nos. 24, 25, 26, 27, 28, 29 and 30.

Proclamations of the Governor in Council fixing operative dates in respect of the following Acts:

Energy Legislation Further Amendment Act 2007 — Section 26 — 25 April 2008 (*Gazette No. G17, 24 April 2008*).

Graffiti Prevention Act 2007 — Except sections 10, 11(2) and 11(5) — 17 April 2008; sections 10, 11(2), 11(5) — 30 June 2008 (*Gazette No. G16, 17 April 2008*).

Police Regulation Amendment Act 2007 — Sections 3, 4, 5, 7, 11 and 13 — 16 April 2008 (*Gazette No. S100, 15 April 2008*).

Road Legislation Further Amendment Act 2007 — Part 4 — 24 April 2008 (*Gazette No. G17, 24 April 2008*).

MEMBERS STATEMENTS

Racing: country meetings

Mr VOGELS (Western Victoria) — I would like to congratulate the Warrnambool Racing Club on staging yet another fantastically successful three-day racing carnival. There were over 18 000 racegoers at the track to witness the world-famous Grand Annual Steeplechase and the Warrnambool Cup. On his way to Warrnambool the Minister for Racing in the other place, the Honourable Rob Hulls, stopped off at the Camperdown Turf Club to announce that Heritage Victoria was providing \$200 000 towards the restoration of the grandstand, which has fallen into disrepair.

The minister is reported in the *Warrnambool Standard* as saying:

Few country racetrack grandstands from the Federation era have survived, which is why preserving this beautiful old stand is so important.

He went on to say, waxing lyrical:

This stand should be restored so that racegoers can view the race from this magnificent building.

The minister failed to mention, though, that under his stewardship Camperdown has just had its number of race meetings reduced by 50 per cent. With only one race meeting per annum left, the future of the Camperdown Turf Club looks grim indeed. Camperdown will eventually, thanks to the efforts of the hardworking locals, have at the racecourse a grandstand that is the envy of most country clubs. Alas, watching horses race from this grandstand will for all intents and purposes not be possible as there will be no racing because of this Labor government's policy of stripping meetings from small country clubs like Camperdown.

Transport: east–west link needs assessment

Mr BARBER (Northern Metropolitan) — Astrophysicists tell us that when a star gets to a certain size — about 140 times the size of our sun — it tears itself apart. They call this phenomenon the Eddington limit. It seems that our city is suffering the same problem, because Sir Rod Eddington's report, which cost \$5 million, came back and told us that, if we spend another \$20 billion, the problem will continue to get worse and traffic will grow by 30 per cent. By the way, the cost-benefit of his freeway proposal is negative, meaning the costs are higher than the benefits.

Clearly we need to take a different tack. Melbourne has reached its Eddington limit much faster as a result of the freeway building policies of the Cain, Kirner, Kennett and Bracks governments, but it seems pretty clear that the Brumby government is going to continue chasing that mirage. If it can just build one more freeway, the freeway to end all freeways, the freeway to end all congestion, then it believes it will find motorists' nirvana. The Greens have a different view: we need massive expenditure on public transport, and we reject those findings of the Eddington report regarding new freeway expansions.

Disability services: funding

Mr DRUM (Northern Victoria) — During the recent federal election campaign the then federal Leader of the Opposition, Mr Rudd, made some very strong promises about the disability sector and in fact said he was going to bring forward \$962 million identified for supported accommodation, respite and in-home support in the Howard government's disability assistance package. He said he was going to bring that \$962 million package back into the CSTDA

(commonwealth state/territory disability agreement), under which funding is matched by the states, and that was going to create \$1.924 billion. That is what was said during the election campaign.

On Sunday Prime Minister Rudd announced that he is going to give an additional \$100 million in capital funding for the disability sector to be provided immediately to the state and territory governments, with no matching funding required, to enable them to supply more supported accommodation as a matter of priority. Then at the same time he said the federal government is also going to put \$900 million into the CSTDA — not \$962 million but \$900 million. So effectively what we find now is that Mr Rudd is short-changing the whole sector by \$124 million, yet he is out there proclaiming that he is putting more money in when he is actually going to put less money in because he is no longer going to ask the states to get serious about the disability sector.

I think this is what is called cooperative federalism: you say one thing to get elected and then, when it comes time to deliver, you do what the states want you to do and you back away from all your promises.

Gippsland Youth Commitment

Mr SCHEFFER (Eastern Victoria) — It was a privilege to launch the Gippsland Youth Commitment last Wednesday at the Gippsland TAFE in Morwell, and I congratulate the many organisations and individuals who devised this very practical scheme to ensure that every young person in Gippsland will have their own personal education and training plan.

The objective of the Gippsland Youth Commitment is to marshal the skills of schools, TAFE colleges, local learning and employment networks, employers and industry in Gippsland to work together to take responsibility for helping young people to make the transition from school through training to employment. We have all seen plans and proposals that have come to nothing because their laudable aspirations lacked a workable strategy. I believe the Gippsland Youth Commitment will be different, because it is capable of bringing together the knowledge and capacities of school and TAFE teachers, staff from the Department of Education and Early Childhood Development and individual employers engaged in local industry.

Young people in rural and regional Victoria do not do as well as young people living in the metropolitan area. Fewer young people from Gippsland complete year 12 compared to those living in cities, and the number of young people from Aboriginal backgrounds in years 7

to 12 is well below the general level in Gippsland. People in organisations who subscribe to be part of the Gippsland youth commitment will build an organisation capacity across the business and education sectors to make sure that young people can successfully make the transition from school through training and into employment.

Cr Andrew Katos

Mr KOCH (Western Victoria) — Ratepayers in Geelong's Deakin ward went to the polls last weekend after a by-election was called following the resignation of Cr Shane Dowling. Of the six candidates, Andrew Katos, a popular local businessman, won convincingly with 33.45 per cent of the primary vote. Having been the first to announce his nomination in the by-election and having met many ratepayers meant Andrew was able to get his stance established on the issues affecting them.

Andrew and his family are very committed to Geelong and he saw the by-election as a great opportunity to stand for public office. My congratulations go to Andrew, his family and his friends, along with Angelo Kakouros, Simon Price and fellow candidate Trish McClure, who all gave him great support in putting in the many hours needed to achieve this well-earned result. Andrew is a valued supporter of the Liberal Party and is enthusiastic about the party's philosophy of having a go. This win recognises Andrew's willingness to help families feeling the pinch under the Labor government's rising inflation and escalating living costs. His determination to keep council rates low will go some way in helping families cope. Andrew is committed to making sure Geelong's infrastructure keeps pace with this growing city through not capitulating local planning powers to Spring Street. He will provide a fresh face with new ideas to council. Again, I offer my congratulations to Cr Andrew Katos.

Health: eastern suburbs

Mr TEE (Eastern Metropolitan) — Today I would like to congratulate the government on its announcement on 2 May that it would provide a new 24-hour paramedic team supported by additional stretcher services in Box Hill. I welcome this announcement. The \$6 million investment will ensure that families in the eastern suburbs continue to have access to world-class medical and health services. Those services will be provided in the suburbs and the communities where they are needed most. In addition, on 2 May the government also announced that new mobile intensive care ambulances will be provided at both Ringwood and Box Hill. As I said, these

announcements continue the government's investments in health services in the eastern suburbs, which have included the construction of a number of medical facilities and health infrastructure projects in the eastern suburbs. It is important that health services are provided not through a city-centric perspective but in the suburbs and communities where they are needed most. Most communities in the eastern suburbs are experiencing the difficulties of an ageing population and an increased birth rate. I welcome this announcement, which will provide those services in the communities where they are needed most.

Israel: 60th anniversary

Mrs KRONBERG (Eastern Metropolitan) — Mazel tov — or congratulations — to all who support the state of Israel. Tomorrow, 8 May, is Israel's 60th birthday — or Yom Ha'atzmaut. It marks the declaration by the country's first Prime Minister, David Ben Gurion. David Ben Gurion's 1946 vision rested on two elementary principles. He said:

One is that we Jews are just like other human beings, entitled to just the same rights; that the Jewish people is entitled to the same equality of treatment as any free and independent people in the world. The second is that this is and will remain our country.

The six decades since Israel's founding have been marked by seven conventional wars, two terror wars and three peace treaties. The enmity of 1948 still remains and is as intense today. Israel is the only country whose creation was approved by the United Nations, but to this day it is the only country whose legitimacy is called into question. And we all need to ask why this questioning is tolerated and perpetuated. The sheer grit and determination of the people of Israel is a wonder to behold. It is astonishing that the state has survived at all.

Today, a shining beacon for us all, Israel is still the only democracy in the region. It is surrounded by and under constant attack from Iranian-sponsored terrorist organisations such as Hamas and Hezbollah. But amazingly it continues to prosper and now leads the world in high technology. We all hope for Israel the fulfilment of its ultimate wish: a future living in peace with its neighbours.

Budget: ambulance services

Ms TIERNEY (Western Victoria) — I rise to mention the record \$185.7 million Brumby Labor government budget boost for ambulance services, which will significantly increase access to vital services in communities across Victoria. The two new medical

helicopters, a proposed single statewide ambulance service, and new or expanded ambulance services based in 59 towns and suburbs across Victoria is a massive boost for health services. One of the helicopters, to be based at Essendon Airport, is to transport ill and injured babies, children and adults as part of a retrieval system. The other, to be based at Warrnambool, will provide coverage to the south-west of Victoria.

I congratulate the Minister for Health in the other place for driving and undertaking a much broader ambulance strategy and approach, and for providing for a dedicated retrieval helicopter at Essendon, which gives the air ambulance service the flexibility to make an enhanced air ambulance service to the south-west a workable option, which will also include search and rescue operations. I thank all those who have been involved, and I particularly thank all those who have worked tirelessly on working out a solution. This is a real testimony to lateral thinking.

Budget: Wallan Secondary College

Mrs PETROVICH (Northern Victoria) — Earlier this month I received a lesson on the Westminster system from the Treasurer, when I was told how inappropriate it was for me to ask a question about funding for Wallan Secondary College —

An honourable member interjected.

Mrs PETROVICH — It is. That would have pre-empted the budget. I was told to wait for the appropriation bill to be introduced yesterday. I note, however, that other members of the government are not so patient. Since 10 April there has been an avalanche of announcements by the Premier and his ministers on a wide range of funding that will be formalised in the budget, although I remind the house that some of them have been recycled from previous years.

This government has managed to leak most of its expenditure — billions of dollars in promises and commitments — in the lead-up to the budget. So much for waiting until this week! Yes, those precipitate announcements included major funding for other schools. However, Wallan Secondary College was not mentioned; it was forgotten until the last moment.

It is a disappointment that there is such a double standard, with one set of rules for government and another set for the rest of us. On behalf of the Wallan community I thank the government for listening to it and only hope that other neglected school communities in other electorates are not put through the same anxiety

at the hands of the Brumby government when promises have been forced to be met.

Water: Moonee Valley

Mr EIDEH (Western Metropolitan) — I have previously spoken in this house on the many measures being undertaken by the Brumby Labor government towards improving the water situation in Victoria. Today I wish to speak about one of the municipalities in my electorate that is doing a great job in its own water management across a range of areas. Indeed, when it comes to sustainability issues in general, the City of Moonee Valley would have to be one of the leading councils in this state.

I am particularly proud of the work undertaken by this council to locate bore water to service its vast park and sporting reserves, its commitment to better water management practices and its support of the Brumby Labor government's shower replacement program. This is part of the council's commitment to reducing water use across the municipality by 30 per cent by 2015. It is also talking about establishing its own desalination plant in addition to those state-of-the-art facilities planned by the Brumby Labor government.

The City of Moonee Valley is working with the community to better manage scarce water resources and to guarantee that as many parks, gardens and sports reserves as possible are able to be saved for use by the community. The council recognises the role that local government must play in working with the government so that water is used as wisely as possible and so that we can maintain our parks and sporting reserves in the face of the drought. I praise this dedicated council.

Drugs: Vermont South

Mr DALLA-RIVA (Eastern Metropolitan) — I rise to express concern about the amount of drug use that is occurring in the Vermont South area. This follows a recent incident at the immediate back door of my office on Wednesday, 23 April at 11.00 a.m., when one of my electorate officers went outside to dispose of some rubbish, to be confronted by a male who was shooting up right underneath the signed back door of my electorate office.

We further investigated and found that there was an amount of drug use in the immediate vicinity: around the Vermont South Neighbourhood Community House, where drugs are being sold and used; around the Vermont South shopping centre; around the shops, including the McDonald's restaurant; around the local primary school, where the drugs are not only being

used but also sold, which is of significant concern; and in the open space behind the aged care facility.

The great work of the police is pretty much hampered by the fact that they are really stretched for resources. Whilst they are doing the best they can, the fact is that the dumping of syringes and the use of hard drugs is continuing and seems to be spreading more and more around the Vermont South area. I am really concerned about where this is heading. The promise in the budget of an extra 100 police is really nowhere near what is necessary in order to provide the amount of support that is needed. This is a significant crime that needs to be dealt with immediately.

World Youth Day

Ms MIKAKOS (Northern Metropolitan) — On 28 April 2008 I had the honour to visit Penola Catholic College in Broadmeadows with the Premier, the Minister for Sport, Recreation and Youth Affairs, James Merlino, the member for Pascoe Vale, Christine Campbell — both in the other place — and a member for Western Metropolitan in this place, Colleen Hartland, for the arrival of the World Youth Day cross, icon and message stick.

Also in attendance were over 3000 students from eight Catholic schools, including three of my local schools — Penola Catholic College, Santa Maria College in Northcote and Samaritan Catholic College in Preston — together with teachers, Archbishop Denis Hart and members of the Catholic archdiocese. The World Youth Day cross has travelled around the world and has inspired young Catholics since its inception by the late Pope John Paul II in 1984. It has become a symbol of hope and inspiration for young Catholics around the world.

The cross, icon and message stick will visit every Catholic archdiocese around Australia, culminating in the first Australian visit, in July, of His Holiness Pope Benedict XVI, who will visit Sydney for the 23rd World Youth Day.

World Youth Day is an invitation from the Pope to the youth of the world to celebrate their Christian faith. It will involve a week-long series of events attended by the Pope and hundreds of thousands of young people from around the world and will culminate in a mass celebrated by the Pope. According to event organisers World Youth Day 2008 will be the largest event Australia has ever hosted. It is expected to attract over 125 000 international visitors — more than the number who attended for the 2000 Sydney Olympics — plus up to 225 000 locals. I understand many young Victorians

will be travelling to Sydney for this event. I wish them a happy World Youth Day, and I hope they find those events a source of personal inspiration.

Budget: schools

Mr ELASMAR (Northern Metropolitan) — I rise to congratulate the Treasurer of Victoria and Leader of the Government in this house, my colleague John Lenders, on an excellent budget delivered to the people of Victoria yesterday, 8 May.

As my parliamentary colleagues are aware, I have a particular interest in education and I am delighted to see substantial maintenance programs budgeted for our state schools. I commend the Treasurer and his department for a job well done.

Fr Samir Haddad

Mr ELASMAR — On another matter, on 27 April I attended the citizenship ceremony for Fr Samir Haddad and his family. Fr Samir is the parish priest of the St Joseph Melkite Catholic Church in Fairfield, where the ceremony was held for the first time.

There were VIPs also present, representing all three tiers of Australian government. Father Samir presented religious icons to his distinguished guests to commemorate the occasion. It was my pleasure to watch Fr Samir accept his own gift of Australian citizenship with dignity and delight.

Israel: 60th anniversary

Mr THORNLEY (Southern Metropolitan) — This evening at Robert Blackwood Hall, the Victorian Arts Centre and a range of other venues, people will be gathering to celebrate the 60th anniversary of the declaration of the State of Israel. I have just returned from that great nation, where I had the privilege of leading a trade delegation on behalf of the Australia Israel Chamber of Commerce. That mission included the vice-chancellors from the University of Melbourne and RMIT, deputy vice-chancellors from Monash and Sydney universities and a range of senior business leaders from throughout the country.

I might say that I think that group, totalling about 45, was universally impressed by the extraordinary progress Israel has made. In particular our focus on innovation led us to visit with the major universities and research institutes such as the Weizmann Institute of Science, and indeed to meetings with a large number of senior government ministers, the head of the Israeli Reserve Bank and the Israeli Prime Minister's economic council.

For a nation of just 60 years of age to have achieved such extraordinary progress, and in particular in the last 20 years such extraordinary progress in the development of a high-tech sector that now leads the rest of the world in terms of the number of companies listed on NASDAQ — all despite having a population of just 7 million, and the extraordinary adversity that they have faced from external threats throughout the entire life of that nation — is one of many elements to its great credit.

I join Melbourne's Jewish community and the many other friends of Israel in congratulating Israel on its 60th anniversary and the extraordinary national progress it has achieved to date. The vision of Theodore Herzl is alive and well.

Anzac Day: Caulfield

Mrs COOTE (Southern Metropolitan) — It gives me great pleasure today to speak about Anzac Day. It is salutary for this chamber to remember the commitment that people made, to see the characteristics that came out of it and to understand what Australia is as a result. I had the privilege of attending a number of Anzac Day services — and some prior to Anzac Day. On 25 April in Caulfield Park the community witnessed a very moving ceremony, as happens every year.

A major speech was made by the president of the Caulfield RSL, Mr John Decker. I would like to read an excerpt from that, because I feel it encapsulates what Anzac has come to mean to all of us. He said in what was a very well-constructed, moving and poignant speech:

By their commitment, their courage and their comradeships the Anzacs set standards that inspired their countrymen for generations to come. The legends they established gave fresh voice to the new feelings of national pride in both the young nations and the news of their suffering, on reaching the homes of anxiously waiting families, brought people together in ways they had not known before.

For Australians and New Zealanders — Anzac is our own day.

So here we stand today, to honour great men, great women and a great tradition. We gather, as we shall always gather, not to glorify war but to remind ourselves that we value who we are and the freedoms we possess and to acknowledge the courage and sacrifice of those who contributed so much to the shaping of the identity of this proud nation.

Lest we forget.

JOINT SITTING OF PARLIAMENT

Senate vacancy

The PRESIDENT — Order! I have received the following message from the Governor:

The Governor transmits to the Legislative Council a copy of a dispatch which has been received from the Honourable the President of the Senate notifying that a vacancy has happened in the representation of the state of Victoria in the Senate of the Commonwealth of Australia.

It is as follows:

Your Excellency, pursuant to the provisions of section 21 of the Commonwealth of Australia constitution, I notify Your Excellency that a vacancy has occurred in the representation of the state of Victoria on the resignation, on 5 May 2008, of Senator the Honourable Robert Francis Ray.

I have also received the following message from the Assembly:

The Legislative Assembly has agreed to the following resolution:

That this house meets the Legislative Council for the purpose of sitting and voting together to choose a person to hold the place in the Senate rendered vacant by the resignation of Senator the Honourable Robert Francis Ray and proposes that the time and place of such meeting be the Legislative Assembly chamber on Thursday, 8 May 2008, at 12.45 p.m. or at the conclusion of the Legislative Council question time, whichever is the later.

which is presented for the agreement of the Legislative Council.

Hon. T. C. THEOPHANOUS (Minister for Industry and Trade) — I move, by leave:

That this house meet the Legislative Assembly for the purpose of sitting and voting together to choose a person to hold the place in the Senate rendered vacant by the resignation of Senator the Honourable Robert Francis Ray, and, as proposed by the Assembly, the place and time of such meeting be the Legislative Assembly chamber on Thursday, 8 May 2008, at 12.45 p.m. or at the conclusion of the Legislative Council question time, whichever is the later.

Motion agreed to.

Ordered that message be sent to Assembly acquainting them with resolution.

VICTORIAN WATER SUBSTITUTION TARGET BILL

Withdrawn

The PRESIDENT — Order! Prior to my calling general business I will give a ruling on the question of the Victorian Water Substitution Target Bill as introduced by Mr Hall.

On Wednesday, 16 April 2008, I advised the house that I had some doubts about the capacity of the Victorian Water Substitution Target Bill 2007 to be initiated in this house because of the appropriation requirements of section 62 of the Constitution Act 1975, which states in part:

A Bill for appropriating any part of the Consolidated Fund or for imposing any duty, rate, tax, rent, return or impost must originate in the Assembly.

I undertook to consider this matter and report back to the house as to whether this bill could proceed any further in the Legislative Council. After further examination of the bill it is my view that the bill infringes the provisions of sections 62 to 64 of the Constitution Act 1975 and therefore cannot proceed any further in this house for the following reasons:

1. clause 26 clearly appropriates funds from the Consolidated Fund for projects to augment Melbourne's water supply;
2. clause 36 provides for the appointment of certain officers by the Essential Services Commission to undertake proposed new functions, and this of course has financial implications on the Consolidated Fund; and
3. clause 68 provides for the imposition and, more importantly, the refund of fees collected by the commission which in itself is a payment from the Consolidated Fund.

A matter of greater importance as to why this bill should not proceed any further in this house is to be found in the provisions of clauses 6, 52 and 72, which, in my view, impose significant new functions on the Essential Services Commission and thereby necessitate a call on the Consolidated Fund.

Indeed, members will recall that during the current session this house dealt with the Victorian Energy Efficiency Target Bill 2007, which, among other things, established the new Victorian energy efficiency target scheme, also to be administered by the Essential Services Commission. Because of the significant new duties and functions imposed on the commission by the

establishment of the new Victorian energy efficiency target scheme, a Governor's message recommending appropriation to the Legislative Assembly was obtained pursuant to section 63 of the Constitution Act 1975 because of the implications of appropriating from the Consolidated Fund.

I note that the majority of the provisions of the Victorian Energy Efficiency Target Bill 2007 and the Victorian Water Substitution Target Bill 2007 are almost identical and that they both impose significant new functions and duties on the Essential Services Commission which ultimately have the effect of increasing the outflow from the Consolidated Fund.

For the above reasons, it is therefore not in order for this house to initiate this bill, and I order that the bill be withdrawn.

Withdrawn.

VICTORIAN WATER SUBSTITUTION TARGET SCHEME

Mr HALL (Eastern Victoria) — I move, by leave:

That this house supports the introduction of legislation to establish a Victorian water substitution target scheme which seeks to —

- (1) further reduce Melbourne's consumption of potable water by establishing targets for the use of alternative water supplies such as rainwater, recycled water or treated stormwater in non-potable uses;
- (2) establish an overall target of substituting 30 per cent of Melbourne's current water consumption with alternative water supplies by 2020 with interim targets of 10 per cent by 2010 and 20 per cent by 2015;
- (3) establish a mechanism for the creation of water substitution certificates through activities resulting in the reduction in the use of potable water by substituting alternative supplies in non-potable uses;
- (4) empower the Essential Services Commission (ESC) to administer the scheme including the issue, registration, transfer and surrender of water substitution certificates; and
- (5) require Melbourne water retailers and large water consumers using more than 10 million litres of water a year to surrender to the Essential Services Commission at each of the target dates water substitution certificates corresponding to their share of the overall water substitution target.

It is true that I anticipated there might well be some constitutional impediment to my proceeding with the private members bill which I introduced on 16 April, and I have moved this motion because, given the

importance of the subject for both Melburnians and country Victorians, I felt it important that we have this debate. I also thought it important to put before the people of Victoria an illustration showing that Melbourne could live within its own means and that there was a mechanism for doing so. That is why I went to the trouble of preparing a private members bill.

I also put on the record that my alternative to introducing it in this chamber would have been to have one of my colleagues introduce it in the Assembly. They would have gladly done so, but the history of private members bills is such that the government of the day rarely, if ever, allows debate on a private members bill in the Assembly. So were I to have one of my colleagues introduce it in the Assembly on my behalf, the fact is that it would have languished at the bottom of the Assembly notice paper and would never have been debated.

That is why, despite my wariness about a constitutional impediment, I still brought the bill to this house for debate. I accept the ruling of the President that there are legitimate constitutional impediments to proceeding with that debate, and I accept those impediments without qualification. I have framed this motion so that members can at least legitimately talk about the principles that were included in that private members bill, because I think the people of Victoria would want their representatives to have such an important debate.

In moving this motion I do not intend to repeat to a great degree the contents of the second-reading speech on the private members bill which has now been withdrawn, but I want to give some background on why I feel so passionate about this matter and to inform the house about what I think the government should be doing to supplement Melbourne's water supply — and indeed, doing that with what I believe is the cheapest option and environmentally the best option for water users in Melbourne.

In terms of my passion on this matter, members will recall that I made reference to this subject on 19 September last when I moved a motion to establish terms of reference for the Environment and Natural Resources Committee of the Parliament to look into ways of augmenting Melbourne's water supply. I welcomed the support of the house for those terms of reference. The fact of the matter is that that committee has not yet started that inquiry. I understand the reason for that, and I am not critical of that.

However, this government is ploughing ahead with the augmentation of Melbourne's water supply primarily by two means which I will talk about during the course

of my contribution — the north–south pipeline and the desalination plant — seemingly without adequate consideration of alternatives. The position I put today, and the position I put by way of the private members bill I introduced on 16 April, is for an alternative mechanism by which other means of supplementing Melbourne's water supply could be considered and accounted for.

My passion on this is no different from that of many country Victorians — that is, we are incensed that this government places greater priority on Melbourne's water needs than it does on those of country communities. There is no clearer illustration of that than the proposed food bowl modernisation project, where the government says 225 megalitres of water savings can be achieved. Despite the controversy — people might argue about whether those figures are achievable — the thing that incenses country people is the fact that the first 75 megalitres of those savings will be directed to Melbourne — —

Mr Barber — Gigalitres.

Mr HALL — I beg your pardon, gigalitres. You are right, Mr Barber; thank you for correcting me on that. The first 75 gigalitres will be coming to Melbourne. I would claim, and I am sure I would have support at least from members on this side of the house, that the needs of the people who live in northern Victoria are far greater than the needs of those who live in Melbourne, particularly when you have got storages like Eildon Reservoir, which I think is down to something like 15 per cent, and much of northern Victoria and country Victoria has been on severe water restrictions for many years. My parents live in Castlemaine in the central region, and they have been on stage 4 water restrictions for four or five years or more. Surely the needs of those who live in northern Victoria are greater than the needs of those in Melbourne who have had water restrictions in the past but have reached the 3a water restriction standard only in recent years.

People in the Bass Coast section of my electorate are also incensed that a large-scale, industrial desalination plant is to be built on their coastline, with that water being pumped to Melbourne. It will be a significant detriment to the scenic amenity of the coastline in the Bass Coast area.

The thing that really incenses people is that I and many others believe that — and I will quote evidence of this in my contribution this morning — there are significantly better alternative ways to supplement Melbourne's water supply and meet current and future needs. Some people have accused us of being selfish in

saying that and have said that Victoria's water should be shared by everybody and does not belong only where it falls. That is true; there is no doubt about that. The majority of Melbourne's water comes from catchments other than its own. For example, 60 per cent of Melbourne's water comes from the Thomson catchment. This is water which would otherwise be flowing through Gippsland rivers and streams and ending up in the Gippsland Lakes. Some water is also taken from the Goulburn catchment and used as water supply for Melbourne. We are happy to share, but in terms of Melbourne's future needs and, as I said, its current needs, there is scope within what is currently available in the Melbourne catchment to significantly improve the efficiency with which water is harvested and used in Melbourne to accommodate future growth needs.

Let me quickly paint a picture as to what those needs are. Melbourne currently uses between 400 gegalitres and 450 gegalitres of water per year. It depends on the climate — that is, the weather conditions in the 12-month period. There is no argument; all the documentation suggests that Melbourne's water use is somewhere between 400 and 450 gegalitres per year. Where does Melbourne get that water from? Much of it comes from the rivers and reservoirs. Only a small amount — about 40 to 50 gegalitres — of water is actually recycled water. About 33 gegalitres comes from groundwater, and only 1 gegalitre or thereabouts of Melbourne's water supply actually comes from rainwater or stormwater — that is, around a quarter of a per cent of Melbourne's water comes from rainwater or collected stormwater. The central strategy paper produced by the government suggests that Melbourne needs at least another 200 gegalitres of water by 2050. I do not dispute that. Melbourne does need more water. Where could it possibly come from?

The government put to the people of Victoria a document called *Our Water Our Future — The Next Stage of the Government's Water Plan*, which the government published last year. This document prioritises what the government believes is the best way to augment Melbourne's water supply. In priority order it lists five sources of water to meet Melbourne's future needs. The first is a desalination plant, which we will all be familiar with, proposed for the Bass Coast near Wonthaggi. The government signalled that that was to produce 150 gegalitres of water and come on line by the end of 2011. The government has suggested that the north-south pipeline, or the Goulburn modernisation project, another 75 gegalitres could become available in early 2010. The third priority is the expansion of Melbourne's water grid. That would enable the movement of water through different catchment areas.

The first of those was going to be a 15-gegalitre take from the Tarago Reservoir in Gippsland that was to come on line in 2009.

Then we get to priority 4 of five, which is to increase the recycling effort. In its own paper, *Our Water Our Future*, the government says the potential yield from recycled water is somewhere between 95 and 225 gegalitres. If by recycling we achieved the top end of that range, it would in itself be enough to meet Melbourne's future water needs. We now know that that will not be available until the end of 2012. I will say something about that in a few minutes. The fifth priority is to implement new and existing water conservation programs that the government suggests would generate about 110 gegalitres of water between 2008 and 2015. Again this is more than 50 per cent of Melbourne's future water needs.

If you add up those projects, you find that about 450 gegalitres of new water is identified in the government's own document — twice as much as Melbourne is projected to need. Hence the claim I have previously made: if this government were to implement in total its *Our Water Our Future* program, Melbourne would be awash with water.

They are probably the facts of the situation. What I claim, and what this motion is all about and what the view of the Liberal-National party coalition is, is that the first priorities, not the last, in any water plan should be to conserve and recycle. That is what we say. I would think that most Victorians, no matter where they live, would agree with that statement: that we should be environmentally responsible in our attitude and look to conserve and recycle before we do any other additional harvesting or supplementing of water supplies. Indeed it is true that there are plenty of opportunities to harvest water, particularly non-potable water, and I will mention those in a minute. There are many different uses for which we do not need potable water, whether we live in Melbourne or outside Melbourne. For example, we could use recycled water to supplement our water supply. There has been a lot of work done on that, and I will mention that again in a minute.

We could use a greater amount of rainwater to supplement our water supplies. We could use harvested stormwater, and significant savings could be achieved through that. We could even use water from the aquifers which lie underneath parts of Melbourne to supplement Melbourne's water supplies. We could do this using much cheaper solutions than the very expensive options of the north-south pipeline and the most costly option of all, the desalination plant.

I and many other members went to the Speaker's science forum on the Thursday of the last sitting week; I think it was 17 April. The topic was recycled water. We had a couple of experts there talking about the different ways in which we could recycle water and the ways it could be safely used.

It was a very informative session. One of the pieces of information gained resulted from a question I asked one of the presenters about the comparative costs of desalinated water and recycled water. The answer was that recycled water is only about a quarter of the cost of desalinated water — that is based on two plants sitting side by side on the same block of land. The additional expenses are incurred when water has to be pumped. So when you consider this government's proposal to have a desalination plant at Wonthaggi and to pump the water all the way up into Melbourne's catchments, you see that the cost of supplementing Melbourne's water supply through desalination compared would be many, many times greater than that of recycled water. That was an interesting forum that was arranged, as I said, on the last Thursday the Parliament sat.

My challenge, and I think the challenge to all of us, is: how do we make this government look beyond what are the easiest political options for it, when the easiest political options are the north-south pipeline and the desalination plant? How do you do that? I have been trying to do it for at least the last 6 to 12 months. Evidence of that includes the terms of reference for the Environment and Natural Resources Committee I moved last September. As I said before, there has been no action on that.

The other way to do it would be by legislation: you could by law require water authorities and major water users to replace with alternatives drinking-quality water used in areas that do not require the use of drinking-water quality. As I said before, there are plenty of opportunities to do that. We do not need drinking-quality water to flush toilets with. We do not need drinking-quality water to water our personal gardens or our public parks and gardens and recreational reserves. We do not need drinking-quality water for a number of industrial uses, particularly cooling. There are a whole range of areas where we could replace potable water use with non-potable water use without creating any significant health problems for the people of Victoria.

What legislative mechanism could be used to require a greater emphasis on recycling, reusing and conserving water? The example I gave to the house a fortnight ago was contained in the private members bill that sought to establish a water substitution target scheme. As the

President said in his ruling, the private members bill mirrored very closely the Victorian government's own Victorian energy efficiency target scheme. I purposely chose that model because the infrastructure to establish the energy efficiency target scheme would have already been in place and could easily have been adapted to accommodate also the water substitution target functions. I thought that if it were appropriate for the government to use that mechanism, it would be equally appropriate for the opposition, through the private members bill, to use that mechanism, so I put that before the house for debate.

It was not unexpected that the government immediately came out and criticised the scheme. A press release from the Minister for Water on Thursday, 17 April, suggested that his main criticism was that the scheme would mean additional costs for business in Victoria. However, if you look at the bill itself responsibly, rather than just having a quick superficial political reaction to it, you see that the whole bill was designed to ensure that big water users would not be paying any more under this scheme than they would be if they had to use desalinated water — —

Mr Drum — Which they will.

Mr HALL — Which they will, as Mr Drum said.

The fact is that it looks as though over a period of time Melbourne water users will have their water costs doubled once the very expensive desalination plant and the north-south pipeline come on line and once some treated water ultimately comes back into the system. They will be paying extra costs for that water in any case. This scheme would mean that, if they could supplement their water supplies with a cheaper option — that is, recycled water, aquifer water or rainwater — then it would be cheaper for them in the long run than what the future holds for them with the government's prospect of supplying extra water through desalination. The whole scheme was designed to put in no costs additional to those already projected by the Victorian government, and my view on that still holds. If that is the only criticism of the scheme that this government can find — and by way of a minister's press release — then I do not think its argument stands up at all.

The other criticism I have heard from some is that this scheme would establish a very bureaucratic process. I do not deny that it would be a bureaucratic process, but given the fact that we have in place the existing bureaucracy to run a process of accountability for this scheme, through the Essential Services Commission and the Victorian energy efficiency target scheme, then

the additional bureaucracy would be minimal. If the government can only find one area of major criticism, then this scheme has a lot going for it.

However, I again offer this invitation to the government: if government members were ever prepared to talk to us about this and to look to ways of improving my proposals, I would be more than happy to have discussions with them. This all started with a discussion paper I issued on behalf of The Nationals in December last year. I invited comment on that, having sent it to all other political parties, including the ALP in government, so they could at least make some comment. Yet I heard nothing back from the Victorian government.

Interestingly the only major response I got from the government level was from the federal government. The new federal Minister for Climate Change and Water, Penny Wong, sent me a response to the discussion paper. If I can paraphrase her response, she said yes, the use of recycled water was an important concept we should be promoting. She then went to great lengths in expanding on ways in which the federal government was promoting the use of recycled water and the conservation of water. At least I had a response from the federal government, but there was no response to that discussion paper from the Victorian government. Again I issue the invitation. If government members are serious about this and want to talk about the issue, I would be more than happy to sit down with them and go through some of their concerns and see whether we could improve the proposed scheme for everybody.

As I have said, recycling, stormwater harvesting and perhaps aquifer supplementation are all possible. The reports have been done. In front of me I have a significant report, prepared for Melbourne Water by the firm Sinclair Knight Merz and dated June 2007, entitled *Stormwater Recycling Feasibility Study*. I do not have time to give an analysis of that report here today, but it shows that there are significant possibilities of collecting the stormwater that ultimately runs into Port Phillip Bay from the Melbourne catchment and using it for purposes other than drinking water. I also have in front of me a report entitled *Melbourne Augmentation Program — Water Recycling Options*, a technical report prepared in June 2007 by the capital projects division of the Department of Sustainability and Environment. It talks about ways in which we can use recycled water productively. As I said, the government in its document *Our Water Our Future* suggests that we could gain and use up to about 225 gigalitres of recycled water to replace potable water use. I have read another document entitled *Water Smart, Water Supply-Demand Strategy for Melbourne 2006–2055*

prepared by a consortium of water retailers within the Melbourne distribution sector.

I have another paper, entitled *ASR — Aquifer Storage and Recovery Option for Melbourne Metropolitan Water Supply*, which was prepared by Brad Evans. He points out in that paper that, if you use aquifers to store stormwater, then you can more than double the storage capacity of Melbourne's water supply. It is a simple and cheap option to redirect stormwater into aquifers and then later use that water for non-potable purposes. Again it is a very sensible and cheap option rather than the more expensive options proposed by the government in terms of north-south pipelines and desalination plants. I believe there are plenty of options for this government to look at seriously in recycling and conserving water. Those should be its no. 1 priority, not the current new priorities it is considering — that is, taking water from those areas of country Victoria that need it most or imposing huge, expensive and environmentally unfriendly desalination plants on the people of the Bass Coast region.

I want to allow time for others to speak on the issue. My second-reading speech two weeks ago expanded in more detail on the mechanics of how I see this scheme operating, and I am not going to elaborate on that in my contribution this morning. I want to conclude by saying that substituting potable water with non-potable water for non-potable uses is far cheaper than using desalinated water or pumping water from one part of the state to Melbourne over a long distance, especially from those areas that need that water more than Melbourne.

Using recycled water, stormwater or rainwater and substituting those for potable water use is environmentally the best solution. I have not even mentioned Gunnamatta, for example, and the terrible outfall at Boags Rocks where there is something like 200 gigalitres of waste water per year going out to sea. The harvesting, collection, treatment and reuse of that water alone would solve a significant environmental problem along that lovely part of Victoria's coast. Making greater use of recycled water and conserving more water is the right thing for all Victorians, especially those in the north who are about to have further precious water pilfered, and those on the Bass Coast who are about to have a desalination plant built.

In closing I call on government members to be serious about their contributions to this debate today, to look at this as a matter of urgency and to have some political courage and say to the people of Victoria, 'Yes, recycling and conservation should be the no. 1 priority of this government because at the moment its actions do

not match the rhetoric of its claim to be an environmentally responsible government'. It certainly is not with respect to water. I challenge the government to have the political will to support this motion before the chamber today, and further I call on it to make a commitment that when the coalition introduces the Victorian Water Substitution Target Bill into the other place it will facilitate the passage of the bill through the Legislative Assembly. This is a sensible motion, it is the right thing to do, it is the best environmental outcome that can be achieved, and I call on members today to support the motion in its entirety.

Mr D. DAVIS (Southern Metropolitan) — I am pleased to support the motion moved by Mr Hall that the Victorian government establish a water substitution target scheme. I put on record my regret that the bill that Mr Hall introduced into this chamber was not able to proceed due to the strictures that are placed on the upper house in terms of financial bills and the decision of the President to rule out the capacity to debate that bill, because the bill has a great deal of merit. There has been a great deal of thought put into this issue. I compliment not only Mr Hall but a number of his Nationals colleagues who did a good deal of work on this over the latter part of last year, including the circulation of a discussion paper that fleshed out a number of important issues of water policy, not only for Melbourne but by implication for the state in general.

There is a lot to do in this area. We had a recent report to this chamber by the Auditor-General, and I put on record my respect for the work the Auditor-General did in that report, which looked at water projects around the state. It was a report that was not only scathing of the government's performance with respect to water projects, scathing in terms of the government's delivery of the important water projects it has under discussion at the moment, but was also scathing in terms of the government's processes. There is a great deal that this chamber, and the Parliament, has to do to scrutinise the way the government is going about its water policies. The fact is that we have faced a drought over the last six years — only one of the last six years has had near normal rainfall, and the five years of very low rainfall have taken a significant toll.

But it took this government five and half years to begin reacting. It was like Noddyland stuff — the government was asleep at the wheel. It did some work, particularly in regard to local water savings, with local communities in Melbourne and elsewhere. More recently the government has begun to react to business water savings as well. But essentially there has been a failure to augment Melbourne's water supply and to augment

the supply of water in any significant way across the state.

There were a number of options that the government could have considered. It could have considered further dams. It could have considered a desalination plant. A proposal for a modest, reasonable and off-the-shelf sized desalination plant — if you would like to describe it as that — was taken to the state election by the Liberal Party. It was a proposal that would have provided non-rainfall-dependent water in a modest way without the massive greenhouse implications of the government's proposal. The government's proposal, on the other hand, involves an ill-thought-through location on the coast at Kilcunda. The coastline there is beautiful and in my view it should not be despoiled unnecessarily. We have already seen wind farms being put on that coast. Now the government is proposing a monster-sized desalination plant that the Auditor-General criticised in terms of the processes and costings that have been undertaken.

This government is shameless in its approach to these issues. Water advertisements have been on television in the last few weeks. These advertisements are machined within an ounce of their life by focus groups and the government media and advertising units. They are advertisements which are designed to mislead Victorians. They are factually incorrect. The government does not yet have a desalination project in operation. The process is not at a point where a tender has been completed. Therefore I think it is a bit rich for the government to go around advertising a desalination plant at Kilcunda when there is actually no signed deal. We know the costings of that project are shonky. The Auditor-General has pointed to those costings as being 'ramshackle'. The government feels free to advertise this as an almost ongoing concern, but the project is many years away.

I am well informed that there are whole series of issues about the supply of power to the proposed location for the plant. Some engineers put to me recently that there is likely to be a significant time delay in procuring or securing sufficient transformers which have to be manufactured in China to specifications and then shipped there. There is significant congestion regarding the firms which produce those transformers in China. There is every reason to believe the government's time lines will be, as usual with these major projects, substantially late. It is likely that the project will be over budget as well.

The government's other high-profile project is the north-south pipeline. It is a project that is also beset with problems. Aside from the fictitious water savings

which are yet to be verified properly by the food bowl modernisation project, which was pointed to by the Premier and others, the Auditor-General and others clearly make the point that the savings are yet to be verified. But the government proposes to take the water before the food bowl modernisation project water savings kick in. It will take water out of Eildon Dam and the Goulburn River. Eildon Dam is already very low. The risk is that this will further stress the Murray–Darling system.

I think there is general support for the idea that if you undertake engineering works, including covering channels, ceiling channels and more adequate metering, that you will get a process that will save some water, but the scope of those savings is particular to the individual areas. The age of the irrigation systems that are being replaced and the soil are two matters in a whole series of individual and particular matters which reflect the final savings which can be achieved. I have to say that the idea of making these savings is a good one, but the savings should have been demonstrated before the water was taken away, I would have thought, rather than pre-emptively taking water from the north of the Great Dividing Range.

As I understand it, there are a whole series of issues about the route of the pipeline. There are still many discussions to be had. I have been trying to understand all these issues in great detail. I have a large and coloured rolled-out map on a big table in the top office of my electorate office. The map plots the alternate routes of the pipeline. There are issues about the biodiversity and the environmental impacts of those alternate routes. I know the minister in the chamber, the Minister for Environment and Climate Change, will be concerned to ensure that a good outcome is achieved if the government presses forward. I am not sure it will press forward, given the recent statements that were made in the press. The *Australian* article by Rick Wallace published a few days ago flagged the idea that the north–south pipeline was the subject of a rethink by some within the government. I urge members of that group within the government to rethink this issue and to force their colleagues to rethink this project most closely, because I am not convinced it stacks up on the grounds of fairness and environmental impacts. I am not convinced that the project stacks up particularly in terms of its impact on the greenhouse effect.

I know the government has indicated that there will be a pipeline investigation process undertaken by Planning Panels Victoria. Kathy Mitchell heads that group, and I have a great deal of respect for her as a person. But I am concerned that the process undertaken by Planning Panels Victoria in this case is insufficient; it is not

robust enough. The house may think I am bleating on this issue, but I point to this specifically: I am informed that the hearings which were undertaken recently at Chateau Yering were not recorded. The transcripts of the evidence from several days of hearings are not publicly available. Those who know the process of panels — during the period when I was a shadow Minister for Planning I became quite familiar with that process — know that transcripts are usually produced and are made available. Those who have legitimate interests and who are sometimes legally represented at planning panels will use the evidence in those transcripts as well as the formal written submissions from parties to make points that can be rebutted and debated. They are the subject of cross-examination on some occasions and are also the subject of questions from the panel at later stages.

It is not unknown for people presenting evidence to be called back to respond to certain matters, and I think this failure to record — which I understand may be due to technical difficulties — is a flaw in the process. I have to say that I am very concerned about how the process of the planning panel that is looking at the pipeline will operate. I note that ultimately it is the responsibility of the Minister for Planning, Mr Madden, advised by the planning panel, but I think it is as well that he is aware of mounting concerns about the quality of the evidence and the quality of the process that has been involved.

Mr Hall's motion, which in effect flags the issues around a target for recycled water or a water substitution approach, is a good motion. It brings to the attention of the house the need for further ongoing savings, and I point to the work that has been done by Victorians, in this case particularly Melburnians, over the last few years in reducing their water consumption. I think there is a generous spirit evident amongst Melburnians in achieving those water savings and those reductions. I know that many people in my neighbourhood have installed tanks and many use greywater systems; I am one of those who have a greywater system and a tank — in fact I have two tanks. These things make a significant addition to our capacity to maintain our gardens, and many Melburnians are thinking like that. We have seen a little bit of rain in the last period, but you only have to go back a few weeks to a time when you could walk around the streets of metropolitan Melbourne and see the severe impact of the drought. This is not something limited to country Victoria; you could actually see the severe impact of the drought on gardens and the death of many large and established trees that will be very difficult to replace.

Make no mistake: in metropolitan Melbourne and in some of our regional cities we are losing a significant part of our heritage because of this government's mismanagement. If more had been done in terms of water substitution and the use of recycled water in particular or treated stormwater for non-potable uses as outlined by Mr Hall's motion, the impact of the drought on metropolitan Melbourne would have been far less. By pointing to this Mr Hall has in effect pointed to one of the great weaknesses in the government's water program: the failure to deal with water substitution and the failure to deal with sources of non-potable water to replace potable water.

Always when I talk about this issue there are a few key moments that come to my mind, and I will relate one to the house. I had lunch with a group of manufacturers in one of our large regional cities in the lead-up to the election in 2006, and I sat next to an individual who runs a concrete plant. He was very concerned about his future because he could see the water crisis worsening in that major regional city — I will not name it because the individual would thereby be identified, and given this government's approach on some things he may well be a target. He, in some exasperation, said to me that he had been talking to his regional water authority for five years trying to get access to recycled water. He emphasised, again in exasperation: 'I only make concrete. I don't need high-quality water. I can have low-grade recycled water, but I use a lot of water'. He could easily have replaced the potable water he had been using, and he was seeking to do that — he was a responsible individual — but he was also interested in securing the future of his business. He could see that water was increasingly becoming a problem and what he needed to do was to secure a source of recycled water that would not only enable him to continue but would also in effect augment the supply of water in that regional town.

This is not rocket science at the end of the day. Yes, it takes the application of government money and the money of water rate payers, and it also takes determination and perseverance, which are things this government has substantially failed to demonstrate. Mr Hall at the end of his contribution mentioned the eastern treatment plant. Labor went to the 2002 state election with a promise to upgrade the eastern treatment plant. I have to tell you that we are still waiting; 2012 is now the date the government is vaguely promising it will be completed by, but I would hazard a guess that that date will slip by as well. Huge opportunities have been missed by not upgrading the eastern treatment plant. Meanwhile, as Mr Hall said, we continue to pump out huge volumes of lightly treated sewage at Gunnamatta through the Boags Rocks outfall. I advise

those who have not been there to take a trip down and to stand out there; you can just feel the thing humming. There is a lot of water pumping out there. You can feel it pumping, and it goes day and night. A massive volume of lightly treated effluent goes out there.

Mr Drum — It is a disaster.

Mr D. DAVIS — It is a disaster environmentally.

Mr Drum — It is just sheer muck.

Mr D. DAVIS — It is muck. There are serious illnesses down there, and I pay tribute to the work done by the Surfrider Foundation Victoria in its campaign to improve the quality of ocean outfalls and to ensure that the quality of that water is raised. It cannot go on endlessly; the plant has to be upgraded. It was our policy; we would have moved swiftly on this. The government has not moved swiftly on it; it has dithered and it has delayed. One major aspect of what has happened with the eastern treatment plant, of course, is that before former Premier Steve Bracks and former Deputy Premier John Thwaites so unceremoniously jumped to be replaced by Mr Brumby and Mr Hulls, there was an unseemly brawl in cabinet and in the debate over how water policy would be conducted. Mr Thwaites — the then environment minister — was in favour of upgrading the eastern treatment plant quickly. I see Mr Jennings smiling politely over there. He will have been privy to all that.

Mr Jennings — As is my wont.

Mr D. DAVIS — As is his predisposition. I am sure he could give greater information on this than I could ever give, because he would know the details of those policy debates when Mr Thwaites was rolled by the then Treasurer, John Brumby. The pipeline to Gippsland was knocked over, and the process of using that water as a replacement for high-quality water at what was certainly a plausible location — that is, the power stations — was knocked over. Whether you think that project was a good one or not, it was one of those projects that was under debate. This government goes into paralysis mode when it cannot resolve issues, so nothing happens. Despite the paralysis, the drought rolled on. The drought, strangely, was unaffected by the fact that the government was in paralysis as to what it would do about water policy, and Mr Thwaites and Mr Brumby went head to head in the fight over what they would do about the eastern treatment plant. Mr Brumby won, and Mr Thwaites left not long thereafter. Mr Brumby got the big, shiny desalination plant — the monster desal plant, the biggest in the Southern Hemisphere — down at Kilcunda. He is yet to

deliver that, of course, as well as the north–south pipeline and the so-called water grid around the state.

I make the point that the eastern treatment plant is a key aspect of the use of recycled water in Melbourne. It is a fact that a moderate level of recycling occurs through a private facility nearby. Water is then provided to the Sandhurst and Hunt Club estates for third-pipe purposes, and it is also freighted around the metropolitan area particularly for use by municipalities in parks and gardens. It is also available as a private source of water for people who are prepared to pay for water and to pay the freight for moving it.

But there has been a complete failure to say, ‘How do we upgrade the eastern treatment plant?’ and ‘Let’s find replacement uses for potable water where we can use that massive volume of water out of the eastern treatment plant’. Parks, gardens, industry — the list is enormous. A creative government would have looked at ways of getting trunk pipelines that could have carried some of that water perhaps along the new freeway and up into the areas around Dandenong where there is significant industry. All of these options were swept under the carpet by this government. The essence of Mr Hall’s bill and Mr Hall’s motion is to say that there should be an incentive to ensure that this replacement occurs, and if there was that incentive, if water authorities were forced to look at ways of substituting in that way, they would look creatively at the sorts of options that are available. Whilst the mechanism which he has lifted from the Victorian renewable energy target bill is a mechanism that will lead to financial incentives being put in place, it is in my view creativity from government in a leadership role — and that is fundamentally what is missed in this Victorian case — and by Victorian retailers and large water consumers that is required to find these solutions.

I want to put on record a couple of other small examples of where this government has failed. When the opposition announced prior to the 2006 election that its policy was that it would mandate third-pipe technology, the then Premier Steve Bracks laughed at us. He said it was impossible to do, that it was too expensive, and that the opposition was a bit barmy to be considering third-pipe technology. I remember the day well. I had Malcolm Turnbull with me down at Sandhurst and we were making points about third-pipe technology which offers, I think, a lot of advantages. It can be done at a modest cost, especially in new estates, and it can be done in a way that provides additional non-potable water for toilets, gardens and suchlike matters. Sandhurst is also an estate that, I have to say, deals with stormwater cleverly and retains stormwater for use in the surrounding gardens.

The beauty of the third-pipe system of course is that it gives people security with their garden. They have security to look after their garden and at the same time they are making a very good contribution.

Mr Leane — They wash their cars too.

Mr D. DAVIS — Mr Leane, let me explain. Within days of our making the announcement and the Premier laughing at the opposition for the concept of third-pipe technology, a helpful developer provided me with a copy of a letter dated 12 October 2006 from City West Water, one of the three big retailers — one of the ones that has not quite got their act together:

To whom it may concern:

Re: introduction of new mandatory requirements for dual pipe water systems

I am writing to advise you of two key new developments in state government legislation related to dual-pipe water systems in new estates.

And it goes on to say:

... it is now mandatory for:

developers to install dual-pipe systems in new residential developments where required by the relevant water authority

customers to connect to dual-pipe systems where provided when seeking connection to water supply.

It continues:

City West Water is currently working with the developers of three new estates within the Werribee area (Bluestone Green, Manor Lakes and Werribee Fields) to install dual-pipe water supply systems ...

The new connection requirements will come into effect on 1 December 2006.

Members who have been in this house since the last election will remember that that was the week after the state election. The week after the state election the government thought that, despite having said it was impossible to do and too costly, it would then actually say it would mandate third-pipe technology in City West Water’s region. Curiously though, it has been unsuccessful in the City West Water area. My understanding is that there is not a single home that has been connected to a third-pipe system in the City West Water region. I stand to be corrected on that, but all of the information that has been provided to me by various developers indicates that there has not been one connection — not one.

So you have got this government that says it has got a commitment to recycling, that says it has got a

commitment to saving potable water, that says it has got a commitment to the environment, but its level and record of achievement is very, very poor indeed. It has failed on third-pipe technology, which is precisely the sort of technique of water saving and substitution that would be driven hard by Mr Hall's motion and his proposed bill. It is exactly the sort of system that would be given new incentives to get off the ground.

Developers would be able to sell water substitution certificates and would in that way be able to finance what are modest, effective and not excessively costly water-saving measures.

I want to say something in particular about greenhouse gas emissions too because one of my concerns at the moment with the government's water proposals is the addition to greenhouse gas emissions that is going to occur under the government's proposal for the desalination plant in particular and for the north-south pipeline. This idea of the massive pumping backwards and forwards and up and down and back and around of huge volumes of greenhouse gases in this way is, I think, a concern. There have to be more local solutions found for these things, and the proposals of Mr Hall would certainly be one mechanism for driving that.

The truth on greenhouse gas emissions, as the minister and others know, is that under this government greenhouse gas emissions have relentlessly risen year on year. This government went to the 2002 state election with its *The Sustainable State — Labor's Plan for a Greener Victoria*, which had the goal of:

reducing greenhouse gas emissions by up to 8.3 million tonnes of carbon dioxide.

That target was for the term of the government. That did not occur; greenhouse gas emissions continued to rise over that period and they have continued to rise all the way through the period of this government. Its much-vaunted climate change summit appears to be sinking without proper response. The government says there will be a bill, but we are waiting. The sense of urgency on climate change is not reflected in the government's approach.

I do not want to say a lot more other than that there is every reason to believe Mr Hall's approach is a good one and would succeed in driving the replacement of potable water by rainwater, recycled water or treated stormwater. The mechanism to achieve it would provide powerful incentives. I think this government's performance has been woeful. The Auditor-General has pointed that out quite clearly. Mr Hall has provided a valuable suggestion for how we can move forward and in effect ask the marketplace to provide some solutions where the government has so conspicuously failed.

Mr BARBER (Northern Metropolitan) — It is a great shame that Mr Hall's bill will not be brought forward, debated and given the opportunity to be tested and to even pass this place, because it certainly represents an approach that is likely to be highly effective. I will come back to some of the elements of the idea that we are now debating more conceptually than in terms of legislating.

To get a handle on this issue you need only go to a document produced by the state government — *Water Supply-Demand Strategy for Melbourne 2006–2055*, which was published prior to the state election. Anyone reading it would have taken away a very clear understanding of the approach the government was intending to take. Unfortunately that approach was almost completely ditched after the election in a sort of stunning about-face and a striking off in a completely new direction, which I will come back to.

From just a reading of the executive summary of that document we can see that the first subheading is 'Conservation the top priority'. It talks about a range of activities that can be taken and says that enhancing water conservation from the micro level — appliances around the home — to large water mains and water-using facilities through a series of actions could reduce water needs by 111 billion litres, or 111 gigalitres.

A second summary point to the report is on the option of seeking new supplies. It talks about water efficiencies in the Tarago and Yarra systems and the connection of Blue Rock Lake as a first stage of an eastern water recycling scheme and says that those measures would provide for Melbourne an extra 21 gigalitres of water. It then goes on to address options for rainwater, stormwater and recycled water — it goes to the proposal Mr Hall has put forward with regard to substituting one type of water for another — which, it says, could generate 10 billion litres, or 10 gigalitres, in savings.

Within that strategy are a number of clearly defined ways forward for producing significant volumes of water — significant in the scale of the proposals the government is now putting forward — which, unlike the government's proposals for water pipelines over the Great Dividing Range and desalination plants, save money and save energy in the process.

The strategy goes on to talk about improving river health. There was an initiative to provide additional environmental flows to the Yarra River, which the government did get around to announcing — but almost as quickly abandoned and has not reinstated.

The strategy goes on to make the point that reducing greenhouse gases can be achieved by saving water, that saving water saves emissions.

The document was a strong backup to the Central Region Sustainable Water Strategy (SWS). A technical support guided that strategy, and people participated in extensive consultation on the strategy. Even the Auditor-General noted the unfortunate fact that the Central Region SWS, having gone through that level of public involvement — exactly the way you build trust if you are a government, exactly the way you bring a community in with you in solving a problem jointly — was effectively trashed by the announcements on desalination and sucking more water out of the Goulburn. We used to mock people who talked about turning the rivers inland, but here we have a government that has decided to take water from a stressed basin and turn it back towards the coast.

The record of the government on water conservation has been very poor. For all the talk and rhetoric, it has been the blunt instrument of water restrictions that has achieved the necessary outcomes we have had in reducing all of our water consumption. When you track Melbourne's water consumption in a series going back the period of this drought — seven or eight years or so — and map over it the levels of water restriction that were introduced at various times and in various degrees of severity, it is clear that that is what is driving water consumption. If there has been a structural reduction in the use of water, it is not really evident in that data, because when restrictions come back off, water demand swings back.

The government has acted on this crucial issue a bit like a rabbit caught in headlights. But it is not alone. When you look at the various bodies that operate around Victoria you see that water authorities have been known for their conservatism — they have been rewarded for their conservatism; they have been expected to behave conservatively. They have been expected to maintain assets and a continuous steady supply and do it at the least possible cost. They have always operated within a very steady and predictable operating environment — in the sense of costs, in the sense of rainfall, in the sense of the needs of those they have served.

But during the seven years of drought an interesting thing happened. Water bodies did not get the rain which their long-term data told them they should have been getting and on which they constantly relied. Their touchstone was: mean reversion — this is the year when things will go back to the mean. It is a basic fallacy that when you are flipping a coin you cannot flip

seven heads in a row; or that if you have just flipped seven heads in a row, you cannot then go ahead and flip another head. Water did not return back to its long-term average in any of those years, yet water authorities bet each year that it would. With some of the local ones out in regional Victoria it was only in the sixth, seventh or eighth year of drought that they decided to introduce permanent water-saving rules on the basis that this would be a permanent state of affairs.

Institutionally water authorities were obviously not set up for these sorts of rapid changes or making sudden movements or foreseeing too far into the future, so they have all been caught in that way. But there is no excuse for the government to have taken the actions that it has to abandon the well-understood and clearly studied options and to suddenly make a rapid move into a sort of industrialised model of water production — from massive pipelines all across the landscape to a hugely expensive and polluting desalination plant. I think it has just fallen into the trap of ribbon-cutting syndrome really. It needed big, bold projects that the whole world would know about. The smaller, softer but more cost-effective and environmentally friendly projects, the ones I talked about up-front, apparently do not cut the mustard for a government that just wants to be seen to be doing something. After many years of neglect of the issue to then suddenly hit the panic button is quite damaging.

My water bill is a bit higher than usual at the moment. I have a young baby, so I am on my marginal kilolitre of water. I am paying about a dollar a tonne, and I find it pretty interesting that you can get a tonne of something delivered to your door for a dollar. I think water is the only thing that fits that bill. We are told that the cost of desalinated water out there in other production plants varies from \$1 up to \$4 a tonne — \$4 a kilolitre. Why is it that I am still being given a price incentive of a dollar a tonne when the government is apparently determined that the marginal cost of producing that next kilolitre that I and other householders need is so much higher? Why are the incentives not in place for me to conserve more water and do it at a cost?

We have heard the government is going to double the water price through a series of price rises over coming years, but my understanding is that much of that will be loaded onto the fixed part of your water bill. Therefore that is a multibillion-dollar disincentive to conservation, because no matter how many efforts I make to reduce water consumption in my house I will still end up paying this large, fixed charge. There is very little rationality in it.

Mr Hall's bill, which he introduced some time ago, proposed setting up a system where there would be a target for water substitution with a certain quantity of water to be delivered in that way, and through the use of tradeable certificates there would be a wide range of players who could compete, if you like, to provide that water. This is based on the scheme that we voted on for residential electricity use. It is certainly a good scheme. It is certainly a good approach. I think that in all likelihood the retailers themselves would be the major participants; after all they have already got access to the customer base and they could simply use their existing customers to carry out a range of activities that would help them deliver those certificates.

Some might hope for a wider range of players in the market, but if the target itself is reasonably modest, then I think in all likelihood the retailers will be the major participants, possibly trading amongst themselves depending on their own particular opportunities to reduce water and their own situations. This is something the government should have done a long time ago, but equally at any stage the government could have just simply given those retailers a target and told them to deliver it. It could have through ministerial order or direction through the legislation that sets up the water retailers just told them, 'This will be your water substitution target. This will be your water conservation target. This will be the total quantum of water that you will sell next year' — à la carbon trading with a hard cap — and left them to find the most cost-effective way to do it.

We have just been through years and years of that kind of voluntary, feel-good approach with advertising campaigns and rebates and volunteerism. I know people who have sought to get the shower head rebate and have had to take the shower head down to the office, but they have found that the office is not open: 'No, you can only do it on certain days', 'No, it is for a limited time only'. Really it has just been made another inconvenience in our busy lives, whereas I think if a guy from City West Water turned up at my doorstep with a clipboard and the appropriate ID and said, 'I am here to change your shower head. It is part of the deal now', I would probably say, 'Righto, in you go', and we would be rolling out these measures across households quite quickly. For the life of me I cannot work out why this problem has not been attacked along the way.

In summary I think Mr Hall has done us a great service by putting forward a mechanism that would efficiently and with a great deal of certainty see these responsible water authorities start making strides towards the sorts of conservation targets and substitution targets that have

been talked about for a long time. It would certainly be a bottom-up approach to the hard question of restrictions, which as has been pointed out are themselves somewhat arbitrary in the types of consumption they target. We have people who grow their own vegies telling us that they cannot water their vegie gardens but they must be saving huge amounts of both water and energy by growing those vegies because they avoid that entire footprint of primary production, through distribution and then delivery to the household.

If nothing else, some reforms to those water restrictions need to be made to prevent perverse incentives. But Mr Hall's proposal is certainly one that the Greens support, because it would create an efficient mechanism for individuals and for the responsible authorities to achieve some targets.

Ms PULFORD (Western Victoria) — The government is happy to have this debate today and participate in the ongoing discussion in this place and throughout Victoria about what is undeniably the issue of our time — how we best manage our water resources. It is the government's view that it is a combination of recycling, reducing use, and investment in infrastructure that need to be part of the mix and part of the discussion as we manage water resources in what has now been an incredibly long period of severe drought.

The proposal we are discussing today supports the introduction of legislation to establish a Victorian water substitution target scheme which seeks to reduce Melbourne's consumption of potable water by establishing targets for alternative supplies; establishing an overall target of substituting Melbourne's water consumption by 30 per cent; establishing a mechanism for the creation of water substitution certificates; provide a role for the Essential Services Commission to administer such a scheme; and compelling large water users and Melbourne Water retailers to participate in the scheme and to surrender water substitution certificates. As some of the earlier speakers have indicated, this is another part of that ongoing discussion about how we manage our water supplies.

We part company from the opposition parties in some respects on this issue, though, because we disagree with The Nationals' proposition that Melbourne's water supply ought not be augmented in any circumstance. We also differ on the impact of such a scheme on industry and on jobs that we believe this scheme would have. A bit of a myth is being perpetrated here that Melburnians are in the garden watering their roses during our occasional rain showers. In fact Melbourne's water consumption has been slashed by 34 per cent

since the mid-1990s. People in Melbourne have certainly been doing their share. Changing our water-use habits is something that all Victorians need to play a role in, and people that live in Melbourne and businesses in Melbourne have certainly been part of that effort.

We do not believe compelling companies to participate in this way will provide the best results in terms of companies investing in water reduction measures and new technologies — things that we believe are essential for our continued water conservation and the development of new water supplies. We expect that around 1500 businesses in Melbourne could be impacted by substantially higher water bills. Certainly we are concerned about the impact of that as well.

There have been some comments by previous speakers suggesting that the government has been snoozing on this issue, which I would like to refute. All members here are very familiar with the government's \$4.9 billion water plan. It is a comprehensive plan that continues to encourage water conservation, that will provide for a massive desalination plant and that will upgrade and substantially improve the efficiencies of our irrigation systems in northern Victoria.

The water plan that the government has also involves continuing to build the connectivity between our systems, so that our water resources can be used when and where they need to be used and within our capacity. As members are well aware, an extensive network of pipelines is being built throughout the state.

Mr Hall's proposal will effectively cap Melbourne's water supplies and create unnecessary expense for many industries that are highly competitive. The proposal would require water retailers and businesses to manage growth solely through recycling treated stormwater and rainwater, and we believe water retailers and businesses need more flexibility to manage their growth than this would enable. This proposal would leave Melbourne totally reliant on recycling stormwater, harvesting and rainwater. We know that through drought and climate change, rainfall-dependent water sources are increasingly unreliable. I will refer, if I may, to the Auditor-General's report on water infrastructure planning, which states at paragraph 3.3.2:

After issuing the strategy in October 2006, the collapse in water inflows led the department to develop the Victorian water plan.

It was reasonable for the strategy to assume that, as a worst case, future inflows would conform to the drought-affected average of the last 10 years.

Forecasting future inflows and choosing a worst-case scenario remains a significant challenge. The possibility that global warming had led to a 'step change' to storage inflows had gained widespread acceptance. However, it was difficult to distinguish this change from the effects of the 10-year drought.

Historical patterns gave rise to the expectation that the drought would soon break. If this happened the impact of climate change would place inflows between the drought-affected average of the past 10 years and the higher average inflows of the past 100 years.

The final strategy planned on the basis that the average inflows of the last 10 years would continue into the future.

The department considered this a reasonable worst-case scenario because past drought cycles rarely went beyond a decade and this assumption allowed for a reduction in inflows to account for climate change.

By February 2007 the department had adopted the lower average inflows between 2004 and 2006 as the basis for the Victorian water plan.

By December 2006 the department understood that the 2006 inflows to water storages had fallen well below the drought-affected averages of the last decade. The spring rains usually feed through into water storages by the end of November. The department needed to wait until the end of the year to understand the full extent of the 2006 shortfall.

The available information in early 2007 pointed to another year of very low inflows to water storages. A repeat of the 2006 pattern would lead to extreme hardship for many Victorians and the need for additional water restrictions for most of Victoria's urban populations.

...

While this is not the most likely forecast, the impacts of climate change make the future more uncertain. Government considered that the scale and impact of the consequences of this worst-case scenario justified the actions included in the Victorian water plan.

These are not normal rainfall times we are living in, so the government is certainly planning around very bad scenarios — even worst-case scenarios. We need to continue monitoring our rainfalls and water flows, which continue to be well below what we would hope and expect they would be even in a time of severe drought.

This proposal that we are debating today certainly imposes on Melbourne businesses a really unacceptable cost burden and does not really recognise that businesses in Melbourne are making huge strides, with 22 per cent of wastewater now being recycled, which is a massive increase from 2 per cent in the 1990s, and instead it takes much more punitive measures and punishes businesses for their efforts. It is estimated that industries will be forced to spend between \$10 and \$25 per 1000 litres for recycling and other projects. Even desalinated water is not this expensive. This compares

with an average of \$1 per 1000 litres that industry is now paying for water from retailers. Retailers and businesses that did not reach these targets would be penalised \$25 per litre.

We think the proposal is divisive. The responsibility is on all Victorians to be part of the solution to dealing with these very unusual, very dry times we live in. We believe the 30 per cent target by 2020 is particularly harsh, and these proposals will make Melbourne businesses very uncompetitive with businesses in some parts of country Victoria, interstate and overseas.

The other concern the government has is that, if this proposal did not work as planned, augmentations would still need to occur. We are proceeding with our very significant water plan, and we believe it is delivering excellent results.

Melbourne's per capita consumption dropped to a 60-year low with Melburnians using 69 billion litres less in 2007 than in 2006. All Victorians need to be congratulated for their efforts in this respect. Water restrictions have certainly played an important part in that reduction, and the government is assisting Victorians to embrace water-saving devices like rainwater tanks, more efficient shower heads and greywater reuse. Business has reduced its consumption by 31 per cent since the 1990s, and the way in which we have been supporting business has been more through the use of carrots than the big stick.

I would like to provide a couple of examples from my electorate of how the state government has provided assistance with water conservation and good water use. In November last year a couple of grants were announced by the state government. One was for Central Highlands Water in Ballarat to help McCain Foods reduce its potable water use by 15 per cent. This was a \$635 000 grant to assist one of Central Highlands Water's largest customers. The McCain water minimisation project will certainly go some way towards ensuring that McCain can be viable in Ballarat as a very substantial user of water and the people who work at McCain can have some security about their employment while the company can continue to do the good work it is doing and reduce its potable water use at the same time.

The other announcement a couple of weeks later related to Boomaroo Nurseries in Lara. Boomaroo produces 260 million seedlings a year and is undergoing an \$8 million expansion to increase its production by 60 per cent. Through a Regional Infrastructure Development Fund (RIDF) grant, Boomaroo Nurseries has been provided with \$325 000 which will enable it

to harvest up to 100 megalitres of non-potable water per annum. The government's very comprehensive water plan is doing a lot to support industry, and our water plan can be delivered in a way that does not compromise the security of jobs but rather encourages businesses that are doing the right thing. So it is not one or the other; we believe that we can have economic growth and water security. We believe our water plan is a mix that has the right balance.

Business has reduced consumption. We expect this will reduce further through the government's mandatory requirement that businesses using more than 10 million litres a year must prepare plans to reduce their consumption and use what they have wisely. We are supporting them doing that in a very practical way. The government's water plan is already achieving the objectives professed in The Nationals' proposal and doing it without rendering business uncompetitive along the way and creating a city-country divide that our state does not need.

In the time I have left I will respond to some comments that Mr Hall made earlier in the debate. I would like to comment that the notion of recycling side-by-side with desalination ignores the very practical issues of storage and distribution. Whereas desalinated water can be stored in existing drinking-water reservoirs like Cardinia and distributed into the existing system, non-potable recycled water cannot go to the drinking supply, so the storage costs and distribution costs are very significant, as would be retrofitting Melbourne with third-pipe technology.

I think third-pipe systems certainly have their merits. If we were building Melbourne again from the beginning, perhaps that is something we would do more of, but it is not so practical in existing buildings on the scale of a city as large as Melbourne. Mr Hall also said that currently 40 billion litres of water are being recycled, but we believe the figure is over 65 billion.

It is always a very passionate debate on how best to manage our water supplies, but the government is committed to our water plan. It has not been dreamt up on a whim, as opposition members might suggest. Rather it is a plan that encourages water users to do the right thing, encourages households to reduce their consumption by installing pipes and more efficient shower heads. It is a plan that will connect up water systems so that we will be able to move water around as required. Our \$4.9 billion water plan will provide for a once-in-a-generation upgrade to the very inefficient irrigation systems that exist in the northern part of this state. It will provide an enormous new supply of water. While members opposite do not take the notion of new

water seriously, because of the severity of the drought, the impact of climate change and the very low inflows we have experienced in recent years, we firmly believe Victoria's water supply needs to be augmented and we need to be creative and come up with new sources of water. The investment in the irrigation system is part of that. The desalination plant at Wonthaggi is also a critical part of that.

In conclusion, I urge members to oppose the motion. We always welcome the debate. This is a critically important issue that we need to talk about, and we always need to test our ideas and our plans. There is a lot to cover. We will be voting against Mr Hall's motion because we are concerned about the way this would impact on businesses. It is inconsistent with our plans for economic growth in this state. We believe our plan encourages business to do the right thing and encourages Melburnians to reduce their water use.

We have a substantial water plan. We are well down the track in implementing it. I am very pleased to report to members that as part of that plan the goldfields super-pipe is already providing water to Bendigo and the connection to Ballarat is very nearly complete. It will be a sensational day in the not-too-distant future when the efforts of the state government, with those of the federal Rudd government, will be able to guarantee water supply for Ballarat as well. With those words, I will conclude.

Business interrupted pursuant to sessional orders.

QUESTIONS WITHOUT NOTICE

Budget: stamp duty

Mr D. DAVIS (Southern Metropolitan) — My question is for the Treasurer. I refer to the budget announced yesterday. Stamp duty under the Labor government has increased from \$1 billion in the last year of the Kennett government to the more than \$3.7 billion estimated for collection next financial year. Can the Treasurer explain how this enormous — 270 per cent — increase in stamp duty does anything other than massively exacerbate Victoria's housing affordability crisis?

Mr LENDERS (Treasurer) — I love answering questions at question time. I hope every question — 10 out of 10 — is on this budget, because this is a great Labor budget. It is a budget that is good for families, a budget that is good for business, a budget that builds on eight strong years of investment in this state by this government, a budget that addresses the challenges

going forward and a budget that is our action plan for Victoria going into the future. I am delighted to take questions on the budget.

David Davis raises the issue of stamp duty and what we do with revenue in this state. There are two things I would say to Mr Davis. Firstly, this government has returned money from stamp duty to the community and particularly targeted stamp duty relief to first home buyers. Everybody in this house knows it is the aspiration of young Victorian working families to own their own home. Mr Davis, known to some as Scrooge, does not like young Victorian working families having stamp duty relief. The second thing I would say is it is targeted to young Victorian homebuyers. It is also targeted to people in regional Victoria. This government says regional Victoria is a critical part of Victoria. It is not the toenails, as Jeff Kennett called it. Regional Victoria is the beating heart of the state.

What I say to Mr Davis is that if you are purchasing a median-priced home in Bendigo, which his deputy leader claims to represent, you get stamp duty relief because, one, the stamp duty rates have been cut across the board, so a first home buyer can access both the first home buyers grant and the principal place of residence benefits; two, what you find is that there is a general reduction in stamp duty rates; and three, if you are a new home buyer buying a newly constructed home in regional Victoria for under \$500 000, you get a further \$3000 from the state government. We are providing relief for homebuyers.

Mr Davis asked what this does to housing affordability. What I will say is this government is doing several things. A house is a lot more affordable for a young person in Bendigo who is getting \$15 000 from the state government and paying less stamp duty, and uniquely in Victoria, being able to buy off the plan provides you with a far better opportunity than you would get in any other part of the country. Mr Davis asked what this does to house prices. When this Labor government first brought in the extra relief for home buyers — the unique in this country \$3000 for first home buyers and \$5000 if it was newly constructed — our critics, including the opposition, said it would force up the price of housing, that it would be passed on. What I say to Mr Davis is that the median house price in Melbourne is lower than in Sydney, lower than in Brisbane, lower than in Perth —

Mr Guy — You are not comparing apples.

Mr LENDERS — Mr Guy says I am not comparing apples. I am comparing cities with cities. Not only have we provided targeted relief, but my friend and

colleague Mr Madden, the Minister for Planning, through his planning reforms, has brought more land onto the market, and this means that the median price in Victoria is lower than in any of those comparative cities.

What this government has done is provide targeted relief to Victorian families. It is a great budget. It is what it is all about — returning to the community and giving people an opportunity. It is a great budget for families. It will go a long way towards making Victoria a better place to live, work and raise those families.

Supplementary question

Mr D. DAVIS (Southern Metropolitan) — I thank the Treasurer for his answer, noting that he is now the highest taxing Treasurer in Victoria's history and the greatest stamp duty grim reaper. I therefore ask the Treasurer: will he confirm that a Victorian buying a median-priced house at around \$430 000 will still pay more stamp duty than any equivalent homebuyer in another state?

Mr LENDERS (Treasurer) — David Davis — —

Mr Guy — Yes or no.

Mr LENDERS — Mr Guy likes simple answers — simple answers for a simple question from a simple questioner. Mr Davis has asked me a question, and I credit him with far greater intelligence than his erstwhile replacement does, because I think it is a legitimate question that requires a measured response, so I will not fall for Mr Guy's demand for a yes-no answer.

I invite Mr Davis to go to Brisbane, to go to Sydney, to go to Perth, to go to equivalent cities across Australia and find the net burden. We are talking about the burden on a homebuyer, and the burden involves a range of things. There is stamp duty, which governments use to provide the infrastructure Mr Davis wants. There is also relief above and beyond that, which means that Victorians are better off. I will say to David Davis unequivocally that a homebuyer in Albury will pay more than a homebuyer in Wodonga when the whole package is taken into account. A homebuyer in Echuca will pay less than a homebuyer in Moama when we compare it.

Honourable members interjecting.

Mr LENDERS — Mr Drum and Ms Lovell say 'Rubbish'. If you are a homebuyer in Echuca in their electorate buying off the plan, you will not pay any

stamp duty on the house itself. In New South Wales you will.

Mr Drum interjected.

Mr LENDERS — Yes, you do, Mr Drum. Through you, President, in New South Wales you pay stamp duty on the entire value of the home — land and buildings. When buying off the plan in Victoria you do not. I suggest, through you, President, that Mr Drum go and talk to some real estate agents in his electorate. He should go to Echuca, go to Wodonga, go anywhere along the Murray, go to Mildura and ask them if you are paying more in New South Wales or Victoria if you are buying off the plan. He should also ask them what the first home buyer relief is. He will find it is quite different.

I stand by my case. This government has reduced the burden and targeted first home buyers. It is a good budget. It is good for families and good for business, and it is an action plan to take Victoria forward into the future.

Budget: taxation reform

Ms PULFORD (Western Victoria) — My question is also to the Treasurer — and I congratulate him on his first budget. Could the Treasurer inform the house how the Brumby Labor government is taking action to enhance the competitiveness of the Victorian economy in both regional and metropolitan Victoria?

Mr LENDERS (Treasurer) — I thank Ms Pulford for her question about what action the Brumby Labor government is taking in these areas. I touched on stamp duty before in my response to Mr Davis, so I will not repeat that to the house. This government is doing a range of things. We have a package that reduces the taxation and other burdens on Victoria by \$1.4 billion. It is targeted towards first home buyers and towards business. It is targeted towards business unashamedly, because businesses investing in Victoria deliver jobs for young Victorians. This government unashamedly wants investors to come in and create jobs in this state for our next generation.

The measures are several. We have reduced land tax by 10 per cent to a level of 2.25 per cent at the top rate. As the house may recall, in the dying years of the Kennett government the top rate was increased from 3 per cent to 5 per cent. This government has consecutively lowered it to 2.25 per cent, while doing two things. One is reducing the burden on business, seeing record investment in this state and record investment on jobs; the second — in response to David Davis's comment

earlier — is actually reducing the cost of housing. If you have land being banked in the outer suburbs of Melbourne at a 5 per cent land tax for four or five years, you add significantly to the cost of a block of land. Mr Madden's reforms and these tax cuts reduce the burden on first home buyers.

We have also cut payroll tax to the lowest level in more than 30 years — 4.95 per cent. Unlike the Kennett government, with its rate of 5.75 per cent, we have brought the rate down to 4.95 per cent and raised the threshold at which payroll tax commences being paid. In a time of international turmoil, in a time of our currency being at a record strength both against the US dollar and going by the trade weighted index, this measure will assist manufacturers in regional Victoria and throughout the whole state. It will assist the auto industry. It will assist every manufacturer to reduce their business costs.

Thirdly, this government has also reduced WorkCover premiums by a further 5 per cent.

Ms Pulford — How many times is that?

Mr LENDERS — It is the fifth time, Ms Pulford, that we have reduced WorkCover premiums — we have done it five years in a row. So for a manufacturer in Ms Pulford's electorate doing it tough with the strong Australian dollar and the strong trade weighted index, we have reduced the burden of land tax, which all manufacturers pay; payroll tax, which manufacturers pay; and WorkCover premiums, which all manufacturers pay.

In addition we have also outlined further statements to be made after this budget by my colleague and friend Mr Theophanous, the Minister for Industry and Trade, which will be on industry and manufacturing; by my colleague and friend Mr Jennings, the Minister for Innovation, on innovation; and also by my colleague in the Assembly, Ms Allan, the Minister for Skills and Workforce Participation, on skills. There are a range of things coming through, from these macro tax issues to small issues, like the new green plumbing training centre in Brunswick and various other programs around.

This budget is good for business, and in being good for business it will create jobs, which is good for Victorian families. These tax measures will reduce the burden on business. I am sure Ms Pulford will be interested to know that for the first time since records have been kept our business taxes are lower than those in Queensland. That will be a great driver for more investment in

Victoria, creating more jobs for young Victorians. This is great for working families.

Budget: land tax

Mr RICH-PHILLIPS (South Eastern Metropolitan) — My question is to the Treasurer. Will the Treasurer inform the house how many existing land tax payers the State Revenue Office estimates will receive a lower land tax assessment for the 2009 land tax year compared with 2008?

Mr LENDERS (Treasurer) — I am just trying to get the definition right for Mr Rich-Phillips, and I thank him for his question.

Mr Dalla-Riva — The arms are crossed!

Mr LENDERS — I will have my arms open or crossed — I am happy to do whatever excites Mr Dalla-Riva, because I love talking about the budget. Victorian land tax payers have now all received their invoices for this year. If not, there is a trickle left — but I think they have all received them for this year.

Mrs Peulich — Thanks very much.

Mr LENDERS — Mrs Peulich says, 'Thank you very much'. I remind her that 80 per cent of those people are receiving a lower return or the same return as last year. Mrs Peulich needs to acknowledge that.

I assume Mr Rich-Phillips is talking about next year's land tax payers. On that assumption I will say to him: every single land tax payer, without exception, will receive a lower land tax invoice next year than they would have had this budget measure not been brought in.

Why is that? Because the top rate has come down by 10 per cent, and every threshold has gone up by 10 per cent. Every single land tax payer, without exception, will have a smaller bill next year than they would have otherwise if the measure my friend Mr Holding, the Minister for Finance, WorkCover and the Transport Accident Commission, introduced into the Assembly yesterday passes through this Parliament.

Supplementary question

Mr RICH-PHILLIPS (South Eastern Metropolitan) — The question was not seeking a comparison with what they would have received; it was about what they did receive this year. Is it not a fact that due to the rise in property prices since the last municipal valuation, virtually all land tax payers will receive higher bills in 2009 than they did this year?

Mr LENDERS (Treasurer) — I can assure Mr Rich-Phillips that if we had not cut the top land rate level from 5 per cent to 2.25 per cent and increased the threshold from \$85 000 to \$250 000, the land tax take in this state would have been billions of dollars more than it is. We have cut the land tax rate. We have reduced the burden on taxpayers. Every taxpayer in Victoria will pay less land tax than they would have last year — that is, if the taxation measures bill goes through Parliament. And they will pay, let me assure members, a lot less than the shameful rate the Kennett government ratcheted up — from 3 per cent to 5 per cent — in its dying days.

Budget: government performance

Ms BROAD (Northern Victoria) — I also take this opportunity to congratulate the Treasurer and the Leader of the Government on his first budget.

Mr Guy — That is an opinion, not a question.

Ms BROAD — It is not an opinion! My question also is to the Leader of the Government and the Treasurer. I ask the Treasurer to outline to the house how the 2008–09 budget demonstrates how the Brumby Labor government continues to take action in delivering a strong economy for both regional and metropolitan Victoria.

Mr LENDERS (Treasurer) — I thank Ms Broad for her question and her interest in a growing economy. What we have seen in the budget announced yesterday is new economic forecasts for Victoria that take us through to what my prediction is as Treasurer, obviously with the support of my department, as to where this economy will go over the next four years.

It is of great interest to everybody in the house that we are going through some quite extraordinary challenges at the moment. What we have seen is a global slowdown. The International Monetary Fund will show that the growth in established economies — the United States of America, the European Union and others — are all slowing at a rapid rate. The IMF also shows us that the emerging economies — India, China and others — are all slowing, although not slowing at anywhere near the same rate because they still have healthy rates. The IMF also shows us that Australia in the middle of this, while slowing, is slowing relatively less than the others. What we see from the figures in front of us is that Victoria continues to perform more strongly than all the non-resource economies. While we are factoring down a slowing of the economy from 3.25 per cent to 3 per cent we are factoring in positive, solid, ongoing growth in the years ahead. Flowing from

that there will be some slowdown in employment growth, but it will continue to grow. There will still be strong population growth and there will also be arising out of this, as I said, continuing employment growth.

It is interesting to note — and Ms Broad asked the question of the whole state — that under this Labor government there is no differential any more between unemployment rates in regional and metropolitan Victoria. When we inherited government there was a 3 per cent gap between city and country unemployment where the previous government saw Melbourne as the beating heart and regional Victoria as the toenails. It did not care. What we saw was that unemployment was 3 per cent higher in regional Victoria than in metropolitan Melbourne. Under this government we have seen unemployment drop in Melbourne and we have seen it drop significantly in regional Victoria because we have invested.

Responding to the premise of Ms Broad's question of where the economy is going, the economy is slowing, but because we are building on such a diverse base we have seen exports improve strongly and we have seen diversification of the economy, whether it be in financial services or other services. We have had strong economic growth. We are forecasting that Victoria will continue to grow. The challenge now — and this budget is the action plan for it — is to deliver the infrastructure to keep it growing. There are some who believe we should not spend on infrastructure. They will not set a target and they will not spend on it.

All I can say to those who talk about infrastructure expenditure and investment in it is that under this Labor government we have seen expenditure on infrastructure, and I will paint a picture.

In the six years to 1999 when the coalition was in government there was an average infrastructure investment of \$1 billion per year. In the next six years, at the start of this government, that infrastructure expenditure grew by 120 per cent to \$2.2 billion average for that period of time, and in the last two years of this Labor government and the four years of the forward estimates, those six years, it will be over \$4 billion a year — that is rail, that is road, that is schools, that is hospitals, that is water and that is the port. They are the hard economic infrastructure and important social infrastructure that builds on skills and frees up our economy.

Ms Broad asked the question of where it is going. Our forecasts are that, despite the international and national pressures and despite the drought, this economy will continue to grow solidly, and that is what will deliver

jobs and that is the future for Victoria. I am delighted to take the question. The forecasts are in the budget papers. This is a great state, and it is performing solidly. There is more work to be done, and this budget is the action plan for that.

Budget: hospital beds

Mrs PEULICH (South Eastern Metropolitan) — My question is also directed to the Treasurer, but excuse me for not sending a cheerio or congratulations. I refer to the lack of services delivered in the budget announced yesterday, and I ask: can the Treasurer point to where funding for new hospital beds is situated in the budget, or will he concede that there is no new funding for hospital beds?

Mr LENDERS (Treasurer) — I have not brought the budget papers with me today, but I would be delighted to help out Mrs Peulich on this. If she looks through the budget papers she will find there is more than \$703 million, I think the figure is, of extra funding for health provision. If you were a patient in the state of Victoria, you would have a better ambulance service. We have actually improved the service, put in more people and put in more equipment and more matériel.

If you want to go into the health system — and let us go to Mrs Peulich’s electorate — if she strolls down to Dandenong hospital, just goes for a stroll to a hospital in her electorate, a great public hospital in her electorate, she will find there are more resources in the hospital for treating more patients. If she strolls across to the Kingston Centre she will find, ‘Hey presto, there is actually massive capital investment in that particular centre’. If she strolls out to the Casey Hospital she will find there are more maternity beds at the Casey Hospital. If she strolls to the Monash Medical Centre, which is in her electorate, she will find there are more resources again. I apologise for not being able to name all the hospitals in her electorate, but I am just naming Casey, just naming Frankston, where there are more resources, and Monash and Kingston. I name but a few. You will actually find in Mrs Peulich’s electorate that there is more funding for hospitals.

We are treating more than 300 000 patients a year since the end of the Kennett government, we are investing more than \$700 million in extra health services, record demand funding, improved ambulance services and all those hospitals in her electorate have got extra capital works. What happens when you treat thousands more outpatients, thousands more emergency patients and thousands more inpatients? You suddenly find that the health service goes — —

Mr D. Davis — You need more beds.

Mr LENDERS — David Davis is wedded to the particular figure of beds. I am talking here about the number of patients who go through hospitals. We have record funding and record numbers of patients treated. For the record we are not closing hospitals, we are building them. We are improving more hospitals, putting more than 8000 nurses in the system and putting more than 1600 doctors in the system. I would say to Mrs Peulich that in every hospital I have been into those nurses and doctors look pretty busy treating record numbers of patients. I welcome her question, and I look forward to her supplementary question, in which she should acknowledge the extraordinary work of this government in rebuilding the health system that the government she was part of gutted.

Supplementary question

Mrs PEULICH (South Eastern Metropolitan) — Given the Treasurer’s failure to nominate where in the budget he has provided for new hospital beds, I ask: where in the budget can we find information about funding for new trains, new trams and the new tracks that Victorian communities desperately need?

The PRESIDENT — Order! I am strongly of the view that Mrs Peulich’s question does not relate to the answer given. On that basis, I am ruling her supplementary question out of order.

Budget: families

Ms MIKAKOS (Northern Metropolitan) — My question is to the Treasurer. I take this opportunity to congratulate the Treasurer on his first budget. Can the Treasurer inform the house how the Brumby Labor government is taking action to deliver to Victorian mothers and babies?

Mr LENDERS (Treasurer) — I thank Ms Mikakos for her question and her interest in what the budget will do for mothers and babies. I am delighted to say that this is a baby boom budget. What we are seeing is a baby boom budget — —

Ms Darveniza interjected.

Mr LENDERS — I will take up Ms Darveniza’s interjection: 73 737 babies were registered in Victoria last year. That is an amazing number; it is the highest number in a generation, and it is the highest number of births registered in Victoria since the early 1970s. We are dealing with a delightful and pleasant problem. Those of us who are parents remember the absolute joy of our babies. We might not remember the 2.00 a.m.

colic run, but we remember the other bits about babies that are an absolute joy. This budget is delivering the capacity for 2800 more births a year in five hospitals in this state.

Ms Mikakos knows that extra resources have been provided to Northern Hospital and Werribee Mercy Hospital. Extra resources have also been provided to the Casey Hospital, which is in Mrs Peulich's electorate, to the Monash Medical Centre and to Frankston Hospital. We are seeing a capacity for 2800 new babies so that women do not have to travel great distances to give birth to their babies. That takes the pressure off them.

These are but the announcements in this budget. As Ms Mikakos knows, there are also 10 regional health services which have had a boost to their maternity areas under this government. We are now seeing a great delivery of services. This is not just a baby boom budget, which involves 73 737 babies, it is also providing ongoing children's and maternal services. We have the great education restructure from birth to year 8. We are now seeing a seamless transition, whether it be birth, infant or maternal health. The budget is delivering more than \$100 million to assist in this process.

How to deal with the baby boom is a delightful challenge for Victoria to face. It is an extraordinary baby boom. I will be the first to admit that several years ago I did not see it coming. We did not see that people in Victoria were so pleased — —

Mr Jennings interjected.

Mr LENDERS — That is right. We know that Victoria is a great place to live, work and raise a family. Victorians are doing it — they are raising families. We are delighted to respond to that challenge in this budget.

Mr Guy — You didn't see it coming?

Mr LENDERS — I will take up Mr Guy's interjection. We have done our bit to make Victoria a better place to live, work and raise a family. If Victorian families decide Victoria is such a great place to live and that they actually want to have larger families, then all I say to Mr Guy is that I am delighted that I have been surprised.

In this budget we are doing a catch-up. We are dealing with future challenges. We are delighted that Victorian families think Victoria is a great place to raise a family — they are having kids. We welcome kids. We look forward to their participating in this great state.

This budget has a great package of over \$100 million to assist in that transition.

Budget: stamp duty

Mr D. DAVIS (Southern Metropolitan) — My question is again for the Treasurer. In 1999 stamp duty was only 11 per cent of state taxes. Can the Treasurer inform the house of how dependent state taxes now are on the stamp duty take?

Mr LENDERS (Treasurer) — Mr Davis clearly either has amnesia or is trying to paint a nasty picture. Let me just dissect his question. His first point was that in 1999 stamp duty was 11 per cent of state taxes. I know what his supplementary question is going to be; he is going to say, 'Gosh, it is more than that'. It is. But what David Davis has conveniently forgotten or has chosen to forget is the three little letters that came in — G-S-T. The GST meant that eight state taxes were abolished. Of course stamp duty is going to be a larger percentage of the state taxes — —

Honourable members interjecting.

Mr LENDERS — The opposition asks why. I must tell my colleague Ms Pike, the Minister for Education in the other place, that our education system is failing, because basic mathematics have not permeated to the other side of the chamber! I am disappointed; I thought our teaching system was very good. Of course it has gone down if you cut out the base completely. If you say that the parliamentary Liberal Party had 24 members of this house up until 2002 and suddenly it has 15 members after 2002 — one or two go — the percentages are going to be very different.

Stamp duty has been cut. I am presuming that the state taxation measures bill will pass both houses, but if the opposition has problems with that, it should let me know, so I will not talk about it. If that bill is passed, stamp duty will come down.

As David Davis tries to juggle with figures and pretend the GST never happened, and this is for his benefit, what this issue means is that every, every, every — and I will repeat that word for the fourth time — every threshold of land tax in this state will rise by approximately 10 per cent, which means that anybody in that threshold band will pay less stamp duty than they would have had we not passed the bill.

Further, this means that first home buyers are being targeted for further relief. I welcome David Davis's supplementary question. I hope in his supplementary question he acknowledges that the GST replaced eight state taxes. If he wants to bring back taxation on share

transactions, if he wants to bring back financial institutions duty, if he wants to bring back the bank account debits tax, if he wants to bring back mortgage duty, if he wants to bring back the tax on derivatives and if he wants to bring back tax on securities and unlisted securities — if he wants to bring the whole lot back — let him say so. What I say is that it is a good budget for families, stamp duty has been cut and first home buyers have been targeted.

Supplementary question

Mr D. DAVIS (Southern Metropolitan) — I thank the Treasurer for his fairly uninformative answer, but I can tell him that the stamp duty dependency of the budget has now grown to 30 per cent of state taxes, and I believe there is a legitimate question to be asked here about the state's own revenues. Can the Treasurer tell the house what will happen to the total state taxes if the property market actually tanks in the near future and property prices fall by a significant amount, as they have done in many other developed countries over the last two years?

The PRESIDENT — Order! I advise David Davis that his question is, at best, borderline hypothetical. I am going to allow it, but I ask him to take that into account next time.

Mr LENDERS (Treasurer) — If Mr Davis reads budget paper 2 — I am sure he has — and if he reads budget paper 3, budget paper 4, the overview and budget paper 1, I think he will find his own answer.

Mr D. Davis interjected.

Mr LENDERS — I am disappointed he has not read them. They are great budget papers. I have certainly read them all, and I am disappointed he has not. I say two things to Mr Davis. One is that he should look through the budget papers. I have just referred to the chart where we estimate the growth of the economy and where we estimate all these economic forecasts. I also urge Mr Davis to just casually trawl through what the commentators are saying, and I think he will find we are pretty well on the mark. The consensus is that we are pretty well down the middle. I would also invite Mr Davis to actually look through the budget papers and the charts on taxation, and he will find there are very, very modest assumptions in there.

I am in a dilemma. Mr Davis reminds me of one of those laughing clowns they used to have at the fair at Warragul; they would go one way, then slowly swing the other way with their mouths open, and slowly swing their way back, saying different things all the time. Mr Davis, just a few weeks ago, was saying in this

house, 'The Treasury forecasts are wrong. They are hiding obscene surpluses'. Today he has come in here and said, 'They're wrong. They're not correctly predicting dangerous deficits'. He cannot have it both ways.

We are traditionally accused in this house of being too conservative on these estimates. What Mr Davis is really saying is that there is a much bigger surplus than we are forecasting. He cannot have it both ways. What I will say to him is that these are prudent calculations of revenue sources for the state and they are calculations that I am confident of or I would not have signed them off as budget papers. I am confident that, if Mr Davis pauses to trawl through forecasts across the country, he will find we are probably on the conservative end of the middle of the band. They are forecasts, and because we are so open, transparent and accountable we will report five times a year on our budget figures. I welcome the ongoing dialogue with Mr Davis, but I say to him that Victoria is a great place, that we have a solid economy that has slowed, and that if he looks through the forward estimates he will find that — —

Mrs Peulich — You are reminiscent of Tony Sheehan!

Mr LENDERS — I have got excited now. I have been provoked. We are talking about higher taxes: payroll tax, cut; land tax, cut; stamp duty on property, cut; motor vehicle duty, cut; duty on non-residential leases, abolished; financial institutions duty, abolished; duty on unquoted marketable securities, abolished; duty on mortgages, abolished; bank account debits tax, abolished; and business rental duties — surprise, surprise! — abolished. I say to Mr Davis that we have managed well through nine budgets, including this budget. We have managed the economy and the budget well. The accusation about us is normally that we are too conservative and that we hide surpluses. I am interested in that dilemma. It reminds me of the laughing clowns at the Warragul show, but what I can say is that the laughing clowns at the Warragul show tended to be more accurate than Mr Davis.

Budget: information and communications technology

Mr TEE (Eastern Metropolitan) — My question is for the Minister for Information and Communication Technology. My question is: how is the Brumby Labor government taking action to deliver key information and communications technology services that will help to make Victoria the best place to live, work and raise a family?

Hon. T. C. THEOPHANOUS (Minister for Information and Communication Technology) — I thank the member for his question, and I know he is an enthusiastic supporter of this industry. I also take the opportunity to congratulate the Treasurer on what is a fantastic first Lenders-Brumby budget. I know that, as an opening innings, it is a very well-constructed budget. I congratulate him on it, and it certainly will not be his last budget.

Within the budget there is an amount for investing in information and communications technology (ICT) services across government. The amount of money that is involved in this investment in ICT services is \$158.8 million. This is a significant level of investment that goes across government and across the public health system, education, transport and a number of other areas as well. I want to specifically refer to a number of key areas. There is \$104 million for HealthSMART, which is a program to secure a statewide ICT network to be used by all public health services across Victoria. This will allow Victoria to benefit from emerging e-health initiatives, and it will assist health services to increase the quality of service delivery and improve patient outcomes.

Having recently returned from a health mission held in India, I can say that information technology is one of the ways being used across the world in order to deliver health services into remote areas. This \$104 million investment is an important initiative. There is also \$16 million to improve response times and service performance of VicRoads customer service centres; there is \$7.5 million for stage 1 of the upgrade to the VicRoads registration and licensing system; there is \$12.6 million to investigate standardising core information and technology services across government; there is \$7 million for additional computers in schools; there is \$4.4 million that has been committed for Service Victoria's continuing work on streamlining government websites; and \$1.7 million has been provided for the TAFE student management system replacement project to develop a common platform for student management and reporting across all Victorian TAFEs.

President, you might be interested to know as well — I am sure you would be if you were not talking to Mr Viney — that one of the important elements of this package is the \$5.6 million which is to be provided for a state-of-the-art system for webcasting the proceedings of the Victorian Parliament. In the future, for those people who are interested, there will be webcasts of the Victorian Parliament. I am sure we will be able to see in those webcasts on the Net whatever you, President, might be wearing on those particular occasions —

although some person unkindly said that we might need another \$5.6 million to get people to actually tune in and watch. Nevertheless this is an important initiative in bringing democracy to the people, and I hope it is a successful initiative. As you can see, a lot of money is going to be spent on using IT as an enabler for the effective delivery of government services, and in this case I am pleased to be able to report to the house that \$158.8 million has been allocated in this budget for that purpose.

Agriculture: genetically modified crops

Mr KAVANAGH (Western Victoria) — My question without notice is for the Minister for Industry and Trade, the Honourable Theo Theophanous, representing the Minister for Agriculture, and it relates to regulations concerning GM (genetically modified) crops in Victoria. Why is the government imposing the burden of preventing the spread of genetically modified crops onto non-GM farmers' land, putting that burden on the non-GM farmer; and why has the government not released the details of regulations on the separation of GM and non-GM crops both on farms and in transportation?

Hon. T. C. THEOPHANOUS (Minister for Industry and Trade) — I thank the member for his question. This is not my portfolio area, although I represent the Minister for Agriculture in this house. I acknowledge also the concerns of the member in relation to GM (genetically modified) crops, which he has expressed on a number of occasions in the house. I acknowledge that concern and his ongoing interest in this.

What I can say to the member is that the government very carefully considered this issue in making its determinations in relation to allowing GM crops in Victoria. As he is aware, it is under fairly strict conditions that that is to occur. We acknowledge there is considerable debate in the community about it, but on balance the government made a decision about the benefits of those crops in relation to a lower use of pesticides and a range of benefits that have been canvassed in the house in the past.

With respect to the specific question about the detail of the regulations about which the member has asked me, I will seek to get a response from the agriculture minister in relation to that specific detail and inform him of that.

Supplementary question

Mr KAVANAGH (Western Victoria) — Would placing the burden on the non-GM farmer not contradict the landmark principles established in *Rylands v. Fletcher* and also contradict normal rules of fairness?

The PRESIDENT — Order! Mr Kavanagh's supplementary question sounds very much like it is asking for an opinion, but I am prepared to give him the opportunity to rephrase and ask a question rather than asking for an opinion.

Mr KAVANAGH — How does placing the burden of preventing the spread of GM crops on non-GM farmers not contradict the principle established in *Rylands v. Fletcher* and common understandings of rules of fairness?

Hon. T. C. THEOPHANOUS (Minister for Industry and Trade) — Again I will pass that question on to the agriculture minister, and the only other element I would add is that there is an assumption in the member's question that non-GM farmers are being required to do the things that he says. That is a matter I am not across the detail of. Obviously it is a matter which the agriculture minister would be, and I am sure he will respond to the claims of the member as well as to his question.

Budget: natural resource management

Ms DARVENIZA (Northern Victoria) — My question is for the Minister for Environment and Climate Change, Gavin Jennings. Can the minister inform the house how the Brumby Labor government is investing in the management of Victoria's natural resources?

Mr JENNINGS (Minister for Environment and Climate Change) — Thank you, President, for the opportunity to respond to Ms Darveniza's question and her concern about the wellbeing of natural resource management programs throughout regional Victoria, and for being provided with an opportunity to join my colleagues in congratulating the Treasurer on his carefully crafted and considered approach to budget preparation and the delivery of the 2008–09 budget.

Within that budget is contained a commitment to take natural resource management forward by allocating \$110 million in the life of the forward estimates to provide support to our catchment management authorities, to those who live in regional Victoria and to provide for a very careful Caring for Our Country program that has been very successful in shoring up the

productive capacity of Victorian land to address some of the stresses and strains that climate change and the rigours of drought have brought to bear on our natural environment. These important funds will provide them with very tangible support in taking that program forward.

This work involves revegetation and regeneration work, it involves water quality restoration and it involves pest and weed eradication. It involves careful planning and consideration of the values of — —

Honourable members interjecting.

Mr JENNINGS — Clearly, this is a matter that the opposition is fairly complacent about and does not share the determination of the Victorian government or indeed the determination of catchment management authorities to undertake that work or the important volunteer effort which has actually underpinned that work and which is the hallmark of these great programs in Victoria. Perhaps members of the opposition are in fact more respectful at this moment than they were a couple of minutes ago!

It is also very important work in the wellbeing of the National Heritage Trust program and the National Action Plan for Salinity and Water Quality that has been replaced by the federal government with a new conservation program called Caring for Our Country. That is a matter about which the opposition did express interest for a short period of time, and it asked me questions about the transitional arrangements between this year's funding and next year's funding.

That is actually something I have spent a lot of time discussing with federal environment minister Peter Garrett and the officers of his department in trying to make sure that we account for the appropriate transition of this year's funding into next year's funding. I am pleased to say that the effort announced by the Victorian government in this year's budget will be matched in the first issue by \$6.475 million that has been allocated so far by the commonwealth government. This comes with the full expectation that later in the year, when the new competitive round of funding is available through the commonwealth program, there will be opportunities for the state and the commonwealth to leverage additional resources jointly and take the program forward.

It is very important that we provide that support to catchment management authorities and the great team who support them. Their labour of love has been demonstrated by volunteers time and again in the name of restoring, reviving and rehabilitating Victorian land

through Landcare programs and the like. It is an important commitment of the Brumby Labor government that we will support those activities into the future. We do so through the budget.

Mr Lenders — Yes.

Mr JENNINGS — We will do so also in determination by negotiation and collaboration with the commonwealth to maximise the degree of investments that come to the state of Victoria in the name of natural resource management and caring for the country in the years to come.

QUESTIONS ON NOTICE

Answers

Mr LENDERS (Treasurer) — I have answers to the following questions on notice: 139, 514, 943, 983, 989, 998, 1001, 1007, 1038, 1039, 1095, 1325, 1539, 1554–59, 1599, 1627–36, 1644, 1760–62, 1764, 1769, 1772–74, 1795, 1800, 1802–09, 1820–23, 1827, 1966–69, 1972, 1974, 1976–78, 1980, 1986, 1988, 1993, 2043.

VICTORIAN WATER SUBSTITUTION TARGET SCHEME

Debate resumed.

Mr VOGELS (Western Victoria) — I would like to make a few comments on the motion to establish a Victorian water substitution target scheme. We all understand that a lack of potable water is one of the biggest issues facing Victoria, not only for urban dwellers but also for country Victorians. I believe it is a disgrace and unconscionable that this government is taking scarce water from the north of the Great Dividing Range and pumping it to Melbourne, when other much closer and therefore much cheaper sources are available for the cities or regional centres.

In her contribution Ms Pulford said that going down the track of Victorian water substitution targets would be a huge burden on businesses in Melbourne et cetera. But only a few weeks ago we had a briefing in the Legislative Council committee room on this very subject. We were told that the cost of desalinated water was approximately \$4 per tonne or \$4 per 1000 litres and that recycled water would come in at about \$2.50, which is nearly half that price. As we know, the water we are presently using is only \$1 per 1000 litres. So in a cost-benefit analysis recycled water would stand up very well when compared to desalination. Sources of

recycled water right on Melbourne's doorstep would be stormwater — water resulting from rain running into stormwater drains and systems from roofs, roads and footpaths; greywater — water sourced from kitchen, laundry and bathroom drains; and sewage effluent — material collected from internal household drains, including toilets.

The Auditor-General's report tabled in this house on 9 April was quite damning of how the government handled water infrastructure and the \$4.9 billion it proposes to spend over the next so many years to bring water to Melbourne. The Auditor-General pointed out that the \$4.9 billion for the desalination plant, the goldfields pipeline, the food bowl modernisation project and the Geelong to Melbourne connection will be funded 90 per cent by consumers and that only about 10 per cent of government money is going into the new infrastructure. We need to be aware that consumers in the state will be paying 90 per cent of the costs of putting together the infrastructure.

I always find it amazing to look at the cost of the water that will come from the desalination plant when we have much better options. I always compare it to what occurs in my area of the world in the Otways. Most of the rainfall in Victoria falls into the Otways, but 97 per cent of it runs into Bass Strait or the Southern Ocean. There are no dams or anything in the Otways. The billions of litres of water which run into Bass Strait instantly turn into salt water and by currents will be fed down along the coast. When they get to Wonthaggi they will be desalinated and pumped all the way to where they almost started — Geelong.

Mr Hall — It sounds like a good idea.

Mr VOGELS — Yes. To me this is absolute madness. Think of the energy costs of this work and the black balloons et cetera, that people keep talking about: if you are in Geelong and look out your back porch you can see the Otways, which is where the water is falling. To me that is ludicrous.

Other members have talked about the food bowl modernisation project. Of course the food bowl needs an infrastructure upgrade, but pumping the water through the north-south pipeline and across the Divide to Melbourne is an outrage. It is one of the things that before the election the government said it would not do. It clearly promised there would be no water going from north of the Divide to south of the Divide, which is something it reneged on as soon as the election was over.

I would like to comment on a water recycling project which was supposed to be trialled in the Western District. In my area Wannon Water has just shelved a community bid for a multimillion-dollar water recycling plant. This was despite the fact that last year the authority spent \$30 000 on a feasibility study for the project which showed that it was very feasible. It was a fantastic project. The Fonterra milk factory in Cobden was going to recycle the effluent that came out of that plant and send the water to the footy ground, the schools and the parks and gardens in and around Cobden. It would have produced about half a megalitre, or 500 000 litres, a day of water which could have been used for those purposes. The project has been shelved, because the government is not prepared to support it. Wannon Water is disappointed and the Cobden community is disappointed because it was a great project. It is one of the things we should be developing to save potable water, which as we all know is rather scarce, from going onto those grounds et cetera.

In conclusion, I support the motion moved by Peter Hall. It is a great motion. It is a pity that Mr Hall's bill had to be watered down because we have been told we are not allowed to move money bills in this house. However, it is still a great motion. It will be interesting to see during the debate where the government falls on this motion. Replacing potable water with water that has been recycled and putting that on sporting fields et cetera and leaving the potable water, which is our most scarce, for human consumption is a very worthy outcome.

Mr LEANE (Eastern Metropolitan) — I was hoping Mr Vogels might have gone a bit longer, but I will kick off. I want to speak on this motion. You would think that not a lot is going on with recycling water that this government has been involved in. As far as a number of projects that I have been involved with and seen are concerned, I have to say that that is far from the case. I would like to concentrate on some of those projects after lunch. Firstly, I will touch on some of the statements about desalination that David Davis made during his contribution.

The way they talk about stolen ideas in this area you would think that the Liberals were the inventors of desalination. But I am sure that if you looked up who patented the technology you would not see a picture of the Leader of the Opposition in the other place, Ted Baillieu, or David Davis. It has been around for a while, and it is being used interstate in this nation as we speak. Mr Davis made some statements about the Liberal Party's proposal in this area before the election. I want to touch on some of the problems with its proposal and why this government has embraced a different proposal

in this area of desalination, seeing that desalination is obviously one of the key areas in securing the ongoing water supply.

We have obviously gained ground in recycling and in conservation. Melbourne households achieved the target of 20 per cent well before the target date was reached, and that has to be acknowledged here. It is a great effort, and it is good to see that people are so waterwise with this special resource. Going back to the Liberal Party's proposed desalination plant in the western suburbs with the discharge being pumped out into the bay, I know there are concerns about dredging, but one of the worst things we could have done to the bay would have been to pump into it the brine output from a desalination plant when the capacity of a larger volume of water such as the ocean is needed to dissipate the brine. The discharge from the proposed desalination plant in the Kilcunda area will be dissipated instantly compared with discharge into a body of water like Port Phillip Bay.

The other issue is the way the pipe infrastructure is set. The bigger gauge pipes come from the south-east of our state. Initially they are of a large size for a large capacity of water but they gauge down as they come to the metropolitan area and then gauge down again as they go into the west. A desalination plant on the west side of the bay would not have been practical as far as pumping this resource across the metropolitan area and further and beyond is concerned. There were some issues in this regard in relation to that Liberal Party project.

This government has embraced the technology. And credit where credit is due, the Liberals did look at desalination and said it was one of the ideas that would secure our future water supplies. The more practical desalination plant has been embraced by this government, and the Treasurer announced funding in the budget to enable this to become a reality in the future.

Sitting suspended 1.00 p.m. until 2.04 p.m.

Mr LEANE — As I was saying just before lunch, I want to argue against the points put by David Davis and the inference in this motion that the government has not taken an urgent position on finding alternative water supplies. I would like to just touch on a few things in the area that I know — that is, Eastern Metropolitan Region — but, firstly, I shall mention just some global facts that I think are very important.

The planning relating to the Southern Cross building situated in Exhibition Street was done well before 2005,

and the implementation of the plans obviously occurred not long after that. But this is going back a number of years. The Southern Cross building has a blackwater treatment plant. There is provision for different standards of treatment plants, but this treatment plant is actually within the building. The blackwater gets treated, pumped up to roof level, and is then gravity fed to flush toilets and also to water gardens when necessary. This is the standard for all government buildings; it has been announced that they will be completely energy efficient and also water-wise. The standard was set a number of years ago, so it is not a new phenomenon and is not a knee-jerk reaction. It is very important that our government buildings have these types of treatment plants. I know a lot of private high-rise buildings in town are embracing the concept and some have already implemented it in their programs.

This government has also put money towards cooling tower technology; that was done early last year. I suppose it was a simple thing, with the people and the government looking at ways to conserve water and reduce the use of potable water as much as possible. Cooling towers use a fair degree of water that is quite heavily dosed. It is quite safe, and members know why cooling towers need to be safe. Previously, before the government's recent changes, the water that was used in cooling towers would be pumped into the drainage system. Now the simple use of one pipe between the cooling tower and the tank that holds the water enables the water to be used for flushing the toilets; one pipe can take this water after it is used for the cooling towers and it can be used to flush the toilets, and it can be gravity fed from the top of the roof. That is saving an enormous amount of water in itself. One simple initiative from this government and a bit of logical thinking have done that.

This government is encouraging industry to use water wisely and save as much water as possible. As Ms Pulford discussed, we are serious about saving water. I know the plumbing industry stakeholders, which include the master plumbers association, the air-conditioning institute, the Building Commission, the plumbers union and the workers, are establishing a green plumbing school. A lot of the things that will be taught will relate to water, recycling and safe methods of reusing water.

Through good intentions people in residential houses have been trapping water in various ways, but some of it is not too safe. Stagnant water can be a problem, because of certain bacteria. So it is good the plumbing industry is prepared to train a whole new generation of plumbers in water recycling and also use the new

school as a think-tank to come up with better ways to recycle water.

As I said, industry is definitely playing its part. I would like to go back to speak about industry and the things that have happened in the Eastern Metropolitan Region. This government has put \$90 000 towards a \$1.2 million project at Cadbury Schweppes on Canterbury Road, Ringwood, to reduce water usage by 40 per cent, which the factory believes it will do. The very attractive part of this is that industry is taking responsibility, but it is also supporting the community. Part of the plan is that some of the water that is recycled and captured can be piped across the road to the Ringwood golf club and used there, and obviously that means they are reducing their use of potable water to keep their greens alive. This is a great initiative, and the government has announced the provision of money in the last few weeks to invest in alternative forms of water capture and recycling.

Another project announced in only a matter of weeks was the granting to Blackburn Bowls Club of \$170 000 for one of its water initiatives. It will be unique. It has a surface irrigation system that is rarely used on bowling greens. The club will be using a stormwater catchment process, which in a project worth over \$250 000 will save 3 million litres of drinking water per year. Again, that was only recently announced by our government. It is another government initiative which demonstrates we are not sitting on our hands but are looking for alternative water sources now; and we are actually using recycled water now, and will be doing so in future.

Last year I was approached by people in the community to approach the ministry and the department about recycling water from the Brushy Creek treatment plant. It was producing B-class water from its treatment plant, which was used for some sporting grounds, but there are limitations as to what you can do with B-class water. People in the community, including sporting associations, are keen to see if we cannot get this treatment plant at Brushy Creek upgraded. I went out there and had a look at the plant, when we were lobbying to get it upgraded, and you could see that Brushy Creek did not need the environmental flow of this B-class water, but there were approximately 212 litres a second being pumped into the creek.

Approaching the department to secure the \$2.5 million to get this project upgraded was not as hard as getting some sort of idea as to how we could use this water, if we found the funds. Yarra Valley Water was more than amicable in terms of putting a lot of money towards upgrading this treatment plant, which was upgraded in

the last few months. It is a fantastic asset for that part of the eastern suburbs where councils are utilising that A-class water for their sporting facilities, for some of their parks and for many other projects. Tankers can now access the treatment plant. There are four hydrants in place which can, at the same time, fill their tankers with this A-class water. In discussions with the water company recently I was told that it might have to go to an afternoon shift to open up access to meet the demand. There is that much demand that the company is constantly filling up tankers with water, which is being used for a number of sporting facilities. I should add that it is not just for cricket and football grounds. I know that in the Maroondah area they use much of this water for their en-tout-cas tennis courts. It is important, and it is a great asset, and this asset is being used more and more.

The community fund for drought relief for community sport was implemented by the Minister for Sport, Recreation and Youth Affairs in another place, James Merlino, and it is a great thing. An amount of \$33 million was recently announced to get this water from Brushy Creek, which is A-class water. It can be put straight on the ground — you do not have to wait 4 hours for the sun to burn off any nasties, which is a great use for that water.

The water will be piped up to Griff Hunt Reserve, which has two rugby grounds. They will be kept in great nick no matter what water is available from the sky. As I said, the thing about this treatment plant and its being upgraded is that there are so many uses for the water, to the point where it was recently announced that the water will be pumped to a new housing estate. The Croydon Golf Club is moving its golf range to a different location — this is being worked on as we speak, but I do not think it is that far off.

The developer Australand has bought the land and will be developing hundreds of housing blocks; I think it is moving in in the next couple of weeks. This new housing estate will use water from Brushy Creek. There will be a third pipe, so people will have the A-class water from this treatment plant pumped to their houses. They will be able to use this water to keep their gardens up to standard. They will actually be able to wash their cars if they want. It is a great facility. It was said earlier that we have not been utilising this resource, but this is a perfect example. There will be hundreds of houses in the Croydon area that will have access to this water in future years. I think it is a fantastic thing.

I have had a number of meetings with the Eastern Football League to encourage councils to use this water more and more. Eastern Football League is the biggest

football league in the nation. A representative of the Shire of Yarra Ranges will be coming out to the treatment plant next week to look at how it works and find out about access to the water. He is very keen to see how he might be able to use it more in the area he represents. Australand has embraced this technology; I understand it was not hard to get it on board. When we are talking recycling, we are having discussions between the football league and the cricket league and Australand about recycling the grass from the fairways as well as utilising the water. There is a lot of recycling going on in the area I represent.

I know water companies are utilising this. Not a drop of potable water is being wasted. There are occasions when water companies have to extract potable water from certain areas. I know Yarra Valley Water has a program through which it assists certain community grounds when it has to use its tanker to remove potable water. Rather than that water being wasted, it is used. I have spoken previously in the house about the Ringwood Community Garden. It is a great facility that opens up gardening to people in the area who might have small accommodation without a garden, and there are disabled groups who use the garden. It opens gardening up to everyone. After we approached it, Yarra Valley Water agreed to ensure that the garden's tank is always full. Every time it has potable water available, which it has to extract from certain areas, Yarra Water Valley will definitely ensure the Ringwood Community Garden has water to keep up the great work it is doing.

There is a lot going on as far as using alternative water supplies is concerned. A number of water treatment plant upgrades have been happening around the state, similar to Brushy Creek. There was a \$30 million upgrade of the Ballarat North water reclamation plant. A lot of that recycled water is going to Lake Wendouree, but it is also available, as has been happening in the eastern suburbs, for sporting grounds, gardens and other places where it can be appropriately used. I think it is a fantastic thing. There are more opportunities out there.

Getting back to industry, Siemens had an art exhibition in Bayswater which I happily attended the other night. I was speaking to a few of the Siemens managers. They are doing their own water recycling project at the moment and they are also harvesting water — they have huge buildings. They are going to pipe the water they harvest from one of the buildings to the front of their premises in Bayswater Road and provide that facility for the local council to fill up its streetsweepers, which I think is a fantastic, community-minded thing for Siemens to do. I know Siemens is looking at a

project into which it is prepared to put \$100 000 and for which it is also looking for some funding. It involves water harvested from a second building being piped down to the Bayswater footy ground, which would be a fantastic thing as it is a great hub. That is something Siemens will be lobbying for. Smart Water grants and stormwater grants are announced on a regular basis. Siemens might miss out this time, but someone will get that money through the state and these alternative water supplies will be used.

In conclusion, we are not sitting on our hands. We are using alternative sources of water, and we will continue to do so. There are some great ideas out in the community and in industry. They are all being embraced as quickly as possible. I think this government has done everything it can in this area. We need to ensure that we have a permanent supply of water. We do not want to go through what we went through a few summers ago, when there was concern about outdoor sports grounds being available, especially for young people. That is one of the concerns we will not have with the desalination plant in place. We need to secure water, but in the meantime, and ongoing, this government will be exploring alternative sources of water, including recycling, to the best of its ability.

Mr DRUM (Northern Victoria) — It is a great opportunity to get up and talk in support of Peter Hall's motion asking this chamber to send a loud message that legislation of this sort should be allowed to be debated in the other house. The government speakers so far have effectively spoken in favour of the provisions in the Victorian Water Substitution Target Bill and the motion. It will be interesting to see which way government members go when it comes time to vote in support of this motion.

So far we have had a government that has been quite bloody-minded in its inability to support water initiatives. We have had a government that has been hell-bent on the 150-gigalitre desalination plant as its flagship solution to the water problems gripping this state — too bad what the people of Wonthaggi think. The government has come up with this plan and it is going to push it through. The hated north-south pipeline has 4 per cent support in regional Victoria. This government is hell-bent on pushing that onto the people of Victoria. It is being less than honest and less than truthful when it comes to the amount of water that is likely to be saved. Last week the government resorted to the tactic of offering grants to community groups. Any community group or individual that can convince the government that it has been adversely affected by the north-south pipeline can now apply for

a grant of around \$5000. It might even be up to half a million dollars — \$5 million has been put aside to appease people whose lives have been adversely affected.

There is, however, a rider. This government says that any recipient of those grants has to become a public advocate for the north-south pipeline. They have to be able to write letters to the editor and be a media advocate and strong proponent of the pipeline. If your life has been turned upside down, and your respective organisation or your sporting club or whatever other group you are a part of can prove it has been adversely affected, you can receive compensation from this government and its water authorities, providing you then become an advocate for this project. You would not think this sort of thing could happen in Victoria. It is the most abhorrent case of the government simply trying to silence the critics of its projects with money — by simply buying out the critics; buying their silence. It is absolutely abhorrent.

The government has flagged its two water projects, the desalination plant at Wonthaggi and the taking of 75 gigalitres out of the Goulburn Valley, irrespective of the savings that will be made. Melbourne uses in the vicinity of 400 to 450 gigalitres of potable water every year and only 40 to 50 gigalitres of that water is recycled. It is a pathetic amount. That percentage should have Labor members in this house hanging their heads in shame, particularly given how far behind the rest of the world this city is in relation to using its own potential water, which we call recycled water.

I am sure by now all members must have been down to Gunnamatta and witnessed the environmental disaster that is happening down there on a daily basis. I am sure that all members would at some stage have been over at Werribee and had a look at the Point Wilson outfalls and seen the water pouring into the Port Phillip Bay-Corio Bay area. An enormous amount — well over 350 gigalitres every year — of class C effluent is flushed into the waterways off Gunnamatta and Point Wilson.

Yet the government can stand by with its broken promise yet again. In 2002 it was going to spend \$160 million and do up the Carrum Downs eastern treatment plant. That promise was obviously broken, because nothing was done. Then in 2006 — election time again — we got another promise. The amount involved had now gone up to about \$300 million. Now we find it has all been forgotten and the promise is broken again. We are still pumping class C rubbish out into the oceans, and we find that the date involved now is 2012, and the prices are yet to come in. And still

members stand up in this chamber and say that this government has a strong commitment to recycled water!

That is simply not true. I do not know how they can possibly say that. Even much of the 50-odd gigalitres that we talk about that is collected is used in the recycling process itself. It really is quite a pathetic record that the government stands on. That is why Peter Hall needs to be congratulated, because he has had the foresight to realise that the government has already come up with a model — dealing with electricity and how we can push down the track of renewables — which we can capture and apply to another one of our valuable commodities. Let us see how we can create some similar legislation. The legislation in relation to renewable energy is held up by this government as some landmark legislation. Let us put the same structure around the recycling of water and see what sort of result we end up with.

What we ended up with was the bill. Unfortunately, but correctly, because it turned out to involve a financial impediment on the government, we are not able to debate that bill in this chamber without first getting the clearance of the lower house. It is hard to understand much of this. When historians look back at what happened in the first decade of the 2000s they will talk about the era when we were pumping over 200 gigalitres of class C effluent into the ocean at Gunnamatta and letting it drift 50 or 60 kilometres down the coast to Wonthaggi before we were extracting the water again and putting it through the desalination process. With the ability to treat it once before we bothered to pump it from Carrum and before we bothered to pipe it all the way up and down the coast, why would we not simply treat it there? Why would we not look at ways of capturing stormwater before it runs out of these amazingly vast suburbs that are springing up on the outskirts of Melbourne, which create a golden opportunity for us to capture and treat our stormwater and add it to our supplies?

The reason we do not do that is really that we have a government that does not have the will to look into those innovative ideas. We have a government that has produced, as Mr Hall said, a five-point plan headed up by the desalination plant and followed up by the north-south pipeline from the Goulburn River, which the government is now trying to tell us is no longer part of the Murray-Darling Basin; it has been excised. The next point concerns the government's desire to expand the grid, and only then the plan comes to recycling and conservation. This is absolute lunacy.

Mr Hall has shown that he is one of this Parliament's clearer thinkers. This initiative has been derived from his thinking. The bill I have been referring to is a private members bill that he put together. I urge government members who have seen the legislation miraculously appear on their desk to have a scheme that will — —

Hon. T. C. Theophanous interjected.

Mr DRUM — Mr Theophanous talks about the process. The process gone through was quite amazing. There was the production of a discussion paper, which opened up the issue for everyone to cast their opinions on it and work out ways it could be done better. The government did not even want to get one of its departments to engage with the discussion paper. It must be sheer embarrassment for a government which has such a disgraceful record to have people from the opposition coming up with a bill that shows the way in the recycling of water in this state and in this country in the middle of the worst drought on record.

The scheme will mandate the water authorities to move to replace potable water in uses where non-potable water will be suitable. I do not think anybody in their right mind can argue that we do not need to be going down this path at a far greater rate of knots than we currently are.

The main reason why the Labor government in Victoria is opposed to the scheme is sheer embarrassment. This government will never in its waking moments acknowledge that it has been asleep at the wheel, which in this instance it has been. Victoria leads the world in many areas of governance, such as technology, science and innovation, and trade. We are doing amazingly well, yet in this particular area we are considered an absolute joke.

Adelaide in South Australia, which the government likes to call a backwater, is much further advanced in the areas of recycling water, harvesting stormwater and recharging aquifers enabling them to take that water out at a time and place that is more suitable to the implementation of water plans. We know about the work that is done at the Bolivar reclamation plant where the water is cleaned. It sends recycled water to the areas of Virginia where high-quality fruit and vegetables are grown. It takes other water and puts it into the aquifers, then takes it back out again to feed the entire suburbs of Mawson Lakes. This has been going on for many years.

Christies Beach, to the south of Adelaide, also has treatment plants where the water is pumped about

18 kilometres through a private system, then dispersed to the vineyards surrounding the McLaren Vale wineries. Some of the greatest wines grown in this country are being produced using recycled water, as has been done for many years.

These types of projects using recycled water are commonplace in Adelaide, the place the Premier calls a backwater. What does that make Melbourne? It is embarrassing! Mr Hall has again shown that the policies that have driven this bill are available for the government in some of its own literature, yet it does not want to go down that path because it does not have the will; it would rather take water from another area and go through the expensive process of desalination. It must drive some backbenchers, and I suppose some ministers in this government, to absolute despair when the government does not have the will to create serious recycling projects.

Reports have been done in relation to stormwater capture and recycling as well as conservation. The opportunities have been presented to the government, and in this instance the work has already been done by Mr Hall and The Nationals. All we need is for the government to take hold of this opportunity that has been represented by an incentive to get water authorities in this city to grab with both hands the incentives to create savings and to replace their present use of potable water. Also, large water volume users will be given incentives to replace potable water with recycled water.

The government is dedicated to spin in relation to water. It was never clearer than when the former Premier, Mr Bracks, jumped into his red helicopter because the government had not adopted plans as it had not seen the drought coming. The plans being put in place were an example of city-centric policy, and the planned projects were short-term fixes, yet the very dialogue that the former Premier started out with went something along the lines of, 'In 2002 we realised we were in trouble and we started work on it back then'. That simply was not true.

He said, 'This is a policy that will suit all of Victoria'. That simply was not true. He said, 'We have put in place policies that will benefit all of Victoria, and long-term solutions are in the mix'. There was a whole raft of statements by the former Premier that simply were not true. He was trying to capture attention and make up for his government's inadequacies through a lack of action in this area.

The aims of the bill referred to in the motion have been adopted in the form of the Victorian renewable energy

scheme, and the government holds that as flagship legislation. We are simply calling on the government to show some courage and do the right thing. Most speakers on the motion favour the use of recycled water, and here is a scheme which lays down the form by which this legislation could be enacted. It will work out to be an effective and efficient augmentation of Melbourne's water supply, far more so than the comparisons with desalination that we have heard today. It would be about four times more expensive to go down the desalination path than it would the path of recycling.

This will protect the future of Melbourne's water supply without unnecessarily taking a valuable resource away from other parts of the state. I urge the government to support the water recycling projects in this state by voting for the motion so that we can introduce legislation that would be the single most important legislation that Victoria has ever had to deal with recycled water in the midst of the worst drought on record.

Mr HALL (Eastern Victoria) — I want to make a few remarks in reply and to thank David Davis, Greg Barber, John Vogels and Damian Drum for their wholehearted support of this motion, and I also thank Ms Pulford and Mr Leane for their somewhat guarded support of the motion because there certainly was not a strong criticism of it from either of the government speakers. In fact, there was no criticism at all about the ideals or the purposes of this motion, nor were there any criticisms or arguments against the mechanics of this motion, therefore referring to the private members bill which I introduced a fortnight ago in this chamber. There were no criticisms about the mechanics employed through that private members bill nor those outlined in this motion.

There was criticism from the government. I listened hard to the contributions of both the government speakers as to the concerns they had about this motion, which outlines a water substitution target scheme. Their sole criticism and the sole reason why they indicated that they could not support this motion was that the scheme would have an impact on businesses and consequently on jobs because of the cost impost on the businesses complying with the scheme. It is true that this motion and the private members bill I introduced in this chamber target Melbourne's three major water retailers and the 1500 or so companies that use more than 10 megalitres of water per year.

In replying to the concerns expressed by Ms Pulford and Mr Leane I want to point out to the house that those 1500 or so businesses would be required to pay extra —

and it has been suggested at least twice as much — in the future for water that comes from a resource like a desalination plant or the north–south pipeline. The beauty of the sustainable water substitution target scheme is that those businesses would have a choice. They could choose the most expensive option for their water needs — that is, desalinated water — or they could choose a less costly operation, such as perhaps the collection of stormwater on their premises. This scheme would place no greater impost on those businesses than the government's own plans to introduce desalinated water and water from north of the Divide in this state. There is no additional impost on those businesses; therefore I do not think the argument presented by the government has any logic whatsoever.

Sustainability is a buzzword that we all deal with on a day-to-day basis over a whole range of issues, particularly in regard to our natural resources. The government talked about sustainability when it introduced the renewable energy target scheme and the energy efficiency target scheme. I am talking about sustainability when I talk about the introduction of a substitution water target scheme. Water is a precious natural resource, and we need to make sure that we are sustainable with its use.

For the record, somewhere between 200 and 300 gigalitres of water per year goes out to sea after receiving primary treatment. It is a fact that there is 500 gigalitres of rainfall on Melbourne every year; half of that amount, 250 gigalitres of water, falls on impervious surfaces like our roofs and our roads. We could collect that stormwater and put it to good and constructive uses which we would otherwise be using drinking-quality water for. We do not need drinking-quality water for a whole range of uses, as all other members, not only me, have said.

We can be sustainable in our use of water within the Melbourne area and within any region of Victoria, and we need to be more sustainable with our use of this precious resource. If people are not going to willingly do that, then a legislative mechanism like that outlined in this motion is a way of achieving that. As I said, the government does not criticise the purposes or ideals of the motion. It does not criticise the mechanics employed in the scheme the motion proposes; it only criticises the impact the scheme will have on business, but I claim that the impact will be less than the impact the government's plan will have with the more costly option of offering people desalinated water. There is no reason for the government to vote against this motion. When we cast our votes on this motion, I urge government members to support it. Their support would indicate to the people of Victoria that the

government is prepared to look at such legislation originating in the Legislative Assembly in the future.

The PRESIDENT — Order! The question is that the motion moved by Mr Hall be agreed to. All those in favour say aye, against nay.

I think the ayes have it.

Mr Hall — I think the noes have it.

The PRESIDENT — Order! Mr Hall cannot vote aye and say that the noes have it. That is bizarre.

Mr Hall — I think I am still entitled to have a division, President.

The PRESIDENT — Order! No, not on the voices.

Mr Drum is to return to his seat. He voted in his seat and then he moved over to the other side of the chamber as a stunt. If he keeps this up, I will remove him from the chamber. Mr Drum is to return to his seat.

Mr D. Davis — Did I understand that a division was called for then?

The PRESIDENT — Order! No, it was not. There was no division. The ayes clearly had it.

Motion agreed to.

GOVERNMENT: PERFORMANCE

Mr D. DAVIS (Southern Metropolitan) — I move, by leave:

That this house notes that despite the massive increase in the state government's budget over its almost nine-year term and the strong national economic conditions enjoyed over that period the Victorian state government has failed to deliver a commensurate increase in the essential services necessary for the Victorian community.

I have moved this motion after an extraordinary moment.

Members of the house have seen the state budget being brought down in the last day or so, and because of this they have had the opportunity to reflect on not only this budget but also on this government's previous budgets. It is clear that over this government's term, which is now heading towards nine years, because of the strong national economic conditions enjoyed over the period by the Victorian government and Victorian communities there has been a massive increase in taxation. I think the community is aware of that. The community is also aware that many services are

lacking. We have heard the Treasurer indicate to the community that this budget has no funding for further hospital beds, and that seems to me to be indicative of the failure of this government to provide many of the basic services that are required.

In this budget the government has seen payroll tax revenue go up by \$360 million, land tax revenue go up by almost \$300 million and stamp duty revenue go up by a similarly massive amount, as we heard today. We also heard the Treasurer effectively concede in the chamber today that the stamp duty paid by Victorians on a median-priced home is the highest in the country.

I want to make the point here that the number of Victorian hospital beds remains at the lowest per capita in Australia. The transport system is and remains a shambles, with no relief in sight for commuters trying to get to work using overcrowded and unreliable services and with no additional trams, trains or lines.

On the matter of police, we have heard increasingly over recent times about the number of police who are not involved in operational duties at their local police stations but who are on secondment or undertaking other activities and not doing the policing work that many in the community would expect. No new front-line police numbers were announced in the recent budget, and that will leave the community very concerned about those key services. It seems, too, that the school maintenance backlog is one of those key aspects that people across the state will be worried and deeply concerned about.

I want to put some points on the public record today and offer other members the opportunity to debate what has occurred under this government — that is, a massive increase under the Bracks and Brumby governments in the state's budget, from around \$19 billion when Labor came to government to around \$37.5 billion now. You would have to say that the size of the economy and the population has in no way reflected those increases. These increases are far and away beyond the increase the community expected.

I have to say that the money has been misapplied in many cases, because, as I will point out soon, in a number of these areas there has been a massive increase in spending but no commensurate increase in services. I do not think the community minds a tax when it is applied properly to services, and in fact that is the role of the state government, but it does mind when that money is wasted or squandered, and it does mind when the government has not been able to utilise the additional resources it has at its disposal to get the outcomes expected by the community.

I use an example that I have used in this chamber before to illustrate that point — that is, the acute health output group in the Department of Human Services budget. That output group in 1998–99 was at \$3024.9 million — a significant budget figure — but has increased in the current budget to \$7015.7 million. That is more than \$7 billion or an increase of 132 per cent. That increase in the size of the acute health output funding is stunning and massive, but the increase in the number of people treated has been nothing like that. The number of people treated has increased by 30 or 35 per cent, but that is nowhere near the scale of those expenditures. The community has also become increasingly aware that the waiting lists and the waiting times in these hospitals have increased.

I also note that this government has allowed much of our hospital system to deteriorate and has not made the provision that you would expect in this budget and in some previous budgets. I know one point dear to the heart of Mrs Kronberg is the Box Hill Hospital, which has been the subject of debate in this chamber.

Mrs Kronberg — What a crushing disappointment!

Mr D. DAVIS — What a crushing disappointment, indeed, I have to say. It is an example of a state government that is collecting enormous amounts of money but is not prepared to put money into these key upgrades that are required to enable it to deal with the hospitals as required.

The official waiting lists at a number of the hospitals that were discussed in this chamber recently were 586 at Bendigo, 2318 at Box Hill and 2659 at Royal Melbourne. But when you look at the internal and secret hospital waiting lists that have been obtained by the opposition you see that the waiting lists have been pushed up to a massive level — 2839 at Bendigo and 14 934 at Box Hill — and at the Royal Melbourne Hospital the true waiting list according to the internal secret figures is 7266. That is a massive difference. The size of these waiting lists is significant, and the lists on all examinations must be seen to be growing.

We have an incremental, steady population increase that is predictable; a modest ageing of the population that is also entirely predictable and should be predicted; and a need for services that provide timely treatment and care in the case of health for those who need that care. The state government has applied a massive amount of money, as I have just said, through the acute health output, yet the waiting lists and waiting times are growing and getting far worse. I have to say the community thinks this is an outrage.

In the case of Box Hill Hospital, as I said, it is outrageous that about 14 900 people are waiting for an appointment or a bed at that hospital. Labor backbenchers have been quiet and unprepared to stand up for their local area. For example, the member for Burwood in the other place, Bob Stensholt, ran for office in 1999 with the promise made in a video that he distributed to every single household in his electorate. In that video he appeared with the then Premier, Steve Bracks, and said:

Steve Bracks and Labor is ... getting on with the job of providing an extra 290 beds in hospitals in Victoria.

That did not prove to be the case. Labor has actually cut the number of beds in Victoria since it came to power, despite the growth in population and the modest ageing of the population. Mr Stensholt went on to say:

This means for Box Hill Hospital shorter waiting lists and less time on trolleys in emergency for patients.

Nothing could be further from the truth. The lists and waiting periods at Box Hill Hospital and other hospitals have grown massively, and I believe the Labor backbenchers who have been unprepared to stand up for their community and to put up a fight have not done the right thing by the Victorian community. The Victorian community expects members of Parliament in such situations to stand up and say, 'The treatment of the people at the hospital in my community is not up to scratch', and that there needs to be some real response to all of that.

I would have to say that the failure to fund the upgrade of Box Hill Hospital, which will cost many hundreds of millions of dollars, is a disappointment for the community. It is a disappointment for the whole inner eastern ring of suburbs through parts of Boroondara, Whitehorse and, I am sure, up into Manningham as well.

The failure to properly deliver for the Royal Victorian Eye and Ear Hospital, for the Monash Medical Centre, although there is some step there, and particularly for Box Hill Hospital is an absolute travesty, because the community is not going to get the hospitals it deserves.

I am very much aware of the growing concern that is building around that, and I was very interested to read on the website of the Leader Newspaper Group a number of comments by people regarding the city of Whitehorse and funding. The lead paragraph of a story entitled 'Box Hill Hospital's budget woes' on that website reads:

Vital funds needed for Box Hill Hospital's redevelopment were left out of the state budget. Treasurer John Lenders

announced just \$8.5 million — spread over three years — would be given to the hospital.

That will simply be a drop in the ocean. That is hopeless! The article continues:

The money will be spent on infrastructure upgrades, but is nowhere near the \$850 million-plus the hospital needs to redevelop its ageing facilities —

and cut those extraordinary waiting lists of 14 900 people from in and around that area.

The article goes on to quote Robert Clark, the very hardworking Liberal member for Box Hill in the other place, who is a fierce advocate for that hospital speaking about his 'bitter disappointment' and the fact that this government's decision not to fund that hospital shows contempt — I would say 'utter contempt' — for residents.

The Box Hill Hospital general manager was prepared to be quoted, and I think that increasingly the management of that hospital is becoming very agitated about the government's failure to properly fund these upgrades. In effect they are being forced to carry the can for the government's lack of capital spending and lack of focus on these important areas.

The article also says:

Box Hill Hospital general manager Clare Douglas said while she was extremely disappointed the necessary funds for the hospital's full redevelopment were not in the budget, the \$8.5 million allocated would go towards much-needed infrastructure works.

I do not think \$8.5 million is going to achieve anything like the \$850 million that will ultimately be needed to bring the hospital up to the proper standard. The general manager goes on to say:

We will continue to work in partnership with the Department of Human Services and the state government in seeing the realisation of a new Box Hill Hospital given the state government's 2006 election commitment to the hospital's full redevelopment.

She goes on:

We will continue to advocate strongly for funding of the full redevelopment of Box Hill Hospital, which we hope will be announced later in the year once Stage One has been completed.

I have got to say that I am very concerned about that hospital. It is in an area that would be accessed by people in most of Boroondara, a large area of the city of Whitehorse, certainly the city of Manningham and perhaps even further south as well. I think families and members of that community have every right to be

extremely angry. The reality is that Robert Clark has been fighting a strong campaign but this government has not been responding adequately because of its decision to slap down these applications for funding.

I put the government on notice that members representing Eastern Metropolitan Region and Southern Metropolitan Region will continue to fight very hard for those funds notwithstanding the quiet or toady-like behaviour of the member for Burwood in the other place and his failure to stand up and criticise the health minister or the Treasurer for their failure to provide those critically needed funds.

I turn to some performance measures contained in yesterday's budget. Across the acute health services output group there are a number of categories where the government has failed, even on its own paltry manipulated measures. I draw the house's attention to the semi-urgent (category 2) elective surgery patients who should be admitted within 90 days. It is a travesty that only 72 per cent of them get into hospital in that period, leaving a massive 28 per cent not admitted within 90 days and waiting in pain. That is not untypical of the problem with a lot of the measures in this budget where the government really has performed very poorly in a lot of those areas.

In transport, the Southern Metropolitan Region in particular faces a real challenge with trains and trams overcrowded to the point where people are now forced to travel packed in like sardines. I am a regular user of both trains and trams throughout that region, and I note that over recent years the number of people on trains and trams has grown. On one level that is welcome but on another level that needs to be managed by the state government, and the government appears not to have made proper provision for further services to carry the additional load.

Those who use the Alamein line understand the deterioration in operator performance on that line over recent years. Those who live in the Bentleigh area understand the challenges faced in getting onto trains in the morning; they know about the cancellations and the overcrowding of trains on the Frankston line. It is bizarre, when you think about it. Australia is a First World country; Australians expect First World services, but in fact we are now getting Third World public transport services.

I do not know where Lynne Kosky, the Minister for Public Transport in the other place, has been this last while and whether she ever travels on the trains. Perhaps she does not, and we all know of her infamous memo, but I would have thought that Rob Hudson, the

member for Bentleigh in the other place, would have been prepared to step forward and fight for his local community. However, he has not been prepared to stand up and call for more trains on his lines. He has not been prepared to call the minister — or the Treasurer for that matter — to account. It is bizarre that a minister who has patently failed — —

Mrs Peulich — He would rather be representing Northcote!

Mr D. DAVIS — I think his earlier choice was to represent Northcote but he was squeezed out by a more famous name at the time. But what I would say is that the Bentleigh electorate is dependent on that public transport system, particularly with the train services being critical and with the bus network feeding into the train services. But that does not help you a lot if you cannot get on the train as the trains are constantly cancelled or are unpleasant to travel on.

I travelled south to a function in Bentleigh recently. I caught a typical peak-hour train, and the passengers were squeezed in to the point of being packed in like sardines. It was extraordinary.

Mrs Peulich — Were you travelling on the inside or on the top of it?

Mr Barber — Lucky you to get on!

Mr D. DAVIS — No, I am just saying that the community is angry, Mr Barber.

Mr Barber — We left a couple of dozen behind on route 55 yesterday.

Mr D. DAVIS — That is right, and they were lucky, in a sense, that the train ran on those days. My point is that these basic services are not being delivered despite the massive funding the state government has through its high-taxing program. Earlier today we heard about the Treasurer's extraordinary take in stamp duty and land tax, but what we did not hear is that he will take these steps with infrastructure to ensure that these matters are dealt with.

There are some developments in Prahran in terms of the trains, and they are to be watched. We will see if the minor facility upgrades are sufficient to help because I think there is a deeper issue with the number of trains getting through and the capacity of those trains to carry the growing numbers. Of course we want more people on the train system; we just need to make sure that there is sufficient capacity and sufficient comfort for people to travel in First World conditions.

There are many other issues in my electorate where services and frameworks provided by the state government are very important. The state government has set an arrangement through Melbourne 2030 which is seeing a significant increase in the density of Melbourne and a significant change in the character of our city. Whilst it has had these massive increases in funding — the increase from \$19 billion to some \$37 billion in the state budget — the government has not seen fit to put the infrastructure and practical support behind its key programs like Melbourne 2030.

I draw the attention of the house to a particular example of Melbourne 2030 in action and refer to the fact that the state government has not put in the support that is required. In the city of Glen Eira there is a proposal for the construction of an eight-storey building at 401–407 Centre Road, Bentleigh, comprising shops, a restaurant, a gymnasium, dwellings, a reduction in car parking requirements associated with these uses and a waiver of loading facilities. The development will be in the main shopping centre in Bentleigh. It will overshadow Vickery Street and it is completely out of character with the area.

I see the President looking at me and trying to imagine the main street of Bentleigh. I am not sure when he was down there most recently, but I am sure he is familiar with Bentleigh. I would be surprised if he had not been through Bentleigh at some point. If you were to travel through there, President, you would have been surprised if an eight-storey monolithic tower was being developed in that area. That would be completely out of character with the electorate and it would be completely out of character with the local neighbourhood. The community is certainly not supportive of this building permit application by a group called Chenli Pty Ltd. As I understand it, it will be two storeys below ground and eight storeys above ground. Mr Barber would be very surprised if there was any focus on greenhouse issues with this kind of development. It would be very little, given the inadequate provisions by the state government on greenhouse issues and the inadequate provisions in Melbourne 2030 on such matters.

Mr Barber — Everybody will have a clothes drier.

Mr D. DAVIS — Or two, indeed. The construction will probably have some sort of tilt-up arrangement which will be unsympathetic to the area in every regard. People I have talked to in Centre Road, Bentleigh, and surrounds are very much opposed to this.

The member for Bentleigh in the other place, Mr Hudson, has now said publicly that he is opposed to this development. I welcome that, and I challenge him to join me in opposing Melbourne 2030, which is the genesis of these sorts of developments. To my knowledge Mr Hudson has never opposed the state government's planning framework Melbourne 2030 and has on each occasion he has had an opportunity slavishly supported Melbourne 2030, seeking to put in place a framework which strips away proper supports and protections from his local community. I urge him, if he is having a rethink about Melbourne 2030, to come out publicly and say that, to put it out on the public record. I am very willing to embrace his reconsideration of Melbourne 2030. I accept that he does not like this particular proposal, but he has to go a little bit further than just opposing this proposal. He has to work to put some framework in place that will prevent these sorts of impositions on local communities.

At the last state election the Liberal Party had a very strong planning policy. I note the Auditor-General's very interesting report, which I look forward to reading today, on land and planning-related issues and the various activities and reports of the Department of Planning and Community Development. I note that with this planning application the City of Glen Eira will very shortly get an opportunity to make its views known. I urge those councillors to reject this application. I cannot for a second imagine that the councillors would see this as being in any way appropriate for suburban Bentleigh.

Mrs Peulich interjected.

Mr D. DAVIS — But certainly possible under 2030.

Mrs Peulich — And Mr Hudson would have voted for Melbourne 2030.

Mr D. DAVIS — He has certainly supported 2030 on every occasion that I am aware of. If he has not supported Melbourne 2030 on occasions, I would be happy for him to point that out to me and correct my understanding.

The PRESIDENT — Order! Mr Davis, thank you.

Mr D. DAVIS — President, I was responding to the interjections, and I have returned to a number of these issues. To complete my comments, I look forward to working with the community in Bentleigh to see that this development does not proceed in its current form and to, hopefully, working with Mr Hudson as he reconsiders his support for Melbourne 2030.

I want to make some other comments about the tax position and collection arrangements the government has in place. Land tax has increased from \$378 million in 1998–99 to an estimated \$1.050 billion in 2008–09. There has been a 271 per cent increase in stamp duty, as I have outlined to the house, going from \$1.006 billion to \$3.737 billion — a massive increase. Payroll tax has increased from \$2.211 billion to \$3.963 billion, also a massive increase of 79 per cent over the term of this government. All of those tax increases are far and away beyond population or economic growth, as the government gouges more and more, particularly in land-based taxes, out of the community. This will have some impact on our competitiveness with other states. Whilst we have a population movement into the state from overseas, we do not have a net population inflow from other states. That is a marker of the lack of competitiveness on the position of Victoria in part on its taxes and in part on other matters as well.

I want to also put on the record some concerns I have about the government's services to the state in terms of issues like biodiversity. I note that the green paper of the Minister for Environment and Climate Change, 'Land and biodiversity', with its focus on climate-related matters calls for action for Victorians to tackle land degradation and biodiversity loss. My concern is that the budget has in effect gutted the performance measures for threatened species and communities. The whole biodiversity output group is an inadequate measurement of the government's tasks in that area, and I invite members of the community who are interested in this to look at that.

This axing of performance measures comes at a time when biodiversity and many endangered species are under threat, and the government has this biodiversity green paper process in train. I want to pick an example — one that Ms Lovell will be very familiar with — the Chewton bushlands, which are a unique and sustainable bush community at the heart of the goldfields bioregion in central Victoria, the home of a number of important and but diminishing box-ironbark forests. There are further proposals under the planning arrangements that are currently in place for 400 acres of bushland — forested hills and gullies and outcrops — that are a sanctuary to hundreds of indigenous plants and animals. Many species are listed on federal and state registers as endangered, vulnerable or declining including the powerful owl and the Swift parrot, both of which are endangered, and the brush-tailed phascogale, which is vulnerable.

There are solar-powered homes in and around that region, and the bushlands are one of the largest

solar-powered areas off the grid, enabling a sustainable bush community to exist there in some measure. I also understand a local developer has applied to the Mount Alexander Shire Council to rezone and clear 140 acres for subdivision and a new housing estate complete with the usual provision of power, roads, town water and sewerage, which of course many people would desire, but it may not suit this unique location where people have built something of a community. These zoning requirements have to be sensitive to the uniqueness of some key areas. The land is not currently zoned for such a development. It requires the planning minister to amend the local planning laws, the Mount Alexander planning scheme. I understand there is developing pressure for that to occur.

The community is concerned about the ministerial threat to the Chewton bushlands, in particular to its biodiversity and the threatened species, and it has launched a Save the Bushlands campaign. Members may want to look at that at the www.savethebushlands.org website. In just one day more than 100 local residents and supporters have added their names to the website. The fate of the important Chewton bushlands, its biodiversity and species is in the hands of the government. Two ministers in this chamber who have significant budgets and the capacity to tackle these issues constructively also have the future of these bushlands in their hands: Minister Jennings and Minister Madden.

If the Minister for Environment and Climate Change, Gavin Jennings, were serious about his call to action to tackle important issues like biodiversity loss, he would insist that the Minister for Planning, Justin Madden, rule out any such amendment to the Mount Alexander planning scheme and thereby protect the Chewton bushlands, its biodiversity and plant and animal diversity that is important. I am sure the house will hear more about it in the forthcoming period.

I want to also put on record some concerns about the taxes the government has introduced, and I am particularly concerned that the Treasurer continues with his mantra that taxes have been abolished. It is true that pursuant to the intergovernmental agreement with respect to GST there was the abolition of eight taxes, and that is a fact. But the government has introduced a series of taxes since 1999, and I think it is worth putting on the public record again in the context of this debate the baker's dozen of new taxes: the gaming machine levy; the payroll tax on fringe benefits; the payroll tax on apprentices and trainees; the stamp duty on mortgage-backed debentures; the annual indexation of fines, fees and charges; the transit city tax; the stamp duty extensions on land-holding bodies; the payroll tax

on employment agencies; the 5 per cent water levy; the long-term parking tax — the so-called congestion tax; land tax on trusts; the land development levy; and the extension of the stamp duty on inbound international airline insurance. All of these are new taxes that the government seems to want to hide from and hide from the fact that these taxes are not only a financial impost but they are also a significant regulatory impost on the community.

In the context of the Bentleigh Legislative Assembly electorate, which is in the region I represent, I want also to make the point that the government needs to be mindful of the independence of schools. I am conscious of what was reported in the *Age* of 16 September 2007 about the threat to the Steiner school in the East Bentleigh area and the need to allow sufficient flexibility within the public schooling system to ensure that there is diversity. I think there is considerable strength in diversity.

It is these government services that are particularly important — education, transport and health, but in this case education. As members of Parliament it is incumbent on us to stand up not only for high standards but for the independence and options available to parents to select either government or non-government schools. Where they select government schools, they need to have sufficient choice and diversity available to them to make selections that are of particular relevance to their children.

I make the point, however, that the opposition shadow Treasurer in the other place, Kim Wells, has put on record his concerns about debt. He did that not only with yesterday's budget but in a more comprehensive way at the Committee for Economic Development of Australia recently when he delivered a very important paper. I urge those who are interested to read Kim Wells's thoughtful and insightful contribution made at CEDA on the longer term issues surrounding this state government's financial management.

In essence this is a Labor government that, as all Labor governments do in the end, has reverted to type and increased taxes, squandered enormous amounts of money by wasting it and by misapplying it. I have laid out details of that health output group as just one example of many. The community is demanding essential services, demanding infrastructure and crying out for proper leadership in this regard, but under this government we have just had higher taxes, higher spending and the misapplication of those resources. The long-term benefit of the community has not been advanced to the extent that it should have been.

Mr VINEY (Eastern Victoria) — Getting an opportunity to talk about the government's continuing economic management and delivery of services to the people of Victoria is always a pleasure, and I thank the Leader of the Opposition for giving me that opportunity again. What we have just heard from the Leader of the Opposition is of course a list of projects that he believes ought to have been funded, some of which the government has made clear commitments to in this term, some of which are probably new and some of which I am not particularly aware of. But I know that members representing those regions in this house and in the other house are well across many of those issues and are working closely with the government to deliver them and continue our commitment to the people of Victoria.

I am amazed at the audacity of the Leader of the Opposition in this place to be talking in a motion here about this government's need to increase funding in essential services, when he was part of a government that cut into those very services.

Mrs Peulich — Do you remember Joan Kirner?

Mr VINEY — Mrs Peulich did exactly the same thing, as a member of the Kennett government, from 1992 to 1999. She voted over a thousand times for cutting schools and hospitals and teachers and nurses out of the system, for sacking coppers and failing to invest in the infrastructure of the state. A total of \$1 billion was invested in infrastructure by the Kennett government in the period that it was in office, which is in contrast to the many billions of dollars this government has invested in infrastructure. That was the record of the previous government, of which Mr Davis and Mrs Peulich were part.

It is therefore audacious to bring before this house a call on this government to increase funding in essential services necessary for the Victorian community when it is what we have been doing since our election in 1999. Members opposite were silent when the Kennett government was cutting hospital beds and services and nurses at Frankston Hospital. They were silent when the Kennett government was attempting to flog off the Austin Hospital. It is this government that invested in the 100-bed redevelopment of the Frankston Hospital, and this government that brought back the Latrobe Valley hospital, which was a dismal failure under a privatised hospital system.

The Kennett government closed the Sale hospital and the Moe hospital and opened up a hospital in the Latrobe Valley at Traralgon that was a dismal failure. The government bought it back for \$1 because it was

such a failure. It was that government that promised a hospital in Knox, which was going to be a private hospital. That government promised a hospital in Berwick, which was also going to be a private hospital, but it was this government that built the Casey Hospital at Berwick, and this government actually redeveloped the Austin and Repatriation hospitals in Heidelberg, and of course it is this government that has put in the 1400 additional police.

This government has employed the 8000 additional teachers and 8000 additional nurses. That move is continuing in the budget that was brought down yesterday. It is this government that, in the budget yesterday, announced significant increases in infrastructure funding in transport and roads — a \$1.8 billion investment in transport. It is this government that has committed to rebuilding every school in the state over a 10-year period, and that is reinforced by a further \$815.6 million into education funding to rebuild and renovate 128 of those schools in this year in this budget.

This government has invested a further \$702.9 million in this current budget to treat an extra 16 000 elective surgery patients, and an extra 33 500 outpatient appointments and an extra 60 000 patients in emergency departments. It is this government that has committed a further \$233 million for preventive health programs, with measures such as cancer prevention and treatment, a further \$37.2 million for an alcohol action plan and a \$185.7 million boost for ambulances. It was this government that restored the confidence of the Victorian community in the ambulance services, that brought in two-officer crewing, that increased the mobile intensive care ambulance (MICA) paramedic system, that employed hundreds of additional paramedics and additional MICA paramedics, continuing again with another \$185.7 million for ambulances, including two new rescue helicopters, station upgrades and extra services.

An amount of \$294.6 million has been allocated for climate change. This government is the one that has been taking action on climate change, and in fact it was the opposition, in only the last term of this Parliament, that opposed the Victorian renewable energy target scheme for action on climate change. I remember debates in this chamber in the last Parliament when members opposite were denying the whole concept of climate change. This government has been the one that has been investing in innovations such as carbon capture, storage and renewable energies.

Members opposite, and in particular The Nationals, have been opposing wind farms and renewable energy.

This government has been investing in those things. This government has contributed a further \$657 million for community protection in Victoria — a further investment in our community safety.

There is another \$99.1 million for improving the livability of the suburbs and regions, including \$51 million for transit city plans, in Broadmeadows, in Dandenong and in Geelong. This is the government that introduced the A Fairer Victoria policy, providing services, programs and support systems to give the disadvantaged people in our community a hand up. This government recognised that need, because that is what Labor is about. The other side of politics, when in government, did not believe in giving people a hand up.

It was this government that has made that investment. In contrast to the previous government's view of regional and country Victoria as the toenails of Victoria, this government has invested in the regions. This government has been investing in the water infrastructure necessary to secure our future in regional Victoria and for our irrigators and farmers. At the same time this government has been investing what is necessary to increase environmental flows, and this government has just announced in the farmers statement a further \$204.6 million to deliver better services to Victorian farmers.

So when David Davis comes into this house yet again and makes his contribution about what services might or might not have been funded in a particular area or location, he is doing so knowing that there is always more to do, as I have said in here in debates before. That is why the government is investing more.

Mr D. Davis interjected.

Mr VINEY — Mr Davis, we are hardly falling further and further behind when we had to catch up on the appalling position in which you left our services, as we discovered when we came to government in 1999. We have done the catch-up and we are now investing in the future. We are investing in the infrastructure; we have invested in rail infrastructure; and we are investing to meet the increasing demand in our public transport system. People are voting with their feet in using our public transport system, with a 20 per cent increase in public transport use over two years. We are continuing that investment.

We are not the ones who closed the railway lines. We are not the ones who closed the Bairnsdale or Mildura lines. David Davis's party is the one that closed those lines.

Mr D. Davis — You have not reopened Mildura yet!

Mr VINEY — It is like trying to unscramble an egg, Mr Davis. When you close a line it is not simple just to say, 'We will turn it back on'. It cost us hundreds of millions of dollars to invest in the Bairnsdale line and get it operating again. Mr Davis's party is the one that closed them down. That party is the one that closed the schools, kindergartens and — —

Honourable members interjecting.

Mr VINEY — Some 356 schools were closed by the Kennett government in the so-called quality provision. On top of that, 8000 teachers were sacked. We had class sizes that were skyrocketing. This government has invested in teachers and in school infrastructure, reduced class sizes, increased literacy rates and increased participation rates to record levels. We now have school retention rates to year 12 at the highest levels the state has ever seen — as I understand it, the second highest in the country. This government has been investing in our future and our infrastructure in schools, hospitals and water.

The opposition's solution to the issues of climate change and water has been to build more dams. Its proposition is to build more dams in catchments where the dams are not full at this time and where building another dam is not going to add one single drop of water. It cannot add water because the existing dams are not at maximum capacity, so how does building another dam help with capacity? If there was plenty of water, the dams would be full; but given that they are only half full, how on earth does building a dam provide an additional drop of water? It cannot! Building a dam cannot now increase the amount of water in the catchments.

This government is prepared to take the difficult decisions to invest in the failed infrastructure of our irrigation systems that are 100 years or more old, where in some cases 60 per cent, 70 per cent or 80 per cent of water is lost to leakage and evaporation. We are the ones who have been investing in that.

How is it proposed that that saving will benefit all of Victoria? It is a proposition to share that use: increased water for irrigators and regional Victoria, increased water for Melbourne, and increased water for environmental flows.

Ms Lovell interjected.

Mr VINEY — It is true, Ms Lovell, and it is this government that is prepared to invest in that, in the

desalination plant that is going to deliver additional water to Victoria. It is this government that has been prepared to invest in the essential roads and facilities needed to support rural and regional Victoria.

Ms Lovell interjected.

Mr VINEY — I am so tired of the opposition's whining about stealing water. It is not possible for the Victorian community to steal its own water. The water in Victoria belongs to Victoria, and the investment in the water infrastructure system is based on all of Victoria paying for the water infrastructure investment.

Ms Lovell interjected.

Mr VINEY — It does not matter how much you yell, Ms Lovell.

The ACTING PRESIDENT (Ms Pennicuik) — Order! I advise Ms Lovell that I cannot hear Mr Viney.

Mr VINEY — Yelling will not change the facts, Ms Lovell. The investment in Victoria's water infrastructure is paid for by all Victorians and will be shared by all Victorians. Water will also be delivered back to the environment. This government has decided that we as a whole community need to take a total approach and deliver water where it is needed.

It has made the decision to build an infrastructure of pipelines across Victoria to create a grid. Just as there has been a grid for electricity and a grid for gas, there is now a grid for water whereby water can be moved to where it is needed, including to the environment. The opposition might not like the fact that Victorian farmers are welcoming the government's investment in water infrastructure. It might not like the fact that Victorians recognise that this government was investing in water when the deniers across the road were not even considering the issues of climate change and were denying that it existed or was a problem.

The use by members opposite of terms like 'stealing water' is an absolute nonsense. As I said before, Victorians cannot steal water from themselves. The Victorian water supply belongs to all Victorians. All Victorians need to invest in it, and all Victorians need to recognise that we need to share that water, that we need to use it more wisely, that we need to reuse as much as we can and that we need to invest in things like the desalination plant to create more water. That is the policy this government has put in place.

At the last election The Nationals ran a campaign to win the seat of Morwell using exactly those words — 'Melbourne is stealing Gippsland's water and sending

back its poo' — yet The Nationals are proposing to dam the Macalister or the Mitchell river. The only reason you would dam the Macalister or Mitchell rivers — and the water in those rivers is vital for the Gippsland Lakes, apart from anything else — is to send the water to Melbourne. There would be no other purpose in building such a dam; there could be no other purpose in building it. What hypocrisy to run a campaign saying that Melbourne is stealing Gippsland's water and then propose to build a dam and send the water to Melbourne. What absolute hypocrisy!

This is a budget that is delivering to all Victorians. It is delivering to all Victorians on the basis of investing in our future through investment in infrastructure — the largest investment in infrastructure the state has seen. It is investment across our roads, across our transport system, in our hospital systems and certainly in all of our schools. That is the investment; it is an investment in the future.

Mr Koch — Go and have a look. Unbelievable!

Mr VINEY — Mr Koch is looking at a different Victoria to me. I travel around all of this state, and in particular I travel around Eastern Victoria Region. In Eastern Victoria Region we are seeing massive investments in the infrastructure of our state. Just to emphasise the point, Victorians across this state are recognising that. They are recognising not only the incredible investment this government has made in infrastructure but also its wise economic management and the fact that we have been able to sustain growth over a considerable period of time. We have been able to sustain job growth over that same period of time. We have been able to grow the economy. As a result of growing the economy — —

Mr Koch — Keep lifting taxes.

Mr VINEY — Taxes are not lifting, Mr Koch.

Honourable members interjecting.

Mr VINEY — It is basic economics. I do not know what economics members on the other side studied, but it is basic economics that when the pie grows then the tax revenue will grow with it. As the economy has grown, as properties have improved in value, as jobs have increased, as land values have increased, as property sales have increased, as all of those things have occurred, we have seen a growth in revenue to the state of Victoria. That has been returned in dividends.

It has been returned in dividends in spades. I will spell it out for members opposite, because they do not understand the economic basics. The way the dividend

has been delivered is in improved services and a massively increased infrastructure spend — to the point where, as the Treasurer advised in question time today, there is over \$4 billion in this budget in infrastructure investment, contrasted with \$1 billion over the entire term of the Kennett government. There is \$4 billion in this one budget, and that will grow over the next series of budgets to an average of about \$6 billion each year. That is the level of investment in infrastructure. We have increased services, increased the number of police, increased the number of teachers, increased the number of nurses and improved hospital services. We are treating more than 30 000 additional patients per year, and this year the number of outpatients treated will increase more than 30 000.

We have also been providing the dividend of reduced tax rates. We have reduced the payroll tax rate, reduced the land tax rate and reduced WorkCover premiums. That is a good example of what this government is all about. WorkCover is just one simple example. What was the Kennett government's approach to WorkCover? It was to drive up WorkCover premiums and to crunch workers who were injured. It removed common-law rights and reduced the amount of benefits workers were paid if they were injured. That was the Kennett government's approach.

Mr Koch interjected.

Mr VINEY — Mr Koch might not like to admit it, but it is the truth. That one policy area is a good example of the approach this government takes in contrast to the previous government. This government's approach has been to increase the amount of benefits workers get, to restore common-law rights under WorkCover where people have been injured and to reduce premiums. How have we done that? We looked at the issues of WorkCover, and we said the critical problem was to reduce injuries in the workplace. That is what this government has tackled. Because it has tackled the fundamental problem of reducing injuries in the workplace, the government has been able to improve benefits and reduce the premiums paid by businesses. That is a classic story, and I am glad opposition members raised it in their interjections. It is a classic example of the difference in the approach of this government and that of members opposite when they were in government. This government has delivered improved services — in this case, improved WorkCover benefits. It has reduced the cost to the community — in this case, WorkCover premiums, but in other cases it has reduced payroll tax, land tax and other taxes in Victoria. It has reduced those rates and improved services at the same time.

We have been able to do that through wise and sensible financial management under three treasurers. The first was former Premier Bracks in the first year of this government. Then we had seven years of the Treasury leadership of John Brumby, who is now the Premier, and now we have this first budget from John Lenders as Treasurer. This is the government that is able to deliver improved services, to reduce the burden of taxation on all Victorians, including businesses, and to invest in the future through our infrastructure spend.

Finally, let us come to the budget surplus. As a member of the government I often get requests for funding from people. They suggest to me that we ought to use the surplus to fund their requests. I could have probably had that surplus spent 100 times over from those sorts of requests. Sometimes there are criticisms of the government on its surplus. However, if you look at the way this government has been handling the surplus, the surplus is an important buffer that needs to be put in place in any budget. It is good and wise financial management. It is why Victoria, under this government, has maintained its AAA credit rating every year.

The surplus in this year's budget is used in subsequent years for investment in infrastructure. If you like, as Mr Lenders said in his budget speech, this year's surplus is next year's spend on schools, hospitals and roads infrastructure. That is why this budget is a continuation of our sound financial management and our solid investment in Victorians and in the future of Victorians through infrastructure spending. It is why this budget is able to deliver continuing growth in our economy by making sure that we are keeping taxes and charges, particularly on businesses, at the minimum possible at the same time as maintaining that important investment in the future. The government absolutely rejects Mr Davis's motion.

Ms LOVELL (Northern Victoria) — Firstly I congratulate David Davis for bringing this very important motion before the house today. In beginning, I would like to respond to some of the comments made by Mr Viney in his contribution, which was really just government rhetoric. I refer to his comments about the food bowl modernisation and the north-south pipeline. The government has not even invested in the irrigation infrastructure to establish whether there will be any savings from that project, yet it is going to take the first 75 gigalitres of water out of the Goulburn River every year for Melbourne, regardless of the fact that it has not established whether there are any savings to be made.

Mr Koch — So they are stealing it!

Ms LOVELL — They are stealing water from northern Victoria. The Auditor-General has confirmed this. The Auditor-General said that the government made its knee-jerk decision to fund this project based on a shallow document presented to it by a handful of unelected people in northern Victoria. He pointed out there had been no rigorous testing of the savings or of the claims made in that document. He said the promised savings may not even exist. He is quite right; no-one has tested to see whether those promised savings exist. The Auditor-General also highlighted the lack of research into the costs and benefits of this project. The Auditor-General was damning of the government on this project, because this project is wrong. It is stealing water from northern Victoria.

Mr Viney said the government was creating a water grid that would connect all of Victoria and allow water to be moved around. The fact is this is a one-way pipeline. All pipes lead to Melbourne. It is like a giant silly straw sucking country Victoria dry. There is no way of returning water to northern Victoria via this pipeline; the pumps go one way and all pipes lead to Melbourne. In northern Victoria there are no other options for water. We get our water from the Goulburn River or from the Murray River. We rely on a very low rainfall base in order to service our communities and our irrigators and to provide the food that is eaten here in Melbourne.

In Melbourne, however, where there is high rainfall, there are other opportunities. South of the Great Dividing Range there is much higher rainfall. There are opportunities for dams and there are opportunities for projects such as the Aberfeldy River diversion. There are also opportunities through desalination and recycling projects. This government should have been investing over a number of years in recycling projects and in other water-savings projects in Melbourne that would have made Melbourne self-sufficient and would have had it not relying on stealing water from communities that cannot afford to lose it.

Our irrigators this year have been on a maximum of 57 per cent of their supply. That is a maximum. Some of them are on much, much lower percentages. Until everyone in the Northern Victoria Region who is entitled to water in that system is receiving 100 per cent, I cannot see where there is water to share. This plan is all about water for Melbourne. Mr Viney says, 'We are going to find the savings and we are going to share them: one-third with the irrigators, one-third with the environment and one-third with Melbourne'. That is all very well, if the government finds the savings, but I seriously doubt it will — although I am sure it will still take its 75 gigalitres for Melbourne.

There is no thought in this plan for growth in urban communities in northern Victoria either. I refer to communities like Shepparton and Bendigo, which is still on level 4 water restrictions, and other communities like Echuca, Mildura, Cobram, Wodonga and Wangaratta. There is no thought about returning any of the water from these supposed and fictional savings to urban communities in northern Victoria to allow for their growth. No. All pipes lead to Melbourne, and that water will come to Melbourne, regardless of whether any savings are established.

This is a ridiculous project that should be scrapped. The Auditor-General has said it should be scrapped, the backbench of the Labor Party is saying it should be scrapped and the Treasurer, John Lenders, has refused to say that the government will not scrap it. Government members know it is baseless. They know the water cannot be found. They know they are doing the wrong thing. They should convince the Premier, John Brumby, to scrap the pipeline.

The government still needs to make the investment in the irrigation infrastructure. It is true that it is 100 years old, and it is true that it has been allowed to decay under this government. Enormous investment is needed in that infrastructure. But if any savings are found through that infrastructure investment, they should remain in the Murray–Darling Basin. The basin cannot afford to lose that 75 gigalitres of water. Some of the water should be returned to the environment to create a healthier environment in our rivers, which are suffering. We know the Murray River is in desperate need of additional water. The rest of it should remain there for the communities in northern Victoria that have nowhere else to go for their water.

The government is prepared to take our water, but the only way it is prepared to make any investment in northern Victoria is if there is a direct benefit for Melbourne. The Treasurer has told us this. He told a Municipal Association of Victoria conference that the government would not invest in that irrigation infrastructure unless there was a direct benefit for Melbourne. That has been made clear by the budget handed down by Mr Lenders yesterday, because the only real investment in anything in northern Victoria was the investment in the irrigation infrastructure. I point out again that the government has an obligation to maintain that state-owned infrastructure, but it has allowed it to deteriorate. It has only made that investment because there is a direct benefit for Melbourne.

Other services that needed to be funded in northern Victoria have been ignored. The Goulburn Valley Base

Hospital, which is part of Goulburn Valley Health, and also the Numurkah District Health Service were both expecting funding for their stage 2 redevelopments. Goulburn Valley Health has an 11-stage master plan for its redevelopment. Stage 1 was completed some time ago, as was stage 1 of the Numurkah District Health Service, but there has been no further funding coming forward for either to proceed with stage 2. The health service in Shepparton desperately needs a stage 2 expansion for its operating theatres and day procedure unit, and also to move some of the services area to give better health services to the Goulburn Valley and district.

There was also no money in the budget for an options study that is needed to determine the route of a new traffic bridge between Yarrowonga and Mulwala. We know the weir bridge is scheduled to close in 2020, and we also know that the Yarrowonga–Mulwala bridge has some structural problems. We desperately need that options study to establish the route of a new bridge to be founded, but there was no money for that in the budget.

Also no additional police resources were allocated for northern Victoria. Many of our police stations are seriously undermanned. Last week the traffic operations group in Cobram had nobody on duty for several days. Also the Wangaratta police station had to close because no-one was available to man the station. There is a serious shortage of police officers in northern Victoria, but the budget contained no additional resources to provide those services to communities in northern Victoria.

Before the 2006 election the government promised it would replace the Katunga Primary School buildings, which are all relocatables. The school is still waiting for the replacements, and the children are studying in lower standard conditions than most children in metropolitan Melbourne. I seriously doubt that any school in Melbourne would have all its classrooms being relocatables.

No funding was received to allow Odyssey House to continue its drug rehabilitation program at Molyullah, which is a world-class, award-winning program. We have a serious problem with under-age drinking in northern Victoria. In the Hume region 85 per cent of under-18-year-olds binge drink to an extent that is damaging to their health, yet the Brumby government has failed to fund drug and alcohol rehabilitation programs in northern Victoria.

There is also no budget commitment to additional public housing in the Goulburn Valley and

north-eastern Victoria. One of the areas that had the largest rise in public housing waiting lists for the March quarter was the Hume region; but the government would not invest because there is no direct benefit for Melbourne if it invests in northern Victoria.

Bendigo has been put on a drip feed by this government. The Bendigo health service in particular is desperately in need of funds for a range of projects. It is no secret that the Bendigo hospital is in need of a total redevelopment; the Premier and the health minister have visited it, thereby creating an enormous expectation in Bendigo that its community would receive a new hospital — yet the government has failed to deliver. Through its drip feed the hospital has been given a small amount of funding for a redevelopment of the accident and emergency department, but what is really needed is a commitment to funding and a time line for the delivery of a new hospital in Bendigo.

However, it is not only the hospital that has been put on a drip feed. The government announced the allocation of funds for the Stella Anderson Nursing Home in Bendigo, which it promised to do prior to the 2006 election, but only now, in 2008, is the nursing home to receive any funding, which will be spread over four years. The Stella Anderson Nursing Home will also be on a drip feed.

It is not only the health services in Bendigo that are suffering. The government promised to invest a minimum of \$72 million to implement the Bendigo education plan over the next four years. That plan involved Bendigo losing one school because five schools are integrating and creating four new schools, but the government has put Bendigo on the drip feed for that. It announced \$20 million last year, then the Minister for Regional and Rural Development in the other place, Minister Allan, went on the radio yesterday morning, amid fanfare, to announce a further \$41 million. That makes \$61 million but there is still an \$11 million black hole in the budget that has not been funded by this government.

When the government announced the project, it was to deliver two schools in 2009 and two more schools in 2010. Minister Allan yesterday made the big announcement that the government would now deliver all the schools together. That did not mean it would deliver them all early, it meant it would deliver the first two late because the first two were supposed to have been started in the first term of 2008. They have not yet been started.

Parents have every right to feel frustrated. They are called to meetings and told time lines are changing once

again. We have seen the government completely mishandle the acquisition of land for the new college at Flora Hill. That debacle was presided over by Minister Allan and the land was never acquired; that put the building of the Flora Hill campus back quite some time. The minister's big announcement that the government would deliver all the schools at the same time means that the first two schools will be delivered late rather than the second two schools early.

What else has the government failed to do in Bendigo? Everyone knows it has failed Bendigo on water. Bendigo has been on stage 4 water restrictions for a number of years, and still remains on stage 4 restrictions, but the government has done very little about it. It copied the Liberal Party's policy when it said it would build the Erskine pipeline.

But that was not enough. The Liberal Party had a range of initiatives to accompany that pipeline to secure water for Bendigo which included investing in the crumbling irrigation channels serviced by Coliban Water. This government has not done that. The government can save around 4000 megalitres of water a year, and it must do that.

The government has also failed the Harcourt irrigators by failing to invest in their recycling pipeline project. Those irrigators have not had water security for a number of years. That project must be brought forward to provide them with secure water supplies.

In 2006 people in Sebastian, Raywood, Bridgewater, Inglewood and Goornong were promised that their pipelines would supply them with potable water. Recently in the media the people of Sebastian were reported as saying that they could not shower in their water — it was so bad it was burning their scalps. Coliban Water is now having to truck water to Sebastian. This pipeline was promised in 2006. The government said, 'That pipeline has been put back because of the building of the Colbinabbin-Eppalock pipeline'. The funny thing is that that pipeline was not announced as a project by this government until 31 May 2006, which was a month before the end of the 2005–06 financial year, which is when these pipelines were supposed to be built. Here we are in 2008, and they are still not built. We know that they have been delayed even further by this government.

Another project in the Bendigo area that the government has failed to fund is the Calder Highway interchange at Ravenswood. That area is becoming quite dangerous. It was first identified by the former Howard federal government as being in desperate need of funding. It is a project that will cost about

\$60 million. The Howard government put \$30 million for that project on the table at the last election, but we have seen nothing from the Rudd government or the Brumby government to improve safety at the interchange on the Calder Highway at Ravenswood.

We also know that there is a problem with congestion in the Bendigo CBD (central business district). Over the last couple of years a transportation study has been undertaken, but it has not been completed. The government needs to accelerate the completion of that study and implement its recommendations so that we can see greater safety in the Bendigo CBD. The congestion involves B-double trucks and all sorts of vehicles travelling through the middle of Bendigo, past schools, kindergartens, child-care centres and shopping centres. The situation at the moment is dangerous. A local newspaper asked the Minister for Regional and Rural Development in the other place, Jacinta Allan, about this issue a couple of weeks ago. She said it was not a priority for the Brumby government. Improving the safety in the Bendigo CBD is not a priority of the Brumby government — that is a sad indictment of this government.

Public housing is suffering in this state, but the Minister for Housing in the other place seems to treat it lightly. His media releases of last week say that, despite an increase in the public housing waiting list, the waiting lists are being well managed. How can an increase in demand indicate good management? The media releases said that, despite an increase in the waiting list, the demand remains steady. That does not make sense either. An increase is an increase; over 500 families were added to the public housing list in Victoria. That is quite alarming, because those are quarterly figures. We now have a waiting list of 35 394 families. These families are just languishing on the Brumby government's public housing waiting list. They will continue to wait there for a long time because the budget papers which were introduced yesterday revealed that even the most desperate families — those who are at risk of recurring homelessness, have a special housing need or have a disability — are expected to wait in excess of six months for urgent accommodation to be allocated to them by this government.

The budget papers also reveal that families who live in public housing will pay more rent again this year. This is the result of the government's announcement in the 2007–08 budget, when it said it would increase the assessment of the family tax benefit from 11 per cent to 15 per cent over four years. The first increase kicked in during April 2008; there will be increases for families again in April 2009, April 2010 and April 2011. These

families will continue to pay. The unfortunate thing is that this takes a greater proportion of the family tax benefit. That is money that is given to low-income families from the federal government to assist those families raising their children and to pay for essentials like shoes, clothes, school excursions and school books and to put food on the table. But this greedy government — which does not need this money from low-income Victorians — says, 'We want more rent. We are going to squeeze every last cent out of low-income families who live in public housing through rent'. I think that is a heartless decision by the Minister for Housing.

One of the real concerns in the budget figures is that the number of episodes where the supported assisted accommodation program was unable to meet an accommodation need increased from 9 per cent in 2006–07 to 17 per cent in 2007–08. The number of homeless people who need urgent accommodation but who are turned away has virtually doubled. The Brumby government has turned away from these people and is unable to provide assistance to them.

This budget has been hailed as the baby boom budget. It probably is a boom for the babies today — they will have to pay that money off in 20 years time! The government is prepared to allow debt to expand to around \$20 billion once again. My fear is that we will see a return to the debt levels of the former Cain and Kirner years and that our children and grandchildren will be paying off this debt.

The government has hailed this as a baby boom budget that is providing all these additional services — additional maternal and child health services and additional kindergarten inclusion support service (KISS) placements — but it is not enough. We have seen the kindergarten inclusion support service increase by 150 places. Currently there are 600 four-year-olds who receive KISS funding, and that extra 150 will bring it to 750. But in Victoria we have 2667 four-year-olds with a disability; of those, 1879 have complex and severe disabilities, so we have a shortfall of at least 1129 KISS service placements.

The government makes it difficult for people to access the KISS program, because for children to be eligible for these services, they have to have a complex and severe disability, be a danger to themselves or others or have a disability or medical condition that demands constant supervision. These criteria need to be expanded. We need to allow more children who have special needs to access the KISS program, because as the minister admitted in her press release, the research

shows that the earlier that children are supported, the greater their chances of reaching their full potential.

There is a whole group of children attending kindergartens in Victoria who would greatly benefit from the KISS program but who are unable to even apply for funding under that program. That eligibility criteria needs to be expanded, there need to be more places available, and we need to give that support to the kindergarten teachers and the kindergarten communities so that all Victorian four-year-olds can participate in kindergarten and can gain the benefit of a kindergarten program.

The government, of course, failed to extend free kindergarten attendance to all four-year-olds. That is another policy of the Liberal Party that the government would be wise to pick up because, as I have already said, the minister herself acknowledged that the research shows that the earlier children are supported, the greater are their chances of reaching their full potential. We know that children who have attended kindergarten have better results at primary school, and we would like to see the government supporting all four-year-olds by giving them at least that one year of kindergarten before they attend primary school.

Primary school teachers will tell you that the children who have come through a kindergarten program are far better prepared for school. Perhaps it would be better to fund all four-year-olds for a year of kindergarten than to provide the transition statements, because some kindergarten groups have actually expressed concern that the transition statements might stigmatise and pigeonhole children in their early years. They are not really sure if transition statements are a great idea or not, but they know that a year of kindergarten for four-year-olds is a great idea.

The budget papers also reveal that the government did not meet its target kindergarten participation rate in 2006–07; it reached just 94 per cent of children compared to the target of 96 per cent. The quality measure that I found particularly disturbing was that the number of prep-age students assessed by school nurses has fallen well below the target. The government target was for 57 000 students to be assessed by school nurses, but only 52 667 children were assessed in 2006–07. We have to ask why almost 5000 children were excluded from that assessment.

The budget also makes a commitment to expand maternal and child health services, but what the budget fails to acknowledge or indeed fails to seek to resolve is the issue of Victoria's ageing and declining maternal and child health nurse workforce. These people are

already severely overburdened. I talk with people in a lot of local government areas who deliver maternal and child health services. They say they would do more outreach service and far more chasing up of people who drop out of the system if they had the capacity to do so, but they do not have the capacity to provide these services. Maternal and child health nurses are becoming very rare. It is an ageing workforce, and we need to be training more nurses, but there is nothing in the budget that seeks to resolve this issue.

One of the other inclusions in the budget is \$16.5 million for the monitoring and regulation of family day care and the implementation of the new Children's Services Act as amended by the Children's Legislation Amendment Bill. I found this a little bit disturbing, because one of the areas that I am concerned about in that bill is the increase in the cost of family day care. We all want to see quality services for our children, and we all want to see high-quality programs and extreme safety, but we also need to make sure that services are not cost-prohibitive for families.

The fact that the bill acknowledges that there is going to be quite a significant cost impost with the implementation of these regulations and even acknowledges that it will provide \$1000 grants to services in order for them to comply with those regulations demonstrates that there will be increased costs for family day care and that there will be imposts on those services. I just hope that it does not put family day care out of the reach of ordinary families or prove to be the cause of a decline in family day care, which is a very important children's service, particularly in country Victoria, where we may not have an ABC Learning Centre on every corner and where family day care provides the main child-care services.

I think this budget has failed country Victorians in particular as well as all Victorians. We see that taxes are set to increase under this government. Payroll tax revenue will be up by \$360 million, land tax revenue will be up by \$300 million and stamp duty will be up by \$900 million. The government is collecting an additional \$1.5 billion in taxes this year. It claims it is a budget that is giving tax back to the people: it is giving \$300 million back, but it is collecting \$1.5 billion extra, so the government is the one that is benefiting from this budget.

We also see, as I spoke about before, that debt is set to rise to around \$23 billion. That is a great concern for all Victorians. The interest bill to service that debt will be \$1.8 billion. How many hospitals, how many new schools, how many new teachers and how many new police could we provide for that? We know that that

amount would double the police budget in this state. When the government goes into debt it has an impact on services, because the servicing of that debt takes money away from delivering real services to the people of Victoria. I thank David Davis for moving this motion so that we can highlight how the government is lacking in not providing services to the people of Victoria.

Ms MIKAKOS (Northern Metropolitan) — I welcome this debate because it gives government members an opportunity to demonstrate to the house the very many ways in which the Bracks government and now the Brumby Labor government have delivered essential services to Victorians. I note that the opposition has effectively scored an own goal here. It has moved a quite silly motion that serves only to allow government members to talk about our very strong record in delivering services to Victoria. It has, in effect, brought on a de facto budget debate probably a week earlier than we had all anticipated. However, as I said, we welcome debate on the motion as it gives us an opportunity to remind members opposite not only of the very strong record that we have but also to remind them of their own abysmal record, one that we will continue to remind Victorians of at every opportunity.

A party opposite has come in here and moved a motion when it has a record of having cut 3500 nurses, 9000 teachers and other school staff, and 800 police officers, and having made many other cuts to essential services. In my electorate of Northern Metropolitan Region, two hospitals closed: the PANCH hospital was sold off in the dying days of the Kennett government, and the Fairfield hospital also closed. A number of public schools were starved of government funding for the period that the Kennett government was in office, and that saw dilapidated school buildings crumbling around the place. Many other government and, I point out, non-government organisations that existed in the 1980s were shut down by the Kennett government.

I find it hypocritical, to say the least, that the Liberal Party could come into this chamber and move a motion like the one now before us. But I welcome the opportunity to highlight the proud record that this government has in providing essential services, because the reason why the Labor Party was elected to office was because Victorians expect a state government that delivers essential government services, particularly in the key portfolio areas of education, health, transport and community safety, and our government has done exactly that. We have delivered in these key areas, and I am proud to be a member of this government. I want to now spend some time discussing those particular portfolios but also to highlight what the Treasurer announced yesterday in the 2008–09 budget.

As we have always emphasised, the Brumby Labor government is committed to making education its no. 1 priority, and that is also to be seen in this year's budget. The government has committed to a range of programs in the area of education in particular. It has committed \$592.3 million to rebuilding, renovating or extending 128 schools across the state of Victoria. I am very pleased that that involves a number of upgrades or renovations in my electorate. For example, \$123.9 million has been allocated to upgrading and renovation works at 25 schools, including Princes Hill Primary School and Reservoir West Primary School.

In a separate program, the already announced Partnerships Victoria in Schools package will see \$171.3 million delivering 11 new schools, particularly focusing on the six growth areas on the outskirts of Melbourne: Mernda Central Primary School will be constructed as a result of that funding. As part of the school regeneration projects, a total of \$101.1 million has been allocated and will involve the quite significant Broadmeadows regeneration project that will benefit a particularly disadvantaged community.

The budget also includes an allocation of \$3.5 million to build a year 11 and 12 centre at Fitzroy High School. The budget has also provided additional funding of \$22.1 million over four years to continue the successful literacy improvement teams, and this will involve the employment of 45 literacy specialists who are allocated to schools according to need, as well as 15 additional literacy specialists with a focus on Koori students. I would hope that that would benefit some of the students in my electorate because we have the largest Koori community in metropolitan Melbourne, particularly in the city of Darebin.

We have also allocated \$71.4 million to provide more targeted support to schools to help lift the performance of students and provide incentives for a high-achieving teacher workforce. We have also allocated additional funding for student support services officers. In fact, \$33.2 million has been allocated over four years to provide for an extra 70 student support services officers such as guidance officers, social workers, speech pathologists, psychologists and 10 support coordinators to work with schools across Victoria. I think these types of support staff are very important to our education system because we know that some students come to school with a range of particular disadvantages or disabilities, and they need to be provided with every opportunity to get an education and the same opportunities in life as every other student.

There is also an allocation of a further \$7.3 million to improve year 12 completion rates through more support

for vocational education and training in schools, and I know that the VET programs are particularly popular in some of my local schools. We continue to see a significant skills shortage across Australia, particularly in the building trades but also in other skilled manufacturing trades, and it is important that we allow young people choices that they can make in terms of future employment and provide them with the appropriate support and choices in terms of whether they want to pursue VCE or VET in year 12.

We have also seen in the budget a range of support for children and early childhood development. In particular we have announced there will be \$2.6 million to refurbish and renovate existing kindergartens on selected sites within school regeneration projects, including the construction of an early years centre on the new Broadmeadows Primary School site which, as I referred to earlier, is part of the Broadmeadows regeneration project. There is also an allocation of \$5.2 million over four years to provide free kindergarten programs of up to 5 hours a week to three-year-olds known to child protection services, and \$15.1 million over four years for disadvantaged families to promote home learning and improve access to supported playgroups for disadvantaged families, delivering playgroups for up to 2000 disadvantaged families.

I am also pleased and proud of the fact that the budget includes \$29 million to create 1000 early childhood intervention service places to support children with a disability or developmental delay and additional kindergarten inclusion support services placements. As I said, it is particularly important to provide young people with every opportunity to integrate into a school environment but also be provided with educational opportunities available to other students. There is also \$54.9 million for expanded maternal and child health services to help mothers, babies, pregnant women and families across the state.

We can see that there is quite significant support in this year's budget for education but also early learning and childhood development. This builds upon the government's very strong record of having employed an additional 8000 teachers and staff in government schools in Victoria since it has come to office. We know that this is producing the desired results. We have data showing that Victoria's years 3, 5 and 7 students were at or above the national average in reading, writing and numeracy. They are very important measures of student competency and skills in the education system.

The Treasurer has spoken on a number of occasions now about this year's budget being a baby-boom budget and the fact that the budget is responding to a population boom with 73 737 births recorded last year, being the highest number of births since 1971. The government has responded to this challenge by providing for 14 new maternity beds and 18 extra nursery cots in Melbourne's growth suburbs. I am pleased that there is an allocation of \$2.5 million to expand maternity services at the Northern Hospital in Epping, adding six new beds to that hospital's maternity unit which will enable an extra 500 births to be conducted in that community's local hospital. In addition there is funding of \$42.7 million over four years to ensure that all babies and young children receive check-ups and health support, at key developmental stages up to the age of five years. There is also \$12.2 million for better maternal and child health services for babies and vulnerable families, particularly first-time mothers who need extra support. There is also additional funding that has been matched with commonwealth funding for new screening initiatives for mothers at risk of postnatal depression, and \$8.3 million for antenatal care initiatives such as community health services in outer metropolitan growth areas, delivering on quit smoking, promoting healthy eating and information programs.

All of these initiatives will provide for a greater capacity to meet more than 2800 extra births every year. We need to obviously provide these types of programs to meet the growing population we are experiencing here in Victoria. Not only are resident Victorians having extra babies, but we are also seeing people moving to Victoria from interstate or from overseas because they know that Victoria is a desirable place to live in, that there are many employment opportunities here, and that our housing is relatively affordable compared to that in many other states.

There is a significant increase of funding in the general area of health that will see 60 000 extra patients being treated in our emergency departments, an extra 16 000 elective surgery patients and an extra 33 500 outpatient appointments. I am pleased to see that new specialist elective surgery centres will open at St Vincent's and Austin hospitals to provide a dedicated focus on cutting surgery waiting times. On top of the government's new \$150 million cancer action plan is also an allocation of \$25 million for the development of the Olivia Newton-John Cancer Centre that will bring together all facets of cancer care, research and training at the Austin Hospital. In addition to the chemotherapy, radiotherapy and specialist outpatient services at that centre there will also be the Southern Hemisphere's first cancer wellness centre that will cater for the psychological,

spiritual and emotional needs of patients with cancer. The cancer action plan of \$150 million is aimed at increasing cancer survival rates of Victorians by a further 10 per cent by 2015. It aims to save 2000 Victorian lives which would otherwise have been lost. It will enable a considerable amount of resources to be invested in innovative prevention treatment and research as well as increased cancer screening rates to not only detect cancers early but to enable access to things such as genetic screening for cancers with an increased genetic predisposition.

The budget also provides \$5 million for planning a world-class cancer precinct at Parkville, which was already announced late last year. I should also point out that there is \$2 million for the planning and design of new refurbished facilities at the Royal Victorian Eye and Ear Hospital, a very important statewide hospital which supports Victorians.

Overall in the health budget there has been a very considerable increase in funding to provide for increased resources and capacity in our Victorian health system. I point out that the commonwealth, the Australian Institute of Health and Wellbeing and a recent report from the Productivity Commission have all rated Victoria's hospitals as the best in Australia. This is because of the government's record of funding for health, which has seen a 112 per cent increase in hospital funding and more than 8000 nurses and 1800 doctors added to the Victorian health system since it has come to office.

Before I move on from health I point out that in the budget this year is a very significant investment in our ambulance services — a record \$185.7 million to boost Victoria's ambulance services. My local community in the Northern Metropolitan Region will have quite a significant boost. Thirteen new peak-period units will commence and as part of that expansion the areas of Abbotsford, Coburg, South Morang and Ivanhoe will all benefit. There will also be upgraded services involving additional paramedics in Greensborough, and new paramedic teams based at Broadmeadows and Fawkner. One of the new 24-hour mobile intensive care ambulance units that are ready to commence will be placed in Richmond. So many different parts of the Northern Metropolitan Region are going to benefit from the expansion of Victoria's ambulance services.

I do not want to go into all the other aspects of the health portfolio in great detail. However, I welcome the additional increase in funding in the mental health area. This is an area that I have been keenly interested in over the years and, sadly, it is a significant problem in our community and one that I guess is a bit of a hidden

problem. We as a government have been prepared to tackle this issue and have put in significant resources. This year's budget includes an allocation of an additional \$111 million over the next four years and I welcome that funding.

As part of the mental health initiatives, one that I want to touch upon because it is in my electorate is the \$15.5 million for works at the Heidelberg Repatriation Hospital. It will include the centre for trauma-related mental health services, which is a redevelopment of the veterans psychiatry unit and will provide a 20-bed unit for inpatients and outpatients, treating veterans and non-veterans suffering from post-traumatic stress disorder, anxiety disorders and major mood disorders. Our veteran community deserves to have these resources and support available to it.

In terms of our support for community safety, we have provided a package of \$24.7 million aimed at breaking the cycle of abuse by stopping family violence before it happens, and expanding support for victims. I do not want to go into the breakdown of this particular package, but again it is something that I have taken a keen interest in over the years and I welcome it. I note that this year we will be debating the new family violence bill that the government outlined in its annual statement of government intentions earlier this year. It is important that we tackle the issue of family violence and provide support for women and children who are facing this particular difficulty.

In terms of community safety, or the police and justice portfolios more broadly, this is an area in which I have had some interest and involvement over the years. I was previously Parliamentary Secretary for Justice and I know that this government has always taken a keen interest in providing additional police in our community. We have already employed 1600 additional police to ensure that people feel safe in the community and that crime rates decline. We have seen a significant decline in the crime rate since we have been in office and hopefully that will continue to be the case. The budget includes a record \$1.75 billion for delivery of 350 additional police, building on the 1400 extra police our government has added to the police ranks since 1999. In this year's budget there is additional funding for our continuing program of police station upgrades, and provision of specialist equipment to enable police to do their job in an effective manner. There is also additional funding for the Office of Police Integrity and the special investigations monitor for their continued fight against crime and corruption. That is something that I also welcome.

I will conclude my remarks because I know that there are other speakers yet to come. This government has a strong record when it comes to providing essential services to Victorians. We are proud of the fact that we have made significant progress since we have been in office in undoing the damage that was done during the seven years of the Kennett government. We have unashamedly focused our energies and budgetary resources towards the key portfolios that I have mentioned, particularly education which has been our priority, but also health, community safety, transport and many other areas. Whilst I welcome the opportunity to contribute to this debate this afternoon, I oppose the motion. I think it is a silly motion, but I welcome it from the point of view that it has given government members an opportunity to talk about our wonderful budget.

Mr DALLA-RIVA (Eastern Metropolitan) — I rise in support of this motion and my Liberal Party colleagues. This is a motion that is balanced. It makes a noted point about the fact that the government has had a massive increase in its budget over its almost nine years in government.

Australia has experienced strong national economic conditions as a result of the former Howard-Costello government, which have been enjoyed by the state government over its life. It has meant that it could take advantage of those national and international economic conditions, but the end result, as the motion points out, is that it has failed to deliver a commensurate increase in the essential services necessary for the Victorian community.

Speakers on this side of the chamber have provided many examples of the lack of essential services, and I will go through my list in some detail, but Mr Viney and Ms Mikakos gave their usual diatribe, full of rhetoric and spin. They always go on about how the former government was so bad and how, 'We were there to rescue the state from the demise brought on by the Kennett government'. But it is interesting to note that the Kennett government came from a bankrupt base. The joke abounding at the time was, 'What is the capital of Victoria?' and the answer was, 'About 2 cents!'.

Now we seem to be heading in the same direction. After nine years of economic prosperity one has to ask: are people better off on the train system under this government or under the former government? Are they happy to be crammed in like sardines under this government or were they happier the way things were under the Kennett government, when they rode in the trains in comfort, and witnessed the enormous growth

that was occurring around Victoria? Are they happy to sit in their cars on the roads today, congested beyond belief? The government's solution is to extend the clearway zone. That is its solution; you can forget about any infrastructure.

We note the amount of prophesy the government has in terms of what it proposes to spend, but I have been here long enough to see many of this government's budgets and have noted where it purports to allocate lots of money, and many of the financial commitments have had TEI (total estimated investment) next to them, and once again members will see 'TEI' next to many of the items in the budget.

I do not propose to go through the budget in depth because as a member of the Public Accounts and Estimates Committee I, like many on my side of the chamber, will be suffering through the 16 or so days of listening to the diatribe and presentations from the various ministers, including the Premier and Treasurer who, incidentally, are first up next week. We will be seeking clarification on many points, particularly related to the fact that the budget has seen a substantial increase in expenditure and revenue — substantially above what it was in 1999; in fact it has doubled.

I always put to people that if they think the revenue and expenditure of this government has doubled, have they seen a doubling of the services? Is there a doubling of the road system? Is there a doubling of the transport system? Do they see a decrease in the waiting lists that this government, when in opposition, barked on about fixing, day in, day out? Then when she was first in government, the then health minister said, 'No, I never said I was going to fix waiting lists', but of course there was plenty on the record to say she had said that.

We heard from Ms Mikakos talking about reducing the crime rate. I do not know how she does it, because those people who have been victims of assault and victims of serious crimes against the person must struggle to see how the member could stand up and say there has been a reduction in the crime rate when she knows all too well that there has been a substantial increase in crimes against the person. Assaults and violence generally have substantially increased, and this government has dealt with it by sticking its head in the sand and eventually coming up with a Liberal party policy — and that is the lockout after 2.00 a.m. policy.

While I am on theft and police-related matters I want to bring up the issue of theft, because there should be an offence of theft of policy. If there were this government would be guilty of about 40 counts at this stage, having

taken many of the policies we took to the last election, most of which it vehemently opposed.

A bill to be introduced in this chamber involves extended supervision orders. I recall a debate we had here a couple of years ago about including the crime of rape in extended supervision orders. Members on the other side vehemently opposed us, but surprisingly we have a bill coming up — it is not in this chamber yet — in which the government will move to include rape in the extended supervision orders. I look forward to the debate, because this shows the hypocrisy of this government. No matter what you do or the arguments you put forward — legitimate or not — on all occasions it says no. It does not listen to the rationale. It will be interesting to have the debate on some of those matters moving forward.

The motion talks about the massive increase in the state government budget. We know that. One would have thought that with the huge windfalls in terms of traffic fines, in gambling taxes, in stamp duty, in land tax, in the water contribution levy, in its take from all the water authorities and the GST, there would not be the financial crisis that we face in this state now. It is clear to the people of Victoria that this government has not managed its financial income effectively. It has squandered it, wasted it. We know from previous experience that the government has spent billions of dollars on consultancies with no outcomes to show. Time and again money is allocated for promises such as the South Morang rail extension. I heard Ms Mikakos talking about the blasted South Morang railway line. The commitment was made in 1999 and —

Mr Guy — They're not even building it!

Mr DALLA-RIVA — They are not building it now — there you go! It was a policy vacuum. I might just bring one up that is more local. The government said in 1999, as part of its transport policy, that it would fund and build a tramline extension to Knox City shopping centre. The tram has run off the rails, because it never got there. The 1999 policy commitment has gone nowhere. The tram goes nowhere because the line was not built, and there is no allocation in this budget. We know that, but the government made a commitment and nothing has been done about it. It goes nowhere. This is a classic example of the government being more interested in spin; it hopes people will forget about it, but we have not.

I will continue to remind the people in Vermont South, Forest Hill and Ferntree Gully that they are without the tram promised by the Labor government, and they need to be reminded. The government is slowly losing the

seats in the east, and that is evidenced by the 2006 disaster out in the east. The government is now abandoning the people out there, and that is a shame, because it made a lot of promises it has not delivered.

It promised a third railway track from Box Hill to Ringwood, and that will never happen. It is not in the budget and there is no funding promised for it, and there will be no funding in the forward estimates for the next four years, so the people who are looking forward to that third track can forget about it. There is no additional funding for the completion of the duplication of Bayswater Road. The government lost Bayswater, so now it will forget about it and worry about where the votes count, because that is what the government worries about. It does not worry about what is good or right for the people of Victoria. What government members are interested in is where they can maximise their votes.

There is no funding or consideration in this budget for a grade separation of Springvale Road. The member for Mitcham in the other place, who should be advocating on this matter, has been silent on it. The situation is the same with the crossing at Rooks Road; it is a dangerous road. On 10 March this year a man in his 40s died after he was hit by a train at the Rooks Road crossing. We have also seen accident upon accident at the Springvale Road intersection, one of the worst intersections in Victoria. I guess what the government is hoping to do is to wait for EastLink and say, 'Look, it is all cleared up'.

The government has no plan; that is the problem. It has no real strategic plan about what it intends to do with all this money that it is raking in. It is too late now. What it is now proposing to do is to ramp up its spending, but the way it is going to do it is by increasing debt. It harks back to the old days and my initial remarks today. In 1992 the running joke was, 'What is the capital of Victoria?'. The answer was, '2 cents' or '5 cents'. In my first term in Parliament, for those who wish to go back and look through *Hansard*, I went through all of the relevant ministers at the time who were part of the guilty party in some form or another. Whether they were advisers or whether they were then ministers, they were all members of the guilty party. I said it at the time and I will say it now: if you have been taught to manage the state in a way that makes the state go broke, then you are going to do the same when you are the minister. You will go into debt because that is the way you have been taught. The argument that you should go into debt to provide services is correct, but the rider is that if you are receiving huge amounts of money, then surely you would invest those moneys into infrastructure at an earlier stage and not wait for a crisis.

You would not wait until the point where we are now. We are facing a crisis of —

Mrs Peulich — Monumental.

Mr DALLA-RIVA — monumental proportions. It staggers me that this government is, after nine years, saying that it is now going to fix the road system. Where has the Sir Rod Eddington report gone? It has gone into cyberspace. There has been no allocation of funding for it. There is no indication of what was proposed, where the government is proposing to build the roads or what will happen with the public transport system. This report has now gone into the ether, and how much did it cost? And so it goes on.

There is the situation with the Box Hill Hospital, which has been desperate for redevelopment. The government in its wisdom has allocated \$8.5 million over three years. It should have allocated \$850 million. It should have redeveloped the hospital, not tinkered around the edges. What has happened is that the government has either dropped a decimal point or forgotten a few zeros at the end of the funding figure. Essentially the people of Box Hill and people out that way will miss out on an improved service in health delivery.

We hear the rhetoric from Mr Viney. I have got to say that Mr Viney's speeches, whatever the motion, are firstly comical but always the same. If you went through *Hansard* you would read the same speech, no matter what the motion is. He just changes the context. The introduction is different; the body, which goes for about 20 minutes, is identical; and then he concludes by saying, 'I oppose it'. He actually makes no contribution; it is just the same speech on a different motion. In the end we hear the same thing: bad on the police, bad on the teachers, bad on the nurses. It is the same rhetoric, yet we have a situation where people are waiting longer to get into hospitals than they ever were under the Kennett government. People are waiting longer in their cars in a crammed road system than they ever were under the Kennett government. People are crammed into trains and trams and buses more than they ever were under the Kennett government.

Mrs Peulich — And they are paying more taxes.

Mr DALLA-RIVA — And they are paying more taxes for the privilege. And the list goes on and on.

When it comes to the buses, it staggers me that the member for Forest Hill and the member for Mitcham in the other place put out a story in the local paper that they are very upset with the way the bus system is operating in the city of Whitehorse in their electorates. They were photographed wearing very concerned looks

about what they were going to do about getting more funding. I thought when I saw the article, 'Here we go. Here is the pre-emptive strike by these members who are about to get extra funding for bus services in the eastern suburbs'.

If you were planning and being strategic about the way you dealt with this, it would make sense to get a good photo shoot so that you could go into the Parliament and attack your own minister and make it appear that you were concerned as a member of Parliament and you were raising the issue in the community. On top of that, let us make it even better: let us have a public meeting at the Box Hill town hall. So we have all the spin and all the diatribe that go around; we have the photo shoot; it all sounds good; it looks good — 'We need more bus services. They are not good enough in Forest Hill or in Mitcham or in the eastern suburbs. I am going to stand up, because I have now got a marginal seat in Forest Hill or I have now got a marginal seat in Mitcham, and raise that matter in Parliament'.

Mr Guy — Who is the member for Forest Hill?

Mr DALLA-RIVA — The member for Forest Hill, when she is there — occasionally — is Kirstie Marshall.

Mr Guy interjected.

Mr DALLA-RIVA — I do not know whether she lives there. That is something we need to explore. The facts are that we had these members get up and say that the services in their area were not up to scratch. They agreed with our motion that after nine years essential services considered to be necessary for the Victorian community are not up to scratch — the government has failed to deliver them. We had two members out there calling for a public meeting, and lo and behold, on 16 April it was reported in the *Progress Leader* that more than 60 people attended the meeting.

They said they were not happy with the services and there needed to be an improvement. I thought the game was going along quite nicely for the spin doctor chiefs on the other side of the chamber — they have more spin doctors than any government in the history of this state — and they were working out their program quite effectively. Then we got the budget, but there were no increases for bus services in Forest Hill and Mitcham. Maybe the members for Forest Hill and Mitcham are not that important. Maybe they ought to start considering other career opportunities after November 2010.

Mr Guy — Go back to skiing.

Mr DALLA-RIVA — They may go back to skiing. I do not know whether the Minister for Gaming, the member for Mitcham, would want to do that.

Mr Guy — He can go back to horseracing — he owns one of those.

Mr DALLA-RIVA — Maybe horseracing. I thank Mr Guy for that. The fact is there was nothing in the budget for these services. What are these members going to do? Are they now going to stand up and say the bus services are still abhorrently poor? I do not know if they will. The problem is they went through a process of spin, of confusing and tricking the people in those areas, and at the end of the day nothing is really going to improve. The problem is that the people of Victoria continue to believe that the government appears to be doing something.

I am staggered that we continue to have a government with so much money swilling around but it cannot see that it is not doing anything for Victorians. It all sounds good but underlying all that, we are fast going down the track of a former Labor government, and we know where that put us: it put us in a very precarious position where in 1992 we were left to pay a \$32 billion state debt. This government is proud to say that it is going to improve its debt. As I said before, the argument to have debt for infrastructure development sounds reasonable, but when you have a huge amount of income you really should not be going into debt to the levels the government is proposing.

How on earth could you go from \$19 billion to double that, at nearly \$38 billion, and now all of a sudden say, 'We have to spend our money on essential services and on infrastructure, and as a result we have to go into debt'? I find that to be poor financial management by this government.

You have to be fair dinkum about what the government is really doing. As I said before, the fact is all the government members were trained under the Cain and Kirner governments. Many of them have been tarred with the same brush, and we now see this. That is why the motion before the house is reasonable. It should be supported by the chamber.

In closing, I will mention one other promise which demonstrates where this government is in terms of the eastern suburbs. Pembroke Secondary College has been waiting six or seven years for the planned replacement of its Cambridge Road and Reay Road campuses. The college's master plan planning stage was funded in 2006 with \$1 million. But nothing happened. The member for Kilsyth in another place, David Hodgett,

was elected in 2006, and because the seat is now held by a Liberal member, Pembroke Secondary College misses out. This is what people need to be reminded of: this government is more interested in holding power than in the schoolchildren in that college. It is only interested in ensuring that it clings to power and does whatever it can do to get back into power.

The government is so scared of this notion that it has to close schools, and it is prepared to let this school run down. This school is so run-down that one of the parents went into the teachers' staff room and said it was not fit for animals to be in. It is a disgrace that this government is so scared of being seen to do the right thing for the community that it is prepared to let children, staff, teachers, parents and the community suffer. That is a classic example of a government that is focused more on power and spin and what it can do to cling to its slowly eroding power base than looking after people, irrespective of whether they are in a Liberal-held seat, a Labor-held seat, a Nationals-held seat or otherwise. That is a classic example for me.

In summing up, the bottom line is no funding for grade separation in Springvale Road, no funding for additional bus services even though government members bark like stuck pigs about it, no funding for the tram line extension to Knox even though the government promised it, no funding for the promised third track from Box Hill to Ringwood, no funding to complete the duplication of Bayswater Road and no funding for the Box Hill Hospital. The people in Eastern Metropolitan Region have missed out. They will continue to miss out while we have this government in power. They will remain on congested roads, they will remain on congested trains and trams, and they will continue to miss out on quality health services and proper education facilities because this government does not know how to manage money. After nine long years we are starting to see the outcomes of the government's mismanagement.

Mr THORNLEY (Southern Metropolitan) — It is Groundhog Day. This is the same tired old spiel we had about the last budget. I have to say that was my first time in this Parliament, and I was a little surprised that some members would run along with a standard-line critique regardless of the facts. Now this is my second time around, and I guess I am getting used to it. Mr Dalla-Riva was frustrated because he thought some people on this side of the chamber were saying the same thing regardless of the issue, and I have to say that people opposite are saying the same thing regardless of the facts. We just keep getting this tired old Cain and Kirner line coming through, unblessed by any connection with reality.

The problem people had with the Cain and Kirner governments is it ran deficit budgets. The recurrent budget was in deficit, and some of that recurrent budget deficit was used to fund recurrent expenditure. I know we keep trying to get members opposite to understand the difference between profit and loss and the balance sheet, but we are going to keep trying to do it because until they understand that basic financial fact, we will not be able to have a sensible conversation about anything.

What this government has done is say it is going to invest for growth. The genius of investing for growth is when you get the balance sheet working harder you drive the growth, and that actually puts your recurrent in a better position in future years. That formula has worked, and it keeps working. It must be dreadfully frustrating for members opposite that it does, but it does. No amount of Cook's touring of marginal seat grievances will change that.

Mr Dalla-Riva keeps saying the government is only doing things to win this seat or that seat. None of us is sitting here talking about those seats. The only people doing a Cook's tour of marginal seat grievances in this debate are members on the other side. They are the people who are trying to get some major argument up and just happen to mention Bentleigh, Box Hill, Forest Hill, Mitcham, on and on and on — I am sure Mrs Peulich will be getting on to Mordialloc.

If you want to win, you actually have to believe in something. I admit members opposite used to believe in something. They used to be mad ideologues. People trusted them for a while because they believed in something. When they found out the consequences of what members opposite believed in, they stopped trusting them and threw them out. Members opposite are now in the worse position of actually not believing in anything. Let me take the house through that, because I think it is germane to the discussion on this motion.

Opposition members used to be mad ideologues about the workplace. Every time we tried to protect injured workers, they would say we were nasty trade unionists, it was all going to hell in a handbasket, and if you tried to protect workers it would cost too much, no-one could afford it and everyone would go broke. But it turns out that if you actually get in touch with reality and if you deliver safe workplaces, not only does it not hurt business but it helps business, because you get five WorkCover reductions in a row. So their mad ideology about the workplace did not actually deliver.

It did not stop there. Then the Liberals had this mad ideology about cutting services, as if that has no impact on people and no impact on the economy! They cut the schools back to blazes; they cut the hospitals back to blazes. But, surprisingly, you do not drive economic growth by doing that, because if you do not look after people, they cannot be productive in the economy. So that mad ideology did not work, and eventually the people were onto it and got sick of it.

Then the Liberals had this mad ideology about privatisation. There is no problem with having things in the private sector or the public sector; that is not the interesting debate. The interesting debate is whether you do it well or whether you do it badly. It is whether you do public stuff well, whether you do private stuff well and whether you do public-private partnerships well or you do not. But the Liberals do not care about that, because the only thing they care about is some mad ideological debate about having to privatise everything; then they do really dumb things. The Liberals privatise the ambulance service in a way that stuffs it up and fails to deliver basic, essential services for people. The Liberals privatise the toll roads, creating billions and billions of free-kick dollars for a private operator, because they cannot structure a deal right, because the only thing they care about is that it be a private deal. The Liberals did not care about whether it was a smart private deal and whether it was well structured; they just gave the money away. That is their mad sort of ideology.

It did not stop there either. The Liberals used to be mad ideologues about climate change. Members might remember that; it was not that far back. The Liberals ignored the science, ignored the reality, ignored what was happening on the ground and the drought. 'We're not sure', I think their esteemed leader said not long before the last election. 'We're not sure. The jury is still out about whether human action is impacting on climate or not. We are still trying to keep an open mind about the fact that 99.8 per cent of the scientists have already made a decision, because we are mad ideologues'. That is what we used to have. We used to have mad ideology. As I said, at least for a while people saw some sort of leadership in that. Mr Kennett at least believed in some things, and he went out and did them. Unfortunately he believed in some of the wrong things, and when people realised that they threw him out.

However, the response to that is not then to believe in nothing, to not know what you believe in or to not know which lever you are going to pull to create change and to think you are going to win back government by some vagrant Cook's tour of marginal electorate grievance politics. If people are going to vote

for a new government, they have to believe the Liberals will do something different. They have to understand what it is the Liberals will do differently and why they will do it differently.

Nothing could be a better example of this than what happens every time we have a budget debate, because the Liberals cannot work out which variable they want to pull on. They cannot work out whether they are the low tax guys, the low expenditure guys, or the low investment guys. Just pick one! Pick any one! They at least should believe in something. We picked one; it is called investment. When we inherited government, the Liberals were investing \$1 billion a year in infrastructure. We are now at \$4 billion. That is a simple number. Members on the other side cannot avoid it. We understand that if you get the balance sheet working, you invest for growth, and that comes back in future years.

An honourable member interjected.

Mr THORNLEY — The opposition keeps complaining about the fiscal position. I do not know whether opposition members actually do not understand the difference between the profit and loss (P and L) account and the balance sheet or whether they just deliberately obfuscate and think they can pull the wool over people's eyes.

Honourable members interjecting.

Mr THORNLEY — It is really not that hard. Members opposite will notice the budget papers are predicting a surplus — s-u-r-p-l-u-s — of a little over \$800 million. Yet they are carrying on, running their Cain-Kirner line, which they run regardless of the facts, ignoring the fact that the problem with the Cain and Kirner governments was that they ran deficits. It is really not that hard. It is the difference between a surplus and a deficit.

We have, as Liberal members may have noticed, run surpluses. They are getting bigger. The reason we can get bigger surpluses is that we invest. We get the balance sheet working, and we invest. And when we invest, we get a return. That return comes through the P and L and that means you can invest more. We have understood what we believe in. We believe in investing. We believe in investing in infrastructure, we believe in investing in skills and we believe first and foremost in investing in our people. If the Liberals make the call and decide what they believe in, they could do that.

The Liberals used to be the party of small government. That is fine, if that is what they believe in. But, for goodness sake, they should just stick to that! They

should say, 'We are going to cut taxes and cut services'. And if they think that investment is bad and do not want to fund that with the most efficient funding mechanism then they should cut that too. That is fine, if they are the small government party. If that is what they believe in, they should go out and tout it.

However, on the other hand, it is just basic mathematics. The Liberals want lower spending, lower taxes and lower debt, and that does not add up. That is okay; the opposition can keep the grievance politics going. But sooner or later, if opposition members want people to have a change of government, they are going to have to offer them a clear alternative. What would the Liberals actually do differently, and how does it add up? That is what we have not heard.

There is no economic strategy. The Liberals are against investment, but they want more of it. Yet they are against funding it! They want to complain about our fiscal position, yet we are driving surpluses of about 2.5 per cent of revenue. That is an inconvenient fact, so they try and confuse the balance sheet with the P and L to see if they can pull the wool over people's eyes. But nobody believes them. That is the problem with this tactic.

The Liberals think they have an even-handed debate in this house, because we have one opposition member speaking and one government member and then one opposition member and so on, and they go home and feel good and think they have had a good debate, but out there in the real world no-one believes them.

Who are the business people coming out and complaining about the government's fiscal position? There are none. Which are the ratings agencies worried about our debt level? There are none. Where are the voters at? Last time I checked they were reasonably happy with what we are doing. Where are the businesses complaining about the fifth WorkCover premium reduction in a row? They are not there.

Mrs Peulich — Because you are rolling in the dough.

Mr THORNLEY — We have greater revenue, Mrs Peulich, because we invested. This is capitalism — get used to it! The thing about capitalism is if you invest today you get a return tomorrow. That is how it works. It is a really ripper idea — it has been around for a couple of hundred years. Once you get it going, you really get a return.

We are investing, and that generates a return, and if we keep investing more that will keep generating greater returns. That is why greater revenue is coming in,

because the economy is growing. It is growing so fast that we are taking a smaller and smaller proportion of the economy every year and are still seeing growing revenue. That is the genius of investing. That is the genius of working the balance sheet. That is the genius of capitalism, and it is something the Liberals ought to remember. But they are too busy trying to work out whether they are a party of small government or a party of fiscal incompetence or whether they can or cannot understand the difference between the profit and loss and the balance sheet.

We believe in some things. We believe in the same things, and that is what people trust, and those things are what we implement. We believe in investing in infrastructure and skills. We believe in investing in people. That is why, through the national reform agenda, which concerned not just Victoria but the nation, we have focused on deep investments in human capital, whether they be in early childhood development — an area where we led the nation and which has now been picked up by the federal government; preventive health care; literacy and numeracy; or other forms of human capital development.

We know that if you invest in people that not only improves their lives but improves the economy. We believe that, we have always believed it, and we will always implement it. That is what our brand stands for, that is what people understand, and that is why they keep re-electing us.

We believe in designing better markets. We are not interested in a great ideological debate about public versus private; what we are interested in is making both work effectively. To do that you have to design markets and deliver real competition that attracts investment to the most efficient areas and therefore delivers maximum growth. That is what we believe in, that is what we have always believed in, that is what we are implementing, that is why this economy continues to grow, and that is why we have a strong budget position.

I suggest to Liberal members that, if they want to win government again, they will have to do more than pretend to have a Cook's tour, grievance politics trip through the marginal seats. They will have to actually offer people a clear alternative. Are the Liberals social progressives or social conservatives? Are they small government or big investors? Are they going to look after the regions this time, even though they did not last time, or are they not? They are simple decisions, but they have to make those decisions if they want to cut through and have any impact on people in the future.

This motion is a classic example of believing in nothing. There is no solution, there is no alternative vision, and there is no clear architecture about what opposition members are going to do differently. It is a overall motion to deliver the same budget speech, the same old line about Cain and Kirner, despite the fact that we are in the opposite fiscal position to those governments, and until they can come up with better than that no-one is going to listen to them. No-one out there is listening: the media is not listening, the voters are not listening, businesses are not listening and the ratings agencies are not listening. This government is focused on getting the right balance and policies moving forward, and the opposition is not.

Mrs PEULICH (South Eastern Metropolitan) — Am I not a lucky girl to be following Father Evan! I tell you what, I have adopted the practice of drinking prune juice on a daily basis, but I reckon I can skip today's dose because the speech that I have just heard is the biggest load of pompous arrogant diatribe I have ever heard in my entire life. I was looking for a bucket! I was not surprised that government members were not listening to him. What an absolute waste of the seat, what an ego and what a big head! In the time he took up — I am not sure how much it was — did he actually say anything about what the government is doing? It was an attack on the Liberal Party. He was encouraging a search for an understanding of the Liberal Party.

Many would say that he is a nincompoop. That would be unparliamentary, so I would not. He fails to understand the basic thing about the Liberal Party: the Liberal Party is basically a party that believes in practical common sense. Yes, it comprises progressives and conservatives with competing ideologies in certain areas. There are certain tensions, and we are proud of them. The bottom line is that at the end of the day we negotiate some way through because we are driven by common sense and by what works, which is certainly much more than I can say about that lot of garbage that Mr Thornley has masqueraded as a contribution to debate on this very important notice of motion. Can I say how frustrating it is to listen to someone who is so pompous, who believes in nothing but is skilful in performing backflips and somersaults and having his PR company write his speeches — very clever indeed, they are, but they mask the fact that this man believes in nothing. He is an opportunist, and his speech really exposes him for what he is, a total and utter opportunist.

Mr Thornley — Who is not listening.

Mrs PEULICH — 'Who is not listening', he says. Of course they will be listening, Mr Thornley. Time eventually cures all — they will be listening. He

accuses the Liberal Party of wanting lower spending, lower taxes and lower debt. I plead guilty. Let me say that with the enormous amount of money the government has collected since 1999, and will be collecting through all sorts — —

Mr Thornley — How much are you going to invest? We put \$4.4 billion out there; how much are you going to put out there?

Mrs PEULICH — The question is: what exactly are you investing into? We like to look at the outputs and the performance indicators. You are looking at the inputs. You preside over the most wasteful management of administration that I have ever seen. What you have done is preside over nine years of inaction. The cost of the nine years of inaction is that all of those projects, all of those important services the community needs, all of those infrastructure projects, end up escalating in price — they end up tripling or quadrupling in price — because of your inaction. You had the pompous audacity to get up and accuse the Liberals of wanting lower taxes, lower spending and lower debt. That is exactly what Victorians want.

The PRESIDENT — Order! Mrs Peulich, through the Chair.

Mrs PEULICH — Thank you, President; I was quite overcome. The previous speaker said this party had no idea of what it stood for, yet since the last election the Labor Party has stolen and implemented over 40 Liberal Party policies.

Mr Thornley — Were they good policies?

Mrs PEULICH — You have implemented them. They were our policies. It is my very great pleasure to stand in this house and support the motion moved by Mr Davis:

That this house notes that despite the massive increase in the state government's budget over its almost nine-year term and the strong national economic conditions enjoyed over that period the Victorian state government has failed to deliver a commensurate increase in the essential services necessary for the Victorian community.

We have had many discussions and debates. We know, for example, that the economic conditions have been very prosperous. We have enjoyed a very low level of unemployment. Clearly it is going to be trending up as a result of interest rates and growth being revised down.

Mr Thornley interjected.

Mrs PEULICH — His contribution certainly has that effect. We have seen the government raking in

more and more dough. When we lost office in 1999, the budget was \$19 billion. The budget is now double that — it is \$38 billion. At the end of the day, what do we see for it? Firstly, a lot of money has been injected into various portfolios, but the bottom line is that the proof of the pudding is in the eating; the proof is in the consumption of those services, whether Victorians have access to services, infrastructure, physical capital that they require and access to the essential services that are mentioned in this notice of motion.

As I have said before, there have been marginal improvements to services in some areas, but in terms of physical capital, this state has been appallingly neglected, and there is an appalling lack of investment in the future. Everybody knows, whether you are running a household or a business, which is small or large, that you invest during the good times, but this government has failed to do that.

Victorians who live in the south-east area, and in particular the area that I represent, which is represented by 11 lower house Labor members of Parliament who are less than vigorous in pounding on the doors of their ministerial colleagues and making sure that the much-needed physical infrastructure in the south-east is delivered, are bitterly disappointed. Mr Thornley may not want the Cook's tour, but I am going to give it to him — —

Mr Finn — Father Evan!

Mrs PEULICH — Father Evan. I am going to give it to him, but he may not want to hear it. But I will make sure that everyone knows that their major infrastructure expectations have yet again failed to be met by the latest budget.

This budget delivers higher than expected state debt. In 2012 we are going to be looking at repaying \$1.8 billion in interest, which is a lot of money that could have been used as an ongoing investment in the sort of essential services infrastructure that this state needs. That money has been forfeited.

Mr Thornley and other members have spoken about the increase in the investment in the future of Victorians. I would like to understand where precisely that is. Where has it gone in terms of physical capital and infrastructure? We have seen this government relying more on public-private partnerships. We have seen a whole range of schools now being subjected to closures and mergers as a way of funding necessary and much neglected capital works.

In most instances the most marketable site is sold off as a way of paying for the rebuilding of schools that have

been badly neglected under Labor. Sadly many of these mergers and amalgamations are actually taking place in the Labor heartland. This Labor government is taking its workers and working families for granted. They think that if people in those areas are unhappy, they are not going to vent it on the government. Those people do not have voice; many of those people are from multicultural communities and are immigrants. Clearly this government does not care about them. If it did, it would make sure that there was a steady, progressive and orderly investment in schools across the state, including those schools in the Labor heartland.

A couple of communities in particular are being subjected to this process. Cleeland Secondary College in Dandenong, which is a school where I taught, is being closed. There is also a cluster of schools in Springvale. Springvale Secondary College, adjacent to the railway line, ought to be kept as some sort of educational facility because it is the most accessible facility in the area. That view is supported by local police and local councillors, including Labor councillors — dare I say! — and many other key stakeholders. They believe that Springvale Secondary College is an ideal location for an educational facility. But no, the government has signalled that that site will be closed and flogged off. A new school will be developed well into the residential area rather than near the railway line, where a school would be most accessible.

Not so long ago the chamber debated the issue of education. It was pointed out that enrolments in schools in the government sector have declined under this government. The government's investment and expenditure per student is lower than in any other state. The government has badly neglected the physical maintenance of schools, and it has underinvested in capital works. Where is the evidence of the government's claim that education is its no. 1 priority? After nine years, we should have seen evidence of that. Clearly that evidence is not there.

Last but not least, all of the indicators, particularly international evidence, show that the academic achievements of Victorian students in the areas of literacy, numeracy and science are approximately 10 per cent lower than for our leading competitors. I am not sure exactly where the additional money that is being spent on education is going. We are not seeing the results of it.

On health, I acknowledge there is now going to be some additional investment in Dandenong, particularly in the area of mental health. I welcome that. Mental health has been a poorly funded health area. The sad

fact is that one in five people in the community will suffer from mental health problems at some point in their lives. So this investment is welcome. Dare I say that the area of mental health requires significant attention, particularly the policy of deinstitutionalisation. Many people who have mental illnesses or mental health problems have unfortunately stopped taking their medication. They do not have support; they often do not even use the support that is available to them. They end up on the streets and end up doing harm to themselves. They live at risk and live lives which are far from the sorts of lives we would like our loved ones to live. This is an area that still needs to be looked at, although I welcome the additional injection of investment in mental health in Dandenong.

The hospital waiting queues continue to grow. Yes, population growth is occurring. During a debate on housing affordability, Matthew Guy pointed out that this government has forecast its population policy wrongly. Therefore it has not planned for the expansion of these much-needed services.

It has failed to provide the money for the increased population in the area of health, in the area of education and certainly in the area of law and order. Coming back to education, the schools in the growth corridor are bursting at the seams, and there is inadequate allocation of schools — for example, the government promised a Timbarra school in Narre Warren North, but there is still not a school in sight.

The waiting lists in hospitals across the South Eastern Metropolitan Region continue to be major problems and major issues for the community. What this government has basically failed to do is invest in nation or state building, and it has failed to carry out long-term planning to provide for our needs — this is despite having the wherewithal, with the economic boom on its side, the proceeds from the GST and record revenue collected from property taxes, gambling taxes and fines and charges. In addition to that, of course, it does things like index all state charges on an annual basis, which is clearly inflationary. What the government has done is fail to address its own spending in the context of rising inflation.

Australia's hospitals, education system and essential services infrastructure are still desperately underfunded, and the community is suffering. The state cannot keep up with the increasing demand on schools, transport, housing, hospitals and infrastructure. Despite the record revenue received from the GST, this government is so wasteful with money and so poor at administering the various portfolios in terms of the outputs to the

community that we have seen all of that money going up in smoke.

These nine years of government — nearly a decade — have been marked by inaction, loss and waste of opportunity. Sadly, it will be another Liberal government that will have to repair the damage. After nine years of this government, we do not have an additional body of water to augment our water supply. It was only after seven years of drought that this government brought in a piece of legislation called the Water Amendment (Critical Water Infrastructure) Bill, which is still sitting on the Assembly notice paper; I am not sure what stage it is at. The water restrictions are here to stay. Despite the fact that our population increases, our water supply continues to diminish. Many suburban gardens have all but gone. Sporting grounds are less accessible, many sporting competitions have been dramatically reduced and children are less able to participate in their regular sporting competitions. This is in the context of increasing evidence of obesity and the problems this presents for our community. Families out there are suffering in myriad ways as a result of this government's maladministration and waste of the enormous amount of money it has had at its disposal.

Water reservoirs are at only marginally higher levels. They were at 29.9 per cent in 2007, and they are at 31.1 per cent in 2008. We have seen many businesses such as turf farms, nurseries and yard maintenance operators dramatically affected by Melbourne's shortfall in water. At the same time we have seen drastic increases in the cost of essential services. The cost of water is going to double over the next five years, and there has been an agreement that the cost of electricity will increase by up to 17.6 per cent, presumably much of that being devoted to paying for the government's climate change policy rather than generating greater electricity capacity. The households and those who are the most vulnerable — the families — are going to be the ones feeling the hurt and the pain. The cost of gas is set to rise by 7.5 per cent.

I have mentioned health. Even after the release of yesterday's budget, Victoria will continue to have the nation's longest queues for hospital beds and the most crowded waiting rooms, with the Brumby government failing to realise that the number of patients languishing in Victorian waiting rooms has jumped by 141 per cent in three years. Even today the Treasurer refused to identify areas where the budget has funded new beds, because indeed it has not, and this is the problem that I have been alluding to. The government is putting more money into health, but it is not doing so in a way that is going to deliver real outcomes to the community.

According to the Australian Medical Association's public hospital report card for 2007, Victoria has had poor results, with the number of beds per 1000 of weighted population at 2.3 compared to 2.6 nationally, and the government runs the system dangerously close to 100 per cent capacity. That is a reflection of this government's failure to plan for population growth and the future needs of this community. You cannot run a system that is close to 100 per cent capacity. It needs greater capacity and it needs greater investment, not just in services but also in the physical capital that delivers those services.

In the South Eastern Metropolitan Region hospital statistics show that elective surgery waiting lists at Casey Hospital have swollen by more than 20 per cent to a total of 1211 patients, and that 734 patients waited on emergency department trolleys for more than 8 hours in the past six months. At the Frankston Hospital 4742 patients waited on trolleys in the emergency department for more than 8 hours. I note that some additional funds have been allocated to Frankston Hospital, but they will go nowhere near meeting the need, because 4780 patients waited for more than 4 hours in the Frankston Hospital emergency department waiting room before being discharged. These are fairly horrendous figures, and these problems facing our health system have not been seriously addressed by this budget. Somebody asked me, 'What do you think of the budget?', and I said, 'It's a bit of a bitzer. There's a little bit for everything'. In that regard there is not really anyone clamouring and criticising, but of course it is a loss of opportunity to fix even one area of government endeavour or service completely, which clearly is a challenge that this Treasurer and this government have missed.

When the Casey Hospital was opened it was declared the saviour of the health system in south-eastern Melbourne. Now we read quite often, despite the very best efforts of the hospital staff, that people are actually turned away at the doors because the hospital cannot cope with the range of needs that patients present to it, in particular women who are pregnant and have complex pregnancies. The Brumby government, despite a massive increase in its revenue intake from taxes, has virtually told all the Victorians on waiting lists, many of whom reside in the South Eastern Metropolitan Region, that they must continue to wait — and, of course, wait they shall. It is not a great place in which to live, work or raise a family, certainly from the perspective of health services across the region.

I welcome the improvement in our ambulance services, and I acknowledge the fantastic work they do for our

community, especially under the extreme stress of minimal government support. What concerns me is the fact that these ambulance services will end up being just mobile hospital beds. During the recent health services debate I mentioned that between January and July 2007 more than 1100 ambulances were left waiting between 30 minutes and an hour at Casey Hospital's emergency department, putting them essentially out of service, due to a lack of availability of beds. The question addressed to the Treasurer today about new funding for beds goes to the heart of improving our health system. Clearly that has not happened. The Victorian state government has had nine years to provide a health system that is acceptable to community standards. It has failed residents of Casey, it has failed residents of Greater Dandenong, it has failed residents of the city of Monash, it has failed residents of the city of Kingston and it has failed residents of the city of Frankston.

I have spoken briefly about education, and I will not traverse all of that except to say that the reannouncement yesterday of the Casey Central Secondary College was pleasing to hear. I am sure that my South Eastern Metropolitan Region colleague, Gordon Rich-Phillips, and other members of this house will be aware that Casey Central Secondary College was promised by the Bracks government in the lead-up to the 2006 state election. It was a promise which did not have any funding associated with it but which was due to be delivered — built and operational — by the start of the 2009 school year. Basically it was a cheap grab for votes and the Victorian state government had no intention of building the school. It had no intention of funding the school. It made a promise to the Casey community in order to be elected and then put the promise at the bottom of the pile probably underneath its promise to build the Cranbourne East rail extension and the Lynbrook railway station.

The reason that Casey Central Secondary College has received funding for planning and construction is only because of the enormous pressure that has been placed on the government in key seats by local community leaders such as Sue Ernsdoefer and my colleague Gordon Rich-Phillips and myself as well as other members of the community. Our schools are crumbling around us because of serious neglect, and the maintenance backlog is now edging up towards \$300 million. When we won office in 1992, it was then nearly \$700 million. When we left office there was virtually no maintenance backlog whatsoever. The 2008–09 Brumby government budget has failed to take the opportunity to fix Victoria's maintenance backlog, and it has announced a modernisation program of schools, yet what an embarrassment when Victoria still

has 1000 schools requiring urgent maintenance. In last year's state budget the Brumby government pledged to rebuild or modernise 131 schools but actually only upgraded 89. Only 89 upgrades were actually announced. So clearly it again has failed to manage and deliver on that and probably will roll over the revenue to form a part of its very impressive surplus.

Members of this house may be interested to know that according to the Australian Bureau of Statistics, Victoria suffered a decrease of 30 government schools between 2002 and 2007. That means that for all of the government's announcements of school openings, it has closed more than 30 schools, and I understand that there are a number of closures still to be announced in the next few months. I am sure that all members will have schools throughout their regions that have been closed or are being planned for closure. In my region Monash Primary School and Monash Secondary College recently closed their doors and those communities are very eager and very keen to see some of that valuable land being kept for recreational open space and being used for community purposes, especially in the context of these new planning reform laws which the government has floated, which would see minimum heights in most of our residential areas of up to 12 metres or four storeys. You could easily end up with a structure next to your house of up to four storeys and it would be an as of right without any right of appeal, without any right for abutting owners to object. It would be as of right much like a building permit. The government likes to do that because it is reliant on property taxes, and it is reliant on all sorts of other revenue such as land tax in order to keep the budget in the shape that it is.

I note that the Brumby government has pledged \$101.1 million towards school regeneration projects, and this is just public relations code for the closing of schools and the merger of schools and the rebuilding of those, but of course we know that they will probably rake in much more than what has been set aside. On infrastructure, budget estimates have estimated a population growth of between 1.4 per cent and 1.5 per cent. The city of Casey is growing at 2.5 per cent annually, so clearly this particular area of my region is one that needs additional resources in order to be able to upgrade the many country-type roads that are carrying significant volumes of traffic, and they have not been delivered despite promises over many years.

The state budget claims spending of \$1.8 billion on infrastructure projects is the same figure as the interest repayments will be on the \$22.9 billion Victorian debt in 2012. It is interesting also that they count all of the private infrastructure investment as investment that is

made by government. There it is very much smoke and mirrors. The government has even extended the use of PPPs (public-private partnerships) to the building of new schools. We have the new freeway and the desalination plant, and there is so much more of the sort of infrastructure that governments have typically paid for being paid for by PPPs. And yet these humongous budgets are being wasted and the investment is really undertaken by the private sector in most instances. A number of projects listed in the 2007–08 state budget in relation to the city of Casey are yet to commence, including the two Thompson Road projects between South Gippsland Highway and Narre Warren-Cranbourne Road and the other Thompson Road project between the Frankston Freeway and Frankston-Dandenong Road.

And what do third party commentators say about where Victoria is? In an article in the *Berwick Leader* on 23 April 2008 Monash University Centre for Population and Urban Research director Dr Bob Birrell said that the Monash Freeway would be hit hard. The article states:

Population growth in the south-east was increasing congestion on it at an alarming rate, causing massive overcrowding on the public transport network.

Dr Birrell is quoted as saying:

The prospect of even more cars in that bottleneck is a pretty frightening one ...

Getting on to the freeway is a big problem.

We can confidently predict it will get significantly worse and the problems will intensify with more people moving to Casey and Cardinia to live.

So road transport and public transport are huge issues across the south-east. The government has failed to connect major arterial flows. It has failed to provide funding for the remaining stages of the Dingley arterial, the Mornington Peninsula Freeway extension, the Frankston bypass and the Cranbourne bypass, and as a result of the failure to connect the major arterial flows and as a result of its failure to build projects that meet the needs of the community its mismanagement of projects means that we get far less for our money. VicRoads may have very good plans, but it has not been adequately funded.

It is interesting that since day one here I have been questioning the wisdom of having public transport and roads portfolios being headed by two separate ministers when a key concept in transportation is connectivity. Getting one department to talk to another one is difficult enough. When you have two ministers,

especially two ministers from competing factions, it is going to be impossible.

I was delighted to hear that they have taken a leaf out of my book and will actually try to merge these departments. Yet again, as much as I like and personally admire the Minister for Public Transport in the other house, I question the wisdom of giving her that portfolio. Ms Kosky is a social worker and essentially her skills are people based; this is not her forte. Clearly the Socialist Left has never liked roads; Victoria has had a stuff-up of Victoria's roads because the state had a Socialist Left minister in charge of roads for eight years. They do not like roads. So let us give the portfolio to someone who likes it. Let us try to improve roads so that people can move to get to work or take their kids to school or to sport.

First of all, if they are not going anywhere, it is causing environmental degradation, and the Minister for Environment and Climate Change would be concerned. A lot of empirical evidence and data suggests that transport pollution is a significant contributor to the degradation of our environment, and that needs to be addressed, it costs families money and it costs families and business time. We need to provide the physical infrastructure so that people can go about getting on with their business.

Mr Jennings — You want me to be roads minister, don't you?

Mrs PEULICH — I am sure that you would do a better job, as long as you could assure me that you like roads. I am yet to come across a member of the Socialist Left who likes roads, unless I have been talking to the wrong people.

Public transport is a real problem. It will be a problem if the government introduces the new planning laws because all of that will be magnified many times over. The government needs to invest money to pay for Melbourne 2030; it needs to invest money to pay for the new planning laws that will create the higher density; and it needs to invest money to address safety at railway crossings, to have railway crossing separations and to make vehicular and pedestrian movement easier and safer.

Casey Roads and Infrastructure Group spokeswoman Kerril Burns said that the Monash Freeway was not a freeway but a car park. I drove on it this morning, and I can tell members that I concur. It takes a long time to traverse the 30 kilometres that I had to traverse. It is clearly under capacity.

A *Herald Sun* article of 13 November reported that traffic speed during peak time had decreased over the past five years and on average was under 40 kilometres an hour. This morning I was doing about 15 kilometres an hour — on a freeway — and on Westall Road, which has a 100-kilometre limit, I was doing less than 5 kilometres an hour.

Mr Finn — You've got to get a new car.

Mrs PEULICH — It was not the car, Mr Finn.

Geraldine Mitchell from the *Herald Sun* wrote on 13 November about Melbourne's travel speeds during peak times really slowing down, adding significantly to journeys. VicRoads has confirmed that.

The Royal Automobile Club of Victoria chief engineer, Peter Daly, said outer suburban roads are now in gridlock as the population increases. Hundreds of thousands of motorists living in the cities of Casey, Greater Dandenong, Frankston, Kingston and Monash are screaming for improvements to our road network as well as upgrades to public transport and more park-and-ride facilities so they can park their cars at railway stations, catch trains and go to work. That is what we need to do. That is sensible planning.

The infrastructure is crucial to the wellbeing of our community. I have mentioned those that have not been funded: the Frankston bypass; the Cranbourne bypass; the Latham Road improvements in Carrum Downs, which will really be tested when the new tollway opens; Rutherford Road, Carrum Downs; Clyde Road, Berwick — a commitment for which was made during the 2007 federal election campaign — and a continuation of the upgrade between the Princes Freeway, Berwick and the South Gippsland Highway; the Dingley arterial; the Mornington Peninsula Freeway extension; Thompsons Road between South Gippsland Highway and the Western Port Highway; and the National Water Sports Centre.

Has anyone taken a trip down there? It is a bombsite, but it should not be. It is in no-man's land. There is a capacity to build and improve that facility and possibly make it a world-class facility. It is an absolute ruinous bombsite. There are some good people there involved in various clubs, but they have nothing to work with. No-one wants to talk with them. The Minister for Environment and Climate Change's department does little bits of tinkering and Parks Victoria does a little bit of tinkering and helps with minor maintenance, but what it needs is a major plan — it needs a major project there.

Mr Finn — A bit of work.

Mrs PEULICH — A bit of work done. Also not funded is the Clayton Road shopping precinct — the Clayton Road grade separation is in absolutely desperate straits; the Springvale Road junction; and a third lane for the Monash Freeway or the Hallam bypass. With rail and bus there is no mention of an extension of the NightRider service to Casey. It is in a growth corridor with lots of young people with nowhere to go and no entertainment, yet there will be no extension to the NightRider service. There is no Cranbourne East railway station and no Lynbrook railway station.

The other day we heard an announcement that Lyndhurst was one of the least livable suburbs in Australia. Lyndhurst is full of lovely families, many of whom have built new homes. One of the major reasons for that is this government has failed to give Lyndhurst the infrastructure it needs and has not addressed concerns about the Lyndhurst tip. All of those matters are manageable, but in particular give them the Lynbrook railway station — VicUrban continues to release land around there and housing continues to be built, so for God's sake, give them their station!

I also refer to railway station car park upgrades. Berwick has been allocated 209 spaces but this will add to congestion on Clyde Road, which subject has not been addressed in the budget. There will be no rail track improvements between Dandenong station and Cranbourne, and between Dandenong station and Pakenham. There will be no grade separation projects in the South Eastern Metropolitan Region along the Cranbourne, Frankston and Pakenham lines. There is no mention of additional security at train stations, with Hallam and Kananook stations being in the top five train stations to have recorded the most increases in customers from 2000–01 to 2006–07.

I could go on ad infinitum about the level and depth of neglect of the south-east. That is why this budget is so disappointing. I am sure, President, you would share some of that disappointment because we were both elected as representatives of that region, as is Mr Jennings. Why is it that the south-east has been so badly neglected? Why is it that as a result of the \$38 billion that has been set aside in this budget, some of those major projects could not be advanced? Why are we not looking at a railway station at Monash University? Yes, it was a problem that was not there, but we need to fix it. We need to plan, we need to set money aside, and we need to fund it. The government should not be so averse in terms of funding that much-needed infrastructure; if it does allocate funding, it will be investing in Victoria's future. Its nine years in government have been nine years of wasted

opportunity. Essential services have not been secured, the much-needed infrastructure has not been built, and our services have not really been improved significantly; some of those longstanding problems have not been resolved.

With those few words, I commend the motion to the house and implore the government to revisit its priorities, to look at some of these key issues and to resolve them. It should not just waste the money; it should not just throw money into thin air. There are lots of other expressions that can be used. I think there are missed opportunities. Victorians certainly do not believe that after nine years, Victoria is a better place in which to live, work and raise a family — because it is not.

Mr O'DONOHUE (Eastern Victoria) — I am pleased to rise and make a contribution to this debate. Infrastructure provision is one of the most important areas of government responsibility in Victoria. The term of this state government has seen enormous increases in revenue, enormous increases in tax collection, and broadly prosperous economic times, delivered courtesy of the previous federal government.

The Victorian state government has been very lucky in its period of government, but the results do not seem to match that luck. Picking up on comments from some of the previous speakers, Mr Dalla-Riva pointed out that Mr Viney appears to have the same speech for which he changes the introduction and conclusion, and I support those comments. In my short time in this place I have heard that speech from Mr Viney many times.

Mr Thornley asked the question, 'What does the Liberal Party stand for?', and he went on to say that the Labor Party believes in things that it has always believed in. I wonder if Mr Thornley, on behalf of the Labor Party, is advocating the nationalisation of the banks. I read in the paper today that federal Labor Party members have been threatened with disendorsement if they do not support the abolition of the federal building commission. Does the Labor Party support the reintroduction of tariffs and other protection? Does it support the control of interest rates and the fixing of the dollar?

As has been pointed out in this chamber, it is not the Liberal Party that has a misunderstanding of what it believes in, it is the Labor Party. If the Labor Party was true to its core beliefs, to what it actually believed in, it would still be sending people to Soviet Russia or communist China for lessons in economic management, as the Labor Party used to do in the 1950s and 1960s. It would still believe in a range of things

which it tries to play down today, so I am glad Mr Thornley made the comment, 'We believe in the things we have always believed in'.

That crisis in what the ALP stands for was clear at the New South Wales state conference on the weekend. Does it believe in privatisation or not? It would seem that the Premier of New South Wales is a firm advocate of privatisation, as is the New South Wales Treasurer, but the rest of the Labor Party in New South Wales is not. I think Mr Thornley should look at his party before he asks the question about what the Liberal Party stands for.

What the Liberal Party believes in is results and outcomes. The Labor Party talks about dollars spent. It talks about having spent this and spent that — revenue increased in this sector or that sector by 50 or 100 per cent, whatever the figure may be, but it never actually talks about outcomes. It never talks about how long it takes one to commute to work or how long it takes to get to Melbourne on a train or about essential services or deliverables in relation to essential services.

My electorate of Eastern Victoria is made up predominantly of outer suburban-rural interface and genuine rural communities, and those communities over the last nine years have been short-changed in relation to the provision of essential services. If one looks at the outer suburban-rural interface areas such as Berwick, Officer, Beaconsfield and some of the hills communities like Upper Ferntree Gully, Belgrave, Upwey, Lilydale and others, it is clear that, as the population in those areas has increased, the essential services that enable people to go about their daily lives have not increased commensurately. We see that with overcrowded trains. If you get on a train on the Belgrave line after Upwey or Ferntree Gully, you struggle to get a seat. If you get on a train on the Lilydale line after Lilydale, you struggle to get a seat. If you come from the peninsula and you get on the train late, before it takes people from Frankston, you will be lucky to get a seat, and if you are on the Pakenham line, you will be lucky to get a seat after Berwick.

Despite tinkering around the edges, despite making many announcements and reannouncements, the provision of public transport has hardly changed since I was a boy catching the Frankston line train. We have seen announcements in the budget about minor changes to the transport infrastructure network. We hear very little from the government now as we approach 2020. We hear very little about the government's objective of 20 per cent of trips on public transport by 2020, because the reality is that, despite the increased patronage of the public transport system, the actual

proportion of people catching public transport is not increasing significantly. It has basically flatlined as a result of population growth, so commuters from the areas I described before have the choice of getting on a clogged road and slogging their way through traffic to get to the factories of Dandenong or Kilsyth or Moorabbin or to get to Melbourne or elsewhere or of trying to get onto a train with very little chance of getting a seat and enjoying a comfortable ride.

When it comes to the provision of other services, we have seen that the government has failed to adequately deliver proper water infrastructure. The government announced the cost of the desalination plant as \$3.1 billion, but it will most probably cost significantly more. The recently released Auditor-General's report criticised the government for purposely choosing the lower end of the potential cost of that project, and given the government's record in non-delivery of urban water infrastructure — and indeed rural water infrastructure, such as the already 50 per cent blow-out in the cost of the Melbourne–Geelong pipeline — we can see that the potential cost of the desalination plant is likely to increase significantly. Of course we have the north–south pipeline that will take water from the north, breaching a 50-year bipartisan agreement and doing so at a time of record drought when the farmers in the north are struggling and their water allocations are being cut.

This government, in a cynical political ploy, has determined to take water out of those communities. So when Mr Thornley says that the Liberals do not know what they believe in, I can say that we believe in country communities, economic prosperity and individual choice. We believe in giving individuals the tools and capacity, through the macro framework of government, to live their lives in a prosperous, free fashion, not by being city-centric as this government has demonstrated through the taking of water from the north to the south. The Liberal Party also believes that equality of opportunity is critical, and the key ingredient to equality of opportunity is the provision of quality education for all. We believe in choice, in a strong private sector, and we have seen a flourishing private education sector in the last 10 years, with the choice available to consumers growing significantly, from high-fee private schools, religious schools, low-fee schools, and the expansion of the Catholic system.

Where we have seen absolute failure is at a state government level in the provision of adequate educational opportunities for people who choose to go to a public school, or who cannot afford to go to a private school. That is perhaps best demonstrated in the growth corridor of Pakenham. We have seen in recent

times the announcement of a Berwick grammar school. We have seen the announcement and construction of a Lutheran private school. We have seen the announcement of an Islamic school to be opened in Officer. We have seen a range of other Christian-based schools open and proliferate. We have seen Haileybury become co-educational and the range of secondary educational opportunities expand enormously for the benefit of people in that corridor.

When was the last time the state government opened a secondary school in that growth corridor? It was in the 1970s. Despite three and a half to four families a day moving into that growth corridor, this state government will not commit to a new secondary school for that burgeoning growth corridor. It is an absolute disgrace. It is compromising the future of the next generation of students in that area, and I congratulate the existing secondary schools of Koo Wee Rup, Pakenham, Emerald and Berwick, which are doing their absolute best to provide educational services with ever-growing, ever-expanding student numbers. It is an indictment of this state government that it has failed to commit to proper educational opportunities for all, regardless of their income level.

But perhaps the root cause of that is not only a refusal from the state government to invest adequately; it is a complicated planning system that makes it very difficult for the state and for others to invest with confidence as to what their outcomes may be. In many of the growth corridors it is taking years to rezone land. The Minister for Planning together with the Premier, announced a new urban growth zone, but it will do very little to accelerate the release of land and bring back in order the supply-demand equation because the urban growth zone does not obviate the need for structure plans or the need for all the other requirements of a rezoning. If the government were actually serious about accelerating the supply side of the equation, it would arm local councils with the resources they need to accelerate that structure planning process and to undertake all the investigative processes that are required. It would actually have the Growth Areas Authority do something and deliver lots to market sooner rather than later; but the urban growth zone, sadly, is just another political spin, a public relations exercise in a cynical government's attitude towards the provision of that great Australian dream — affordable housing. The announcements by the Treasurer of concessions for those buying land in regional areas is welcome and is to be complimented, but at the same time it is an admission of its inability to deliver affordable outcomes for those within metropolitan Melbourne.

With those few words I commend the motion to the house. The record of the government is one of wasted opportunities during a time of significant economic growth, and a competent government should have made more of the opportunities presented to it. When one analyses the outcomes — as Liberals who are focused on outcomes do — one sees they are very disappointing.

Mr FINN (Western Metropolitan) — I rise to support this motion very strongly indeed. This budget, we are told by the government, is good for babies, good for mothers, good for baby boomers and all sorts of things like that, and you would have to say that just as that slogan is, so is the budget a product of Labor's spin machine. About the only thing that works for the government is its spin machine.

I am a listener, as I am sure many other members of the house are, of the 3AW breakfast show, and every Friday morning there is a segment on that breakfast show called bulltish artist of the week. I might be on the phone this Friday morning to nominate whoever came up with the slogan for this budget as this week's bulltish artist, because clearly that is what it is. It is nothing but cheap sloganeering. It means nothing and it is designed to con, to trick, to fool people into believing that the budget is something that it most certainly is not.

We were told that there would be huge savings to first home buyers in terms of stamp duty, but let us face facts — it is still a monumental rip-off. I was speaking to a young lady in my electorate just this morning who was trying desperately to work out how she and her future husband would buy a home, and she looked me straight in the eye and said to me, 'I hate this government'. And I had to counsel her. I said, 'Hatred is not an emotion that anybody should be getting hold of', but she said to me, straight out, 'I hate this government' and it was largely because of the stamp duty rip-off that the government has inflicted upon people buying their homes.

After this budget, that rip-off will continue. To say that the government is doing everybody a great favour by cutting stamp duty a little bit, is like saying, 'Well, you're beating me to a pulp. If you only hit me now and again, should I be thankful? I do not think so because you are still hitting me'. This government is still slugging first home buyers, indeed all home buyers in this state.

The budget is not only bad for babies and mothers, it is bad for Victoria and it is bad for Victorians. A better slogan, if I might suggest to the highly paid spin doctors of the Australian Labor Party, might be Back to

the Future. That is what this budget is about. Alternatively it might be, just as easily, 'Here we go again' because this budget is just another step along the path to a return to the Cain and Kirner years. This budget tells us we are facing a debt of some \$20 billion, and of that \$20 billion, there will be a \$2 billion annual interest bill. That is \$2000 million a year, and of course next year it will be more. You have to ask: what could we do with \$2000 million every year? What productive role could that money play in the future of Victoria?

For starters, if I might be so bold as to offer some suggestions, it could give the west of Melbourne some relief from its traffic congestion problems and its road problems; or, as many people in the west are asking, are we just doomed to forever put up with this? This government does not give a damn about the west of Melbourne. It has made that clear, year after year, for the nine miserable years of its life. It has told the west of Melbourne, 'You do not matter. We will take your votes, we will give you nothing in return'. A lot of people are asking whether we are doomed to put up with this forever.

As an example, twice this week we have seen accidents on the Western Ring Road. Those accidents have led to total chaos, particularly on the Tullamarine Freeway as people have tried to get off the Western Ring Road to avoid the traffic anarchy before them on that road and use the Tullamarine Freeway. This has caused enormous traffic congestion on that freeway. I speak from personal experience this morning, and I think Monday morning of this week, when those accidents occurred. One accident can cause the entire west of Melbourne to jam up, and that is just not good enough. Of course, it does not matter whether you have an accident on the West Gate — it is always like that. The West Gate Freeway is always like that, every single morning.

Mr Koch — The West Gate logjam.

Mr FINN — It is the West Gate logjam, as Mr Koch says, very much so. The government just does not seem to be even remotely interested in finding a solution to that problem. Perhaps we might have seen some money in this budget for at least a study of a second crossing where the West Gate Bridge is, but no, nothing. The west gets nothing again.

It is not just main roads and freeways in the west of Melbourne that I am talking about. Places such as Cottrell Street in Werribee are a constant source of angst, to say the very least, for a growing — in fact, a booming — population. Werribee has one of the fastest growing populations in Australia, but there is nothing in

this budget to solve the problem of Cottrell Street, Werribee.

If I can again use some personal experience, this morning I was on Sunbury Road between the Tullamarine Freeway and Bulla, city bound. The trip between those two places would normally take 1½ to 2 minutes. It took me so long this morning that I witnessed two planes taking off and four landing. I reckon that would have been 10 to 15 minutes on a stretch of road that would normally take, as I say, 1½ to 2 minutes to travel down outside of peak hour.

Roads like these are scattered right throughout the western suburbs of Melbourne — and not just outer west, I might say. A couple of weeks ago I was very honoured to be invited to speak at a rally in a park in Yarraville to protest against the number of trucks that the people of Yarraville have long had to suffer. There is nothing in this budget to relieve the suffering they experience every day. This suffering is quite unbelievable.

I invite members to go down there themselves and experience the number of trucks that roar through particularly Francis Street but also other streets around Francis Street in Yarraville on a daily basis, as they find a shortcut from the docks. There is nothing in this budget to help the people of Yarraville. The \$2 billion we are going to waste next year could well go to finding a very real solution to the problems that the people of Yarraville face.

Ms Lovell — We are not going to waste it; they are the ones who are going to waste it.

Mr FINN — When I say ‘we’, Ms Lovell, I am talking about we as Victorian taxpayers. The government is wasting it, but it is wasting it on our behalf. We are giving the government the great joy of wasting our money. I say ‘joy’ because if the government did not enjoy it so much, why would it keep doing it? That is something you would have to ask: if the government did not enjoy it, why would it keep doing it? I think the \$2 billion being wasted in the next 12 months would go a long way towards solving so many problems throughout the west of Melbourne.

Another possibility for spending some of that \$2 billion would be a secondary college in Greenvale. The people of Greenvale have been fighting for a secondary college for many a long year. They deserve and need a secondary college, but do you reckon this government will give them one? It will not even talk to them about it.

Before the last election the local member would not even show up at a rally to call for government action on this particular issue. In fact, that member was actively intimidating some people and suggesting that they might find their lives difficult if they protested at that rally. That is the attitude this government has toward people in my electorate in the western region of Melbourne. It is not good enough, it is not something that we should have to put up with.

As I have said in this house before, one of the great hates, if I can use that word, of my life is waste.

Mr Leane interjected.

Mr FINN — There is a difference, Mr Leane.

Sitting suspended 6.30 p.m. until 8.05 p.m.

Mr FINN — As I was saying before the dinner recess — and I am hoping that government members will stay in the house, because there is something for all of them — there is one great hate of my life, and that is waste. This government specialises in waste; its members have turned it into an art form.

A classic example of that waste is in this budget. There is some \$30.2 million allocated for an upgrade of the Craigieburn railway station in Western Metropolitan Region. To the uninitiated this would appear to be a very good thing. The rest of us would have to ask: is this not the same Craigieburn railway station that was opened less than 12 months ago? Why was the job not done properly in the first place? Here we are, less than 12 months after the opening of the railway station, with a \$30.2 million upgrade.

It is absolutely ludicrous. It took years to do. It was way over time and way over budget. The government did not do it properly, and now it is wasting money doing what should have been done in the first place. That is what I am talking about when I say this government specialises in wasting money. It is not spending money on the North Melbourne railway station, which is desperately in need of an upgrade and an expansion to allow extra train services to service the western and north-western suburbs; that is not something the government is concerned about. It wants to go back and make amends for the mess it made in the first place at Craigieburn. It is quite extraordinary.

In many ways this budget is a further attack on Melbourne’s west. It is an attack not just on Melbourne’s west but on those in Melbourne’s west who are most in need of help. The Western Autistic School is a jewel in the western suburbs’ crown, under the leadership of principal Val Gill, who I have to say is

quite inspirational. She and the school are doing so much to help children with autism and their families. From this school has sprung a world first — that is, the Autism Training Institute, where teachers are trained in autism-specific areas; I attended the first graduation ceremony there just a few weeks ago. Two years ago the then education minister, now the Minister for Public Transport in the other place, Lynne Kosky, promised that this budget would deliver the money needed to relocate the institute to the new Western Autistic School in Laverton.

A huge amount of work and effort has gone into the planning of this new institute, along with the school. Everything is ready to go. What has happened and what has this budget delivered? I have been through the budget a number of times and cannot find a thing. Where is the money that was promised to this school? Where is the money that was promised to these children and their parents? It is not there. This is an example of another broken promise by this government, this time to disabled children and their families. What a miserable, lowlife government we have in this state. It should hang its head in shame.

Hon. T. C. Theophanous — Don't hold back!

Mr FINN — Minister Theophanous thinks this is funny. All I can say to him is that he should go out and speak to families of children with autism, and the smile would be wiped from his face very quickly. I do not think it is funny, and I do not think there would be too many others who would think it is funny. Early intervention is another area that desperately needs a major boost.

Since I first raised this matter some 12 months ago there has been a review of what is needed. Back then the world best standard demanded that each child with autism receive a minimum of 10 hours of early intervention. Since that time that review has come up with a new figure, saying that each child with autism needs 20 hours of early intervention.

What does this government provide? At best, 4 hours a week. That is for the lucky ones. For the majority it is an hour. Hundreds, if not thousands, of children with autism throughout the state get nothing — they are left on the waiting list and this early intervention, which can turn their lives around and which can really allow them to make something of themselves, is thrown to the wind. The government does not care about children with autism, and certainly does not care about their families.

I have spoken often in this house about what is happening to the police force in this state. This budget does absolutely nothing to help that. There is nowhere near the money to resource the police force that we need to provide personal safety for people throughout Victoria, and in particular in Melbourne's west, because it is in Melbourne's west that we have a major gang problem. The Chief Commissioner of Police refuses to acknowledge that. In fact, she was heard on radio to refuse to even use the word 'gang'. How juvenile is that, how pathetic is that when we have such a major problem on our streets and the chief commissioner just refuses point-blank to acknowledge that problem?

As I said, this budget does nothing to resource the police to help us overcome these problems. As I speak, Victoria Police is bleeding to death, but this government sits back and does nothing. You have to wonder why. I have a theory on that, and my theory is this: over many years, and it is a generational thing, those in the Labor Party have built up a deep contempt for police and for authority by appointing a social engineer instead of a police officer as chief commissioner, by pooling resources, by stretching, straining and forcing out good police officers, men and women who have dedicated their lives to protecting the law in this state. That is the payback.

This government will take the votes when they are handy. The only time the government is interested in the police is when there are a few votes going, but right now, so far as this government is concerned, Victoria Police can go to hell. That is exactly where the government is sending the police. It is despicable.

There is a concept called 'value for money'. I wish this government would think about that for a little while.

Mr Guy interjected.

Mr FINN — Mr Guy points out that the government really knows nothing about that at all, and I have to agree. This government's first and only option, when confronted with any problem, is to throw a bucket of money at it. It does not care what the bucket of money actually achieves, if anything; it does not care what the bucket of money does and does not care where the bucket of money comes from, it will just throw a bucket of money at it. We have heard members opposite spout all sorts of wondrous figures about the millions and billions of dollars that they have thrown about in certain areas, but I have to ask: has it solved the problem?

Mr Rich-Phillips — Has it?

Mr FINN — It has not, Mr Rich-Phillips. In most cases it has not. It is all very well to throw money at a problem, but if you are not getting the result, that is wasting that money. If I tonight were to go out and buy a heater for \$100, for example, and I got it home and it did not work, then I would be able to sit there in the cold and say, 'Well, I spent \$100 on that, aren't I good?'. That is the attitude of this government; it says, 'We have not solved the problem, we are still cold but we spent a lot of money to do it'. What a joke! The thinking of this government is just beyond me.

This budget is a celebration of waste and incompetence. It is a tragedy for Victoria and for Victorians that after nine years this is the best the Australian Labor Party can do. This is the best the Brumby government can do after nine years — nine miserable years of failure. Government members have failed themselves, they have failed this Parliament, and they have failed the people of Victoria. I support the motion.

Mrs COOTE (Southern Metropolitan) — It is timely to remind ourselves what it is the motion is proposing to do — that is:

That this house notes that despite the massive increase in the state government's budget over its almost nine-year term and the strong national economic conditions enjoyed over that period the Victorian state government has failed to deliver a commensurate increase in the essential services necessary for the Victorian community.

When budgets are brought down, all sorts of politicians speak about them. The Treasurer talks in billions of dollars and about how this or that is going to happen; he says that something is going to cost a billion dollars and that something else is going to cost more. But most people in the Victorian community just glaze over it — billions of dollars are well and truly out of their spectrum. They just want to know what is in it for them.

Fundamentally, one of the questions that they ask, as simplistic as it may sound, is: if there is a surplus, why do we have so much debt? They equate the situation to their simple home budgets. They look at their household budgets and say, 'If we had a windfall, we would pay off the mortgage instead of renovating our house'. Most people know that they should pay off their mortgage.

Under the Kennett and Stockdale regime we saw a huge debt or a huge mortgage which had to be paid off over a significant time; it was seriously painful for us all. The former federal Howard and Costello government had to do the same thing. That government reduced government debt by an extraordinary amount, and the prosperity we are currently enjoying in this country is

largely because of the good husbandry of the Howard and Costello government.

I return to my constituent's question, which is very simplistic: if we have a surplus, why do we have so much debt? Why is that? The Treasurer spoke about a whole range of things during his speech. I must say that these billions of dollars are spread or sprinkled right throughout the budget papers, but there are a number of issues we can talk about when addressing the question, 'What is in this for me?'.

What is happening with infrastructure on a real level? Only last week we heard the Premier say something like, 'We are going to make a unilateral decision that all businesses within a 10-kilometre radius of the CBD are going to have clearways imposed upon them'. This effectively means that all small business owners within a 10-kilometre radius will only have about 5 hours in which to conduct business. People will not be able to park outside their shops from between 3 o'clock in the afternoon and 7 o'clock at night. What an indictment! It may have been a unilateral decision but it was not one that involved community consultation. It was just imposed upon them.

What are the billions of dollars in the budget going to do about that issue? If there had been a better use of money over the last nine years under this government, we would not have to use any temporary measures. These temporary measures have been acknowledged by the Treasurer as a short-term answer. That is not good enough. If there was a proper strategic planning as far as infrastructure is concerned, people's daily lives and livelihoods would not be under so much stress. To extend those clearways is appalling; that shows a lack of planning and a lack of strategic direction.

People are not going to be hoodwinked about this issue. As they try to go to their local shops or visit local shop owners, they will find a disgraceful situation. They will remember that although these billions of dollars were splattered around by the Treasurer yesterday, their lifestyles have been curtailed. They have lost an amenity. This has been happening far too frequently.

Public housing is another issue. An article in the *Leader* this week was about the lack of public housing in the city of Port Phillip. The article was also about how many additional meals the Sacred Heart Mission in Grey Street is actually providing; there has been a huge increase. The more than 400 people who daily go to the Sacred Heart mission do not go there because they want a free feed; they go there because often it is the only food they can get in a day. They get a nutritious meal and are offered a lot of camaraderie and support. They

do not just go there because they need something to do to fill in their time. They go to the mission because there are no other options. They go to a number of other areas in the city of Port Phillip because the infrastructure and the support are so good. But we need additional public housing in the vicinity.

There is a very good example of what the Liberal Party did when it was in power. The late and former Minister for Housing, Ann Henderson, created a building called the Regal. That building was a mixture of public and private housing. It has worked extremely well. It has stood the test of time. This government should be doing more about providing these types of options in the future. We do not see this example anywhere in this budget; it is nowhere in the budget.

I know for a fact that people who are disadvantaged from a public housing point of view in the city of Port Phillip are actually being sent to caravan parks in Springvale. They have no certainty about what they can do when they get there. Some people in the caravan parks have to move out of them at peak times when people need the caravans for their holidays. This is not good enough. We should be seeing a greater portion of money going into these areas. Once again I mention this simplistic question: what is in it for me? If you are homeless and you live in the city of Port Phillip, there is not much in it for you.

I was watching the *7.30 Report* tonight; I am certain that many members were watching it. The program investigated the ageing population. Early baby boomers who are in their 60s are now retiring. What is in this budget for the 65-year-olds? There is not a lot for all of those years of paying taxes, being contributors and being in the workforce. There is not enough. Personal debt has gone up. There are no funded programs in this budget which deal with how to deal with a huge number of retirees who are quickly coming on stream in the next decade and beyond. There is nothing in the future. What are we living on here? Is it hope that the Treasurer was expecting us to conjure? I do not think so.

Mr Finn — Certainly not charity.

Mrs COOTE — It was certainly not charity. These people do not want charity, Mr Finn. They want to feel like they can retire with confidence. But this budget does nothing for them.

In conclusion, I know that a number of other members want the opportunity to say a few words on this motion. I congratulate the Leader of the Opposition for moving

this motion. The most interesting comments were in the Treasurer's speech. He said:

When I first started work, there were seven people in the workforce for every retiree. Soon, there will be four workers for every retiree. There may, in fact, turn out to be as many opportunities as there are challenges from our ageing population — but it certainly raises risks that need to be identified, debated and managed.

We are here tonight to debate these issues. They can talk about the rhetoric, they can talk about the spin and they can put it into the budget speech, but the reality is that nothing has been backed up by proper dollars for this sort of issue.

I conclude by saying that the Treasurer called this the baby boom budget. The best quote of the entire dialogue on this subject over the last two days has been from the Leader of the Opposition in another place. He said that it may very well be the baby boom budget, but the babies will be paying it off forever.

Mrs PETROVICH (Northern Victoria) — I rise to speak in support of the motion that was moved by David Davis. It is clear that this government has the capacity to be a big-spending government, but can it deliver? Infrastructure projects being delivered on time and on budget are hard for this government to achieve; in fact it has an appalling track record. In this budget we have some big-ticket items, with the north-south pipeline and the desalination plant, both the result of 10 years of drought and, extraordinarily, a lack of planning and a lack of understanding of community needs and development. There seems to be a lag between the election promises of 2006 and their delivery. There seem to have been some starts made but not a complete delivery on the commitments made to the community across the Northern Victoria Region. I will go into the details of these projects and the government's ability to deliver a total package to country communities later on.

This government has had the advantage of a burgeoning budget which has risen from \$18.2 billion in 1998-99 to an estimated \$35 billion this financial year. In 2008-09 expenditure will break the \$36 billion barrier. The Victorian budget has effectively doubled in a decade. This should have been enough to totally reshape this state, renovate the state's infrastructure and deliver the state-of-the-art education, health, police and emergency services that we should have been able to look forward to. We hoped there would be planning for growth in a way that would not see the country pitted against the constantly burgeoning demands of metropolitan Melbourne.

The Bracks and Brumby governments have seen an unprecedented tax and revenue windfall. Since 1999 budget revenues have risen by 88 per cent to an estimated \$36 billion this financial year. We have heard a lot today from the Labor Party about the cuts that Jeff Kennett was forced to make as a result of the mismanagement of the Cain-Kirner years. This state was broke, and if it had not been for Jeff Kennett and his ability to rebuild, we would have been in a terrible state. We have heard about a lot of closures at that time, but a timely reminder today is the number of maternity hospitals and obstetric services across Victoria that have been closed permanently or suspended indefinitely, facing closure. These include Birchip hospital, Charlton hospital, Donald hospital, Moorabbin hospital, Nhill hospital, Warracknabeal hospital, Wycheproof hospital, Boort hospital, Cobram hospital, Nathalia hospital, Seymour hospital, the Angliss Hospital midwife caseload program, Williamstown Hospital and the Yarram hospital. We heard from the Treasurer during question time today that country people no longer have to travel for maternity services — tell that to the families in the communities that I have just mentioned.

I would like to remind members opposite that when they were elected to government in 1999 there was a budget surplus of \$1.8 billion. This was the result of strong fiscal management by the Kennett government. Goods and services tax moneys have greatly assisted this government in managing a budget by giving it a bit of help in the form of \$90 billion over the term of this government.

Why is this a piecemeal budget with lots of plans but very little delivery of substantial projects across the state? I would like to give a bit of an overview of the lower house seats of Macedon and Seymour in my following comments. Since the Labor government took over the reins of Victoria, the size of the Victorian state budget has practically doubled to an estimated \$36 billion. We have seen that hospital waiting lists have grown, water infrastructure has crumbled, violent crime has increased on our streets and housing affordability has plunged to a record level. Trains, roads and energy generation have reached their capacity.

Some of these things have not been made completely clear in the budget papers to date. I could read out the history of the Tullamarine Freeway section near Keilor, which has been long and arduous and has resulted, after all the talkfests of this government, in an 80-kilometre-per-hour zone. The current speed limit not only produces a dangerous bottleneck but has an enormous impact on commuters, with many having to leave home up to an hour earlier. It has taken eight

years to get 80-kilometre-per-hour signage; that is all we have got. We are all enduring the 'Kosky Crush' on the trains. You cannot get into Melbourne by road, and you are going to struggle to get in by train. Peak-hour trains are perpetually running late. There is just no hope.

We have an urgent need for health upgrades. There is no emergency department between Bendigo and Melbourne, and I have spoken in this chamber many times about the crisis that ambulance officers face when looking for an emergency department and the problems that poses, the stress that creates and the danger it puts community members in. Despite last week's announcement of increased ambulance services, there is still a concern that there is not enough manpower on the ground in the areas I have mentioned.

More police are required in Sunbury and Bendigo. In the time between the announcement being made that there would be 100 extra police officers and the budget papers coming out, that proposal has simply evaporated. People are now failing to report crimes against the person, giving us an unrealistic view of the figures relating to such crimes. That is simply because people are not bothering to report the crimes; there are simply not enough officers to attend. For example, there may be only one divisional van covering parts of the Macedon Ranges and the western suburbs in Melbourne. In Bendigo two vans cover a city area of nearly 100 000 people, and the lack of police presence is having a real impact on that community's safety.

Major maintenance issues have arisen at Kyneton and Gisborne high schools in the Macedon Ranges. There have been constant promises made. I think we had an announcement of \$29 000 in funding in the last budget for Kyneton High School to fix some rusted windows. We have 1000 kids at that school, and it is at maximum capacity. We all talk about education plans; there is a lot of talk about plans and not much action. I am very pleased to note that Wallan Secondary College was successful in its bid for the third stage of its development, but unfortunately Seymour Technical High School was completely forgotten.

One of the projects on which I have been working closely with the community in Woodend is the Woodend Children's Park, which is an all-abilities playground. I have never seen such a fine effort by a group of committed community members to put together a proposal and a site. They have already got \$10 000 in the bank, and I am hoping upon hope that as part of the slush fund that is out there they might get some money through to complete the dream for that community.

I have a major concern with cost shifting to councils. We see rural shires right across Northern Victoria Region struggling to meet the demands for roads and footpaths as well as a range of other services that they are forced to provide because the state government forces them to. Most recently we have seen the announcement of a significant amount of funding, but it is certainly not enough to cover the amount of work that needs to be done on weeds and feral animals across the state. The funding has to cover 39 shires, and a budget of \$20 million is certainly not going to do that. It is not enough money; it is another cost shift.

There is virtually nothing in the budget for the Macedon Ranges. Even the \$14 million day hospital in neighbouring Sunbury falls well below the much-needed services that are required. We need a 24-hour emergency service, which we promised in the last state election. We also promised a day surgery, but we know there is a requirement for a 24-hour emergency facility. The refurbished ambulance stations at Sunbury and Romsey are a step in the right direction, but they will not solve the chronic shortage of paramedic services in the Macedon Ranges. Despite a recent announcement that the government would boost the number of crews in Gisborne, I am reliably told that there are still not enough to provide a timely service in the community.

There is nothing much new in this budget for our schools. I believe the member for Macedon in the other place, Joanne Duncan, has dismally failed to deliver to the people of the Macedon Ranges. It is a forgotten electorate. The broader issue is regional first home buyers. I am very concerned that that assistance is not actually going to be accessible to a lot of people. I am waiting to see how difficult and accessible that is for people to obtain. Overall this budget has largely neglected country Victoria, and it is apparent that the government sitting down here in Melbourne really has no idea about the level of problems associated with drought. If you look at the Regional Infrastructure Development Fund, the Labor government spent \$276 million, falling significantly short of its promised expenditure of \$580 million.

Seymour is much the same. As I said earlier, the big ticket item for me was Wallan Secondary College, but there are a whole range of things that have obviously been left out. I really think Ben Hardman, the member for Seymour in the other place, should have pushed quite hard for the Seymour Technical High School. That is a school which is cobbled together from a set of buildings ranging from the 1920s and there is a whole range of problems. There was a little bit of money spent

there in the last budget, but it was not enough to service that community adequately.

Kilmore police station will now be upgraded to 24 hours, but again we still have not got enough police on the road, and this is certainly not improving our community health and safety. There is very little in the budget for hospitals and health services in the Mitchell shire, and I was particularly disappointed to see that the Alexandra District Hospital only achieved \$1 million for planning design work. Now that was promised in the last state election. It is in black and white. The re-elected Labor government, as part of Labor policy, would provide \$15 million to fund new acute beds and support services to give patients and staff at this small rural health service access to quality health care in a modern facility. And what do they get? They get \$1 million and a planning stage that will stretch out to probably 2010, when there will be another promise made and still no real assistance.

My vision is for country Victorians to receive the equivalent services that are available to those living in metropolitan Melbourne, and this means more police, more country doctors and nurses, better equipped schools, safer roads and more efficient public transport. Instead of heading in this direction this government is treating country Victorians as second-class citizens.

Mrs KRONBERG (Eastern Metropolitan) — In rising to support David Davis's very important motion, which I think sets out very succinctly what is a travesty and a lack of performance on behalf of this government, let us get to the heart of this. Yesterday this government delivered another budget that is devoid of vision. It is devoid of a holistic approach to what this state needs on almost every front. Shamefully, it condemns many of our most vulnerable Victorians to a future without hope.

Let us take the 1400 people with a disability or mental illness who continue to languish on waiting lists for shared supported accommodation. Unbelievably, tragically and very sadly, this government, which I can only describe as an insensitive gaggle of cardboard cut-outs, has actually slashed next year's funding for shared supported accommodation by a staggering \$45 million. For any of those government members from now on who have a shred of decency left, I say that they should hang their heads in shame. I challenge each of them to look in the eyes of frail, ageing parents who as carers of disabled Victorians have begged this government to provide them with relief and assurance that their sons and daughters will be safe in clean, supervised, workable, pleasant, humane environments. Victoria's disabled people are entitled to have a place

they can call home, not the filthy, squalid, dangerous, ramshackle accommodation that passes for centres of service delivery for our most vulnerable Victorians.

My office is approached regularly by disabled individuals and their carers, hoping that this government will provide a means of subsidising essential equipment purchases such as wheelchairs. But where is the money for this type of support? When one looks at the line items in this budget, all we see is a series of dots past July 2008. I have to say when you look at a series of dots in line items in this budget, it really brings home what Old Mother Hubbard must have felt when she opened up her cupboard and found it bare. I think that is a very important image to bear in mind: baring the bones and everything being devoid of hope. The budget reveals that there has been no funding provided in spite of the budget papers talking about — and I quote verbatim:

... a growing demand for aids and equipment and will increase the capacity of the program to provide for additional items above current levels ...

But where is the allocated money? All we see is a series of dots in the years going forward. There is nothing past the end of this financial year. The heart-rending stories I hear almost every day now in the electorate office serve as the basis for my castigation of this government.

I have to say that it is a relief to see that the Eltham Primary School has received an amount of \$4 million for stage 2 of its development. This development is long overdue, and this school is a very important campus for learning for primary schoolchildren in the area because it encompasses historic buildings going back to the 1870s. The management of that site and the preservation of those historical elements that are used for meetings and other things of a general purpose and non-teaching nature are really important. But what we have actually seen is that the government has adopted the term 'modernisation'. It has had to revisit a term tied to redevelopment because that imposes deadlines and it reminds us of catastrophic projects where costs have quadrupled or ended up being tenfold what was estimated, like the very fast rail system that started off at \$80 million and ended up at \$800 million — and no-one is moving any faster. This term 'modernisation' has been adopted now, and it is to categorise the allocation of desperately needed funding for rebuilding. I feel that 'modernisation' masks the real condition of dilapidated collections of buildings for primary school children.

The situation with the Eltham Primary School is quite amazing. There is actually a two-tiered system there, and the school operates a two-tiered learning

environment. There is a stage 1, which is complete, and provides a series of modern, technologically based learning environments with French doors opening onto discrete courtyards and extending a vista across new playing fields and gardens. This contrasts markedly with what actually happens in the other half of the school. Half of the children have got 21st century conditions — and they are very good conditions, I will say that — to learn in. But the other half of the school — the have-nots in the same school on the same campus — are still enduring learning in a fetid, squalid, dilapidated, poorly lit, poorly ventilated, poorly sanitised host of school buildings.

The game of charades, the smoke and mirrors, the pea-and-thimble trick, the sleight of hand and all the other shenanigans this government gets involved in come into sharp focus. I suggest that as soon as they are free of their obligations in this Parliament members in this chamber could go and stand outside the Eltham Primary School. What they will see is an advertising hoarding for its redevelopment. Amazingly, in what can only be described as a breathtaking degree of licence — I would say fraudulent proclamation — among the photographs showing what this new development will look like is a photograph of a synthetic sports field that has a small athletics track and a hockey field with facilities to play basketball and codes of football.

This sports field is actually in place; it is really schmick and lovely to see, and the school is very excited about having it. The image of this sports field appears on an announcement of a redevelopment by this government. But members can guess who paid for it. Yes, the Howard government. This government is now rebadging a project that was paid for by the federal government.

To the absolute bemusement of parents at this school the next picture that appears of the Eltham Primary School is of children in a canoe on a lake. Nowhere in the school redevelopment plan is there a plan for a lake. I rest my case on the fraudulent exaggeration and misleading promotion of projects. That exemplifies just how exaggerated this government's claims are to responsible government.

No other money has been allocated for any other schools in Eltham whatsoever, irrespective of what condition they are in. We need to remind the government that even though some 300 schools will now receive maintenance funding, there are still 1000 schools in this state that will receive none. Some of that funding, by looking at forward projections, will not be available until 2016. They are falling down now. The kids are probably subject to catching hepatitis out

of the filthy toilet conditions; the toilets are very hard to maintain. They are certainly not compliant with being carbon neutral, and they are certainly not compliant with conserving water and other precious resources.

Instead of allocating funds for the redevelopment of the Box Hill Hospital this government has insulted pretty much the entire catchment of that hospital, which represents a very large proportion of people of the eastern suburbs, by offering a paltry \$8.5 million over the next three years. People associated with Box Hill Hospital have been begging this government to provide the funding for the second stage of the redevelopment, which has been costed at \$850 million.

What is this government's answer to the people of Melbourne's east — that is, residents of Box Hill, Ringwood, Mitcham, Camberwell, Surrey Hills, Mont Albert, Greythorn, Balwyn, Burwood, Doncaster, Templestowe, Bulleen and beyond? What have they been offered? They have been offered 1 per cent of their requirements. I reckon the \$8.5 million over the next few years will probably help them replace door hinges — and very little else.

The people of Melbourne's east have been treated in a contemptuous manner. Still 14 900 people are on waiting lists for Box Hill Hospital — and they continue to languish — and staff are forced to endure its ageing facilities. It is important to make the chamber aware of the fact that the member for Burwood in the other place, Bob Stensholt, is the chairman of the Wattle Park advisory committee. What has he been doing on his watch in that role? I would have to say he is behaving like Rip Van Winkle and is clearly negligent in his duty and his approach on the advisory committee. He is providing no leverage or no capacity to persuade his parliamentary and ministerial colleagues to provide support for this essential upgrade. I expect the pall of disappointment will now descend on Box Hill Hospital staff and the residents within its catchment.

One area of great concern, which is an example of this government's thumbing its nose at the other part — the middle-ranking part — of eastern Melbourne's swathe of suburbs is for all of those motorists and train commuters who need to deal with the rail intersection at Springvale Road. There is no money for the Springvale Road grade separation. Why is that? Because the government is in a delusionary state. It is terrified to spend any money on a grade separation for Springvale Road because it thinks that road will become a rat run, and it will not be able to meet the revenue targets from both the toll on the EastLink and more importantly — what it has become increasingly and shamefully reliant on — the projected \$62.2 million from the 22 speed

cameras that will be in an array along the length of the EastLink tollway when it finally opens.

The government needs to understand that in these times when it has a bounty to apply to infrastructure in this state, it should, wherever possible, adopt a preventive approach. If the government were shamefaced about a disaster such as the Kerang rail disaster, I put to it: what will happen if at the Nunawading railway crossing a B-double collides with a commuter train, which could have 400 or 500 people on board? The result would be unthinkable, but clearly this government has no capacity to invest to avoid such a catastrophe. We do not want members of this government wringing its hands after the event; we want the money up-front for that now. It was provided and offered to them by the Howard government, but they are just standing away and being very smug and complete in their dereliction of duty to ensure safe passage for motorists and train travellers alike.

What is the commitment for the people of Doncaster? It is more of the so-called rapid transit systems, which means buses. Every time anybody talks about buses in the suburbs of Doncaster, Bulleen, Templestowe and Donvale, people really flare up. They are really begging for this government to invest in a tramline from the North Balwyn terminus to connect to Doncaster Shoppingtown, to uphold the strategic intent of governments past to actually build a rail line to Doncaster.

I have been a resident of Doncaster right through the time when the Cain and Kirner governments sold the land reserve running along King Street that would have provided a means to have a rail head at the intersection of Blackburn Road in East Doncaster. The greedy government — awash with malfeasance, desperately on the ropes, the guilty party — sold off that land, and now this government continues to compound that problem. There is a whole swathe of people who are devoid of respect for investment in transport infrastructure in this state.

In summary, this government is the guilty party. This motion was succinctly put and has so much resonance that it must be supported. This government must be held to account; this government must bite the bullet and make a decision to spend some money on this state before it becomes the rust belt again.

Mr GUY (Northern Metropolitan) — Earlier today I heard Mr Thornley begin his speech by saying that he thought he was in *Groundhog Day*. I like *Groundhog Day*. I have seen it plenty of times, and there is a specific line that might relate a bit to Mr Thornley. It is

where Larry says to Rita about Phil Connors, 'Did he actually refer to himself as "the talent"?' When Mr Thornley sits down, that is usually what we say on this side of the chamber in relation to *Groundhog Day* because we look back and think to ourselves, 'Did he just call himself "the talent"?', because if you heard most of his speech I am sure you would refer to it as something else.

What I did find interesting, though, and what I thought had some relevance and maybe some *Groundhog Day*-esque aspects were some government contributions to debate on this motion. As members on this side of the chamber have pointed out quite rightly, what we should always remember when we talk about this government — and I am very pleased to have the Minister for Industry and Trade in this chamber as he was a member of the Cain and Kirner governments and now of the Bracks and Brumby governments — is that when the Labor government was elected in 1999, its revenue base in this state was \$19 billion. It took 148 years for this state to arrive at \$19 billion in recurrent taxation revenue — and that is not an invented statistic: it is fact in the government's own budgets.

Hon. T. C. Theophanous — It usually grows every year.

Mr GUY — Mr Theophanous says it grows every year, and so it may, but this government has experienced generational opportunity in the growth in its budget. It has grown from \$16 billion to \$35 billion recurrent. What every Victorian in this state — all 5.2 million Victorians — needs to look at is what we have got for that \$35 billion and for those huge surpluses.

Hon. T. C. Theophanous — A great Labor government.

Mr GUY — Mr Theophanous interjects and says that we have a great Labor government. So I would like to take Mr Theophanous and the chamber back to 1999 to look at some of the great promises that he talks about, that he hangs his hat on, and says, 'This is what the great Labor government has promised to Victoria'. What have we got for that \$35 billion in recurrent revenue?

Mr Finn interjected.

Mr GUY — Mr Finn makes a very good point, and it relates to the airport rail link. I think the public servant who oversaw the airport rail link project was in fact the highest-paid public servant in Victoria.

Mr Finn — He is doing all right for himself.

Mr GUY — He has done very well for himself because it is still not there. There are two platforms but no fast rail to the airport. 'Rural rail standardisation for \$96 million', the Bracks opposition said. Nine years later, with Labor in government, are our country rail lines standardised? That too was a broken Labor promise. A third rail track from Box Hill to Ringwood was promised by Labor, an infrastructure promise to bring in flyer trains to the outer east. Is it there today?

An honourable member interjected.

Mr GUY — No, not at all. A third track from Oakleigh to Dandenong was a promise again made by Labor in the last couple of years. Has it started?

Mr Finn — No.

Mr GUY — No, as Mr Finn says, it has not. I will go back a little further. A promise was made by Labor to restore the railway line to Leongatha. That big promise was made with a fellow traveller by the name, I think, of Susan Davies. Everyone ran away from her very quickly and then re-endorsed her back in Latrobe. But where is the promise to bring the railway back to Leongatha? You can get a V/Line bus to Leongatha but you cannot get the train.

Mr Finn — Did she catch the bus to Leongatha?

Mr GUY — Mr Finn, she caught the bus to the unemployment queue, courtesy of a good man by the name of Jason Wood.

The Mildura railway was again a big promise made by Labor. Where is that? We have record revenues in the state. Where is that? In fact there are still 30 kilometres per hour sections on that railway line. The promise was broken. The Cranbourne–Cranbourne East extension in a growth area was a promise made by Labor. There is a railway line from Cranbourne to Cranbourne East but if you had a Weedex, you would have to go along there and pick out all the weeds; you would be filling up your bag every 5 metres because the reserve is full of weeds. There are no trains running.

My favourite is the South Morang railway extension. There is \$10.4 million in this budget for the Labor Party to promise — wait for it! — some drawings. They must be very expensive drawings. That is amazing, because the line was built in 1889 and the reserve is still there, yet the government has allocated \$10.4 million to draw a line. The Liberal promise stands and remains: that the line would be built tomorrow for \$18 million, which is

the government's own figure. It has the funds to pay 55 per cent of the cost of building the railway.

The Knox tram was a promise made by the Labor Party. It said it would extend the tram to Knox. Where is that? You would be walking a long way, because there is no tram stop in Knox; there are only some road projects.

Hon. T. C. Theophanous — How many rail extensions did you do under Kennett?

Mr GUY — The Cranbourne railway line, actually, so you should get your facts right.

The Dingley bypass was a promise made by Labor in 1999, but it was broken. The Plenty Road upgrade was promised in 2002, again by Labor, but it too was broken.

What about level crossings? What could we have done with the money this government has raised by way of record recurrent revenues and record taxes? Springvale Road, which is one of Melbourne's most important north-south arterials in the eastern suburbs, has two level crossings. The Liberal Party promised to eliminate the one in Nunawading. The Labor Party had the opportunity to come on board with that, but typically it has gone missing.

To even moot the idea of improving level crossings on Bell Street is to have a vision for the northern suburbs. The Minister for Industry and Trade is from the northern suburbs, but there is no vision; there are no plans, no ideas and no regard for traffic movements in the northern suburbs. Those level crossings are constricting traffic growth, which is placing huge hindrances on the economies in the northern suburbs and its municipalities.

I will not just stop at those two. St Albans has one of the greatest bottlenecks in the north-west, and you, President, would know; you actually live in your electorate, unlike all the members of Western Metropolitan Region who are in Reservoir and Rosanna. I am sure the one in St Albans, as the RACV has pointed out, is one of the greatest bottlenecks in the metropolitan area. I am not sure whether the ZZ Top look-alike, the local state member up there, knows the existence of that problem, but it is a huge problem to the economy.

I want to quickly turn to the report produced by Sir Rod Eddington. What I found amazing about it is that I heard the Treasurer on radio this morning talking about this — he has just walked into the chamber — and on the breakfast program he was asked, 'Is there any

money in this budget for projects contained in the Eddington report?'

The government had a great launch of the report, including a lot of spin and a lot of publicity, but on the question of whether there is a cent in this budget for one project in the Eddington report, the silence opposite is again deafening, because there is not. It was all about spin. It was all about promises, it was all about the government appearing to be doing something when in fact it has been doing nothing.

What about the cross-city tunnel? There is no money for it. What about a rail line through the Domain Tunnel? There is no money. Was there any money for the promises made for a link between Deer Park and Tarneit? Again, there is no money — but should we be surprised?

The Treasurer likes to come into this chamber with props, and now I have one of my own. It is a little card entitled 'Labor's pledges for Victoria'. It has the smiling face of a very young-looking Hollywood Steve Bracks, the former Premier who has starred in more government-paid advertisements than any other person in Victoria. He says at the end of the card, 'Keep this card to see I keep my promises'.

What I find amazing are some of the promises on the back of the card, such as the one reading 'Guaranteed reliable supplies of gas, water and electricity'. This state will be in an energy crisis within the next four to five years, thanks to the incompetence and the lethargy of this government. My grandmother would say in Ukrainian, 'Ty mokra kurka', which means, 'You wet chooks!', which perfectly describes the lethargy of the government.

In Ukrainian it simply means that these people are sitting on their hands, and there is no better example of people sitting on their hands than members opposite — and I would say, by looking at this pledge card, that most or even all of the promises made on the back of this pledge card are just like the spin I read, as contained in Labor's 1999 election promises. They were just spin.

Mr Atkinson — What is your grandmother's term for 'No money'?

Mr GUY — We will get to that. But speaking of Labor politicians on radio, I again heard the Premier on 3AW the other morning. He was asked a very simple question by Neil Mitchell, along these lines:

Mr Brumby, can you tell us, has debt increased in the state of Victoria since you have been in government?

The Premier said:

Oh no, no, no it has not, no. I am reliably informed it has not.

Neil Mitchell said:

But I mean the actual number. The figure. Has debt increased in the state of Victoria?

The Premier said:

Well, I'm not the Treasurer any more. I can't answer that right now. I'm not the Treasurer.

He is either lying, he is incompetent or he is both, because I can give a definitive answer to the house today: debt has risen from \$4 billion and will rise by the year 2012 to \$23 billion. That is a rise from \$816 per person in 1999, when this government was elected, to \$4089 per person in 2012.

Shame on the Labor Party! It would not be as distrusted by the Victorian electorate if it did not have the history not just in Victoria but right around this country when it comes to debt. I am sure that every member here would be well aware of names such as Wran, Bannon, Burke, Field and maybe Keating, because they all left their states, their constituencies — and in the case of Keating, their country — in economic ruin with a huge debt when they left office. Now that is being or has been repeated by the likes of Carr, Iemma, Beattie, Bligh, 'Stanhope-less' in the ACT, Rann in South Australia, and of course Lennon, whose government in Tasmania is bordering on the totally corrupt.

They will leave legacies just as this government will leave a legacy to members on this side of the chamber and to the babies in the supposed baby boom budget of Victoria, of being back in debt, of Victoria being an economic rust bucket and again in a sea of debt that it is unable to pay back.

Labor going nuts with a credit card is very bad news. They are big spenders who walk into a department store and think someone has just handed them cash. It is not cash; it has to be paid back. If there were a situation where, from budget to budget, debt went up, debt went down, there was a bit of paying back, and the responsible management of our debt, we on this side of the house could understand it, but there is not.

Mr Atkinson — Or if there was public works or infrastructure.

Mr GUY — Indeed, Mr Atkinson. If there were corresponding public works to match it, we would understand it. But as I have just articulated, there is no corresponding public works. What frightens people on this side of the chamber and all Victorians is the Labor

Party with a credit card because there is never a reduction in the level of net government debt; it always increases, and across every state in this country that is the case. Across every state in this country in the 1980s that was the case, and when we come back to government in 2010, that will be the case again.

I find it amazing that despite the Labor Party claiming that our debt is for the good of the state, at the end of the forward estimates we will be paying \$1.8 billion to service that debt. The interest payment to service this debt will double the police's budget today.

Mr Finn — And they need it.

Mr GUY — Indeed they do, Mr Finn. Imagine what we could do with \$1.8 billion extra recurrent expenditure every year. But that is what we will be paying at the end of the forward estimates simply to service the debt that this government has built up without a shred of public infrastructure assets to show for it, and that is a complete disgrace.

The word of Labor again is found to mean nothing. The promises of the Labor Party amount to nothing. It has squandered a once-in-a-generation chance that it had over the last 10 years to build infrastructure in this state like has never been done before and to set our children up for a state that would be well positioned to be Australia's leading economic power in 50 years time, but that has been squandered.

The legacy that people like the Minister for Finance, WorkCover and the Transport Accident Commission, Tim Holding, and maybe the Minister for Regional and Rural Development, Jacinta Allan, both in the other place, will have to bear when they eventually lead members opposite in opposition will be one of defending again a rabble of a Labor Party that will have left this state in a mess of debt.

Mr KOCH (Western Victoria) — Firstly, I would like to congratulate David Davis on bringing this motion before the house today. There is absolutely no doubt about the state of Victoria. We have seen the revenue streams grow in this state, as indicated by my colleague Mr Guy and others in the house today, from \$19 billion eight years ago to something of the order of \$38 billion today. No state in Australia has experienced growth in revenue such as we have seen in Victoria. But the downside of all of this is that the lack of services that the state has benefited from with these huge increases has also not been equalled in Australia over the last 150 years.

The only success of any consequence that regional Victoria — and I will be speaking principally on

western Victoria — has experienced as a result of this year's budget is an emergency rescue helicopter. But the government did not hand that over willingly either. It was probably one of the largest and longest campaigns ran for nearly eight years in western Victoria. A petition with nearly 30 000 signatures was lodged, and the community was right behind it. We had an unyielding government for eight years. When at last the government was advised that it would be quite sensible to provide the funding — I have no doubt that bureaucrats told the government, 'Be sensible, you are losing a lot of ground on this one. It would be sensible to pay up and get on down the road' — the government did do that. As one of those who campaigned alongside Denis Naphthine, the member for South-West Coast in the other place; John Vogels; Hugh Delahunty, the member for Lowan in the other place; and more recently, Peter Kavanagh, I can say we are glad we received the helicopter.

But the helicopter has not come without a price. We now see funding for the Warrnambool hospital cut by \$26 million. This is one of the few district hospitals left in Victoria that needs a redevelopment to bring it up to a status equal to hospitals across the rest of regional Victoria. Again, this government gives with one hand and takes with the other.

Mrs Peulich's contribution today clearly demonstrated the frustration and disappointment of metropolitan communities about the amount of things they certainly did not receive. I have to say that Mr Viney, the lead speaker for the government, gave his usual performance with the same old rhetoric, ending with the words 'I oppose the motion'. I do not think Mr Viney had much of an idea about what is going on in Victoria, particularly regional Victoria where he represents the region of Gippsland. He certainly has not got a feeling for what is going on in relation to the north-south pipeline. He is still of the belief that the government is not stealing this water on behalf of metropolitan communities in Melbourne. This government, although it has many plans and strategies in place, has not to date gained 1 megalitre of savings from any restructuring process in the north to deliver water to Melbourne. There is little doubt at this stage that Melbourne has the first opportunity to have any of that water before any gains are made. Obviously the government is stealing this water. It is an act of theft from the food bowl in northern Victoria, and that is another expense that regional areas must bear.

Our road and transport corridors are now getting to a very degraded state. Rail maintenance has slipped right away, and we are at the stage where the maintenance of the standardised line from Marooana to Portland that is

not even 10 years old has slipped away so much now that operators really do not have the safety and security to be able to cart large amounts of grain down there, and again these loads have been foisted back onto the roads.

Importantly, today's question time drew on the Treasurer that we are in fact paying as many, if not more, taxes due to bracket creep and the prices received for many things across the board that are taxed, be it land tax or stamp duty. Although we have had minor reductions in relation to these matters, the tax takes are as much, if not more than they have been in the past, prior to these cuts taking place.

Mr Lenders interjected.

Mr KOCH — I take up the interjection by the Leader of the Government. We have copped it both ways. Yes, the Treasurer handed out something for a helicopter, but at the same time he slashed funding to the Warrnambool hospital.

Mr Lenders interjected.

Mr KOCH — The Treasurer did it very easily. Instead of getting the \$90 million, he slipped out just over \$70 million.

Mr Lenders interjected.

Mr KOCH — The Treasurer promised \$90 million.

Mr Lenders interjected.

Mr KOCH — The Treasurer found that extra money for the helicopter at the cost of the Warrnambool hospital. He can sit there and say, 'This is not how it works'.

Mr Lenders interjected.

Mr KOCH — There is no voodoo in any of this stuff. It is black and white.

Mr Lenders interjected.

Mr KOCH — It is absolutely black and white stuff. In 1999 stamp duty was only 11 per cent of total state taxes. It is now 30 per cent. The situation is worse if you consider land tax. In 1999 property taxes were 15 per cent of state taxes. Now they are nearly 37 per cent.

Mr Lenders interjected.

Mr KOCH — A fortnight ago the Treasurer was quite happy to leave the teachers dragging well behind

everyone else in this country. It is only through the lead of the opposition, which offered to make the teachers the best paid in Australia, that the Treasurer came to the party yet again. He must be dragged to the line on every occasion. It is a staggering situation that we face in Victoria.

From the point of view of regional Victorians, particularly in western Victoria and the Wimmera, this budget fails to meet the needs of many who reside in those areas. Our arterial road networks certainly need upgrading. The Western Highway and particularly the north-south Henty Highway both desperately need greater maintenance. They desperately need passing lanes, and the Western Highway needs further duplication.

The government has further rebuffed the Wimmera with its treatment of the Horsham Special School. This school operates at the West Horsham Primary School campus and is desperately in need of upgrading. The pupils and teachers operate in what I could only call Third World conditions. The minister has promised that this school will be redeveloped on a green fields site, but not 1 cent has gone towards the community at the special school in Horsham. The Brumby government continues to fail to address unfair fire service levies.

We have also seen that \$10 million has been made available for our sporting groups throughout regional Victoria, through the drought relief for community sport and recreation and country football and netball programs and the community facilities funding. Again, we have no details about where these funds will be located or when they will arrive. Most of these sporting bodies are in some plight after many years of below-average rainfall. Many sportsgrounds are now considered unfit for sporting activities. While we wrestle with that in regional Victoria, we do not have any problem funding elite sports, which are regrettably funded in front of regional sporting bodies. This is of great concern because regional sport is a very big factor in our social fabric in regional Victoria. We are disappointed that that funding has not been allocated and we have not been advised of when it will be made available.

The re-announcement of \$99 million to fast-track completion of the Wimmera-Mallee pipeline is also something that gives rise to grave concern in the Wimmera community. Here is a pipeline that was running on schedule until recent times. We have noticed that its budget has blown out by 50 per cent and growing, and there is an expectation by this government that water users and water clients of the Grampians Wimmera Mallee Water Authority will pick up further

costs that are not of their own making. That is something else the government has neglected to give consideration to in this budget to assist those farming and rural communities.

Mental health reform needs to fall under the strategy that has been put forward for late 2008. However, we require an independent study of our mental health situation in regional Victoria, particularly in the Wimmera. There is a situation up there currently where people are approaching me on a regular basis and expressing concern about family members, especially after the tough times that have been experienced right through the district in recent years. Family illness is not being recognised or attended to to the same degree as it would be in the metropolitan area or even within the Ballarat community. We certainly look forward to those funds coming through, but we would like them to have independent status rather than coming through a government agency.

Many of these things continue to roll out. Over the last two years Coleraine has been offered assistance with the redevelopment of a hospital there which certainly needs looking after. The government has been supportive in assisting the Western District Health Service with the securing of land to make this redevelopment possible. However, as time goes on this work should be undertaken and yet again no funds were forthcoming in relation to this; nor were there funds in relation to overcoming some of the situations with rural doctors and health professionals throughout Western Victoria Region. We can start in Geelong, which we know is 15 doctors short. Unfortunately that spreads all the way through to the South Australian border, including small communities like Edenhope where they would dearly love the opportunity of having another two doctors come in their direction.

In closing I think two other areas in Geelong should be noted. The first is in relation to the connection between the end of stage 3 of the ring-road at Waurin Ponds and the proposed reinstatement and development of the Princes Highway west towards Birregurra. This unfortunately has no connecting road and the traffic, much of it heavy traffic, will be forced through the Waurin Ponds valley at a speed limit of 80 kilometres an hour. This is terribly disappointing. We will have fast traffic coming all the way from Melbourne through to Waurin Ponds, coming to a halt, going back about 4 kilometres to the Waurin Ponds valley and then it will hit this new dual highway out to Birregurra. We think the funding of the dual highway is fantastic — we have looked forward to that for quite some time — but to have this impediment through the Waurin Ponds valley is an absolute disgrace. As late as this afternoon it has

come to my ears that the new federal member for Corangamite is doubtful and has said federal funding might not now be there to support the state funding that has come through in this budget.

Ms Lovell — He could not care less. He does not live there.

Mr KOCH — He does not, Ms Lovell, he lives in Ballarat! There is no doubt that this fellow has not got his heart in Corangamite. That is of great concern.

The last thing I would like to raise is in relation to the Minister for Planning's allocation of \$99 million for livable communities. The minister said in his press release:

The Brumby Labor government is taking action to address the challenges and seize the opportunities of our population boom by preserving and enhancing Victoria's livability.

From Geelong's point of view, it has been looking forward to having some redevelopment of its library precinct and the cultural centres in the heart of Geelong. We see that \$7.9 million has been promised over four years for the Geelong future city master plan to develop a cultural centre in the heart of Geelong. I have to say that this will take years and years to put together. The Geelong library has been in place in its current form for 50 years. Anyone who visits that library, which has one of the highest memberships of any regional library in Victoria with 93 000-odd members, would be disappointed that yet again we see \$7.9 million being put forward for a master plan when we cannot get any infrastructure put in place. The library has some of the oldest book stocks in the state. It is under-equipped for IT equipment. It is far short of the number of computers it requires to service that community.

In closing, I do not think there is any doubt at all that the government has undershot in relation to this budget. It is not rewarding for regional Victorians. For the amount of money in this budget all of Victoria will be disappointed with the outcomes that have again been spun very well on this occasion.

Mr RICH-PHILLIPS (South Eastern Metropolitan) — I am pleased to have the opportunity, with David Davis's motion this evening, to talk about some of the needs of the south-east, which I am proud to represent in this place. As members know, the south-eastern suburbs of Melbourne — in the case of the South Eastern Metropolitan Region an area stretching from Mount Waverley down to Frankston and from Port Phillip Bay across to Berwick — include some of the fastest growing suburbs in Victoria. In the far eastern part of the electorate, the Narre

Warren-Berwick corridor, the city of Casey at its peak was growing by something like 80 new households a week. That was 80 new families moving into the city of Casey each week, putting enormous pressure on infrastructure that primarily was built many decades ago to support what was a largely rural community. We suddenly had an influx of 80 new families a week — 160 adults coming into the area each week and bringing with them 160 cars, children et cetera.

We have seen enormous growth in demand for infrastructure to be provided in the south-east over the last decade and particularly over the last five years. We are slowly seeing that growth move further to the east, into the shire of Cardinia, but that is not to say that that growing demand through the Berwick corridor has abated, because it has not.

Although Victoria has enjoyed very prosperous times over the last decade, the south-east has not enjoyed the dividends of that prosperity. There is enormous unmet demand for state government services and state government infrastructure which is yet to be delivered throughout the south-east. I can go around that area and pick out projects that have not been taken up by the government. I can also go around and pick out projects that were committed to by the government but have not been delivered. I would like to touch on a few of those now in relation to the government's commitments leading into the 2006 election.

One of the largest commitments the government made in the south-east was a commitment to double the capacity of mental health facilities at the Dandenong Hospital. This was a major commitment given by the Labor Party in the lead-up to the 2006 election. Anyone who has represented that part of metropolitan Melbourne — the wider Dandenong area — appreciates the need for robust mental health services in that area. There are a number of issues particular to the Greater Dandenong area relating to the cultural mix and socioeconomic demographic of the area that lead to a transient population in accommodation and rental housing and a higher than average demand for mental health services. This is something that staff at my electorate office have had to deal with, and I know that staff at other electorate offices in the Greater Dandenong area have also had to deal with it. No doubt there is enormous demand for mental health facilities in Dandenong and in the wider Dandenong area.

In recognition of that in 2006 the government committed to doubling mental health facilities at Dandenong Hospital. Regrettably we have not seen any follow-through on that commitment. Neither this year's budget nor the budget brought down last year provided

any funding towards that commitment, either in the year concerned or in the forward estimates. So we now have a growing prospect that this promise will not be delivered on prior to the 2010 election. It is an absolute indictment of this government that it would make a commitment in 2006 and not deliver on it until beyond the next electoral cycle.

Mr Koch — If at all.

Mr RICH-PHILLIPS — If at all, Mr Koch. Also in Dandenong we have a commitment for a new fire station. This again is something that is not explicitly picked up in this year's budget and was not picked up in last year's budget. No funding is provided in the out years for that facility.

Ms Lovell — On the never-never list.

Mr RICH-PHILLIPS — On the never-never list, Ms Lovell.

The same can be said of a commitment for a State Emergency Service training facility at Seaford. Again this was a worthwhile commitment made in the lead-up to the election without any follow-through in either last year's or this year's budget, either in the year concerned or in the forward estimates.

It is interesting to reflect on the issue of emergency services. A matter I have spoken about in this chamber previously is the unmet demand for additional police resources in the south-east. The most recent example I raised in this place related to the Frankston community. People who have been the victims of crimes, including home invasions and burglaries, are finding, firstly, when they ring the Frankston police station, that no-one answers it. When they ring 000 to talk to the emergency line, they are told they will not get a police response for 2 hours. That is simply unacceptable.

The serious incident brought to my attention was a break-in and burglary at the residence of a lady who lives by herself in a secluded part of Frankston. To come home late in the afternoon, as the sun is setting, and find that your home has been burgled and turned upside down by people looking for valuables and not to be able to get onto the police and not to have the police respond for 2 hours is a very distressing situation. To then have the police arrive and apologise about the situation and tell the victim that they are short by 200 uniformed staff in the wider Frankston south-east area is simply unacceptable.

The government has previously talked about what it claims to have invested in new police resources and new police on the beat, but when it comes to issues of

police shortages the government is never willing to respond. Government members simply try to pass it off as a responsibility of the chief commissioner. I say to the government that it is not the responsibility of the chief commissioner. It is the government's responsibility to fund Victoria Police and ensure that appropriate resources are allocated to it. That is not happening in the south-east.

Another area where the government has yet to deliver on commitments to the south-east is the provision of schools. Again in the lead-up to the 2006 election the government committed to building the Casey central secondary college. For those members not familiar with that part of the world, it would broadly be called the Casey central catchment area. The growth areas of Narre Warren South and Berwick South are among the fastest growing suburbs in metropolitan Melbourne. These areas have been established for between 5 and 10 years, depending on which part of Narre Warren South and Berwick South you are referring to, and as a consequence of having been established for that period of time the young families have children of primary school age who are rapidly approaching secondary school age.

Allowance has been made for the primary school requirement. Primary schools have been built in the area to cater for that first wave of children of primary school age, but now the secondary schools will be required to take the first wave of students who are graduating from the primary schools. One of the commitments made by the government was for the Casey central secondary college, which would be located between Narre Warren-Cranbourne Road and Clyde Road in Narre Warren South or Berwick. It would act as a secondary college for the catchment area in that section of Narre Warren South which is separated from any other secondary college by two major arterial roads that are not suitable for children to be crossing. The need to have a secondary college located in that area is significant.

The commitment from the government was that that school would be open for the 2009 school year. We are now halfway through 2008, and we have no sign of any progress being made on that school in Narre Warren South. There is no prospect of Casey central secondary college being open on its intended site by the start of the 2009 school year, as was promised by the government. We see in this budget that the Casey central secondary college and indeed Cranbourne East primary school are to be delivered through a Partnerships Victoria program.

I have to say that raises questions as to why the government is electing to go down the path of building schools through Partnerships Victoria. The logic of Partnerships Victoria is well understood for large projects, but schools are not large projects. Autonomy for schools is important. I look forward to further information from the Treasurer and the government as to why they are pursuing Partnerships Victoria for the construction of schools. It makes no sense to deliver a project that would cost between \$5 million and \$8 million through Partnerships Victoria. If the proposal is to bundle a number of schools through a single Partnerships Victoria contract, then you put at risk the autonomy of individual school communities to influence the way in which those schools develop through their initial construction phase and also through their ongoing lives.

From this perspective, it does not make a lot of sense that those schools be delivered through Partnerships Victoria, and I look forward to hearing the rationale from the Treasurer as to why the government has elected to go down that path.

In the limited time available I would also like to touch on the issue of the Frankston bypass. This is something that the opposition committed to in the 2006 election. It is a project that the former federal government committed to in the lead-up to the 2007 election, and it is a project that the state government has not come to the party on. The only commitment we have from the state government is funding for an environment effects statement. An EES is fine, but when it is concluded, the people of Frankston will expect funding for their bypass. We are yet to see from this government any commitment that funding will be provided for that bypass, beyond that for the EES study. That is of concern to the people of Frankston, who face major traffic issues in their suburb.

EastLink will open at some point this year, which will put large traffic volumes on to the current intersection of Cranbourne Road and the Frankston Freeway. That will exacerbate the already very bad traffic situation. As EastLink comes on board the Frankston bypass will become even more critical, and it is vital that if traffic is to flow through to the south-east, the government comes to the party in terms of committing funding for the Frankston bypass. It is fine to have ad hoc projects across the region but it is clear there is no commitment to an organised strategy to provide infrastructure for the communities of the southeast.

David Davis's motion is an appropriate recognition of the government's failure to deliver infrastructure and services to our suburban communities. We have not

shared in the prosperity the state has endured over the last decade for the south-east, and it is appropriate that it is recognised by this motion. I urge the house to support the motion.

Mr VOGELS (Western Victoria) — I fully support the motion moved by David Davis, which says:

That this house notes that despite the massive increase in the state government budget over its almost nine-year term and the strong national economic conditions enjoyed over that period the Victorian state government has failed to deliver a commensurate increase in the essential services necessary for the Victorian community.

For a fair analysis you need to look at the revenue available, to assess whether enough has been done. Like any budget you can only deliver what the finances allow you to deliver. We all know that when Labor came to power in 1999, state revenue stood at approximately \$19 billion. Nine years later the budget papers show that this year we will collect about \$38 billion, so in nine years state revenue income has doubled.

In other words, it has taken this Labor government only nine years to double tax revenue, whereas it took 150 years to get from nothing to \$19 billion; but it has taken this government nine years to get from \$19 billion to \$38 billion.

In its simplest form — I know this is in its simplest form — any expenditure grant or payment which has not increased by 100 per cent since Labor's election is falling behind. Labor will have expended approximately \$300 billion over this nine-year period, yet it has failed to provide secure water supplies or community safety; the hospital waiting lists are longer; education standards in a lot of places in my electorate, evidenced at some of the schools that I visit, are an absolute disgrace; road projects are running over time and over budget; services in country Victoria are struggling; and local government has been neutered.

We continually hear the claim from Labor that any failure is a result of the Kennett era. We should all remember that in the last 28 years the Labor Party has been in power for 75 per cent of that time, but the Kennett government was in power for only 25 per cent of the time. I would prefer not to reiterate it again because it has been said many times: when the Kennett government came to power it inherited a state which was the laughing stock of Australia, which was very sad for that new government. We used to hear, 'What is the capital of Victoria?', to which the answer would be, '\$2'.

The Labor Party has been a party of neglect, failure and broken promises. It is a party of control and regulation, which has added to a mountain of red tape, especially if you come from country Victoria.

Let us have a quick look at my electorate, Western Victoria Region. Before the federal election constituents were promised that the Western Highway between Ballarat and Stawell would be duplicated and that overtaking lanes from Stawell to the South Australian border would be built, but there is nothing in this budget to support those promises.

The Liberal Party's promise of \$88.4 million to expand Ballarat Base Hospital by 60 additional beds and provide funding for 20 more doctors and 80 extra nurses needs to be urgently matched by the government.

The South West Health Care redevelopment at Warrnambool, stage 1, has had millions of dollars shaved off the previous promises made, and only six months ago the Minister for Health in the other place was in Warrnambool, promising \$90 million for stage 1 of this redevelopment. But this budget shows it is only \$70 million, so \$20 million is missing. It makes me wonder whether that \$20 million was shaved off the South West Health Care hospital grant to be put towards the cost of the emergency helicopter.

Most of the smaller country hospitals cannot attract GPs due to the failure over the past 20, 30 or 40 years to make enough places available to train sufficient doctors. This applies equally to medical staff, division nurses, midwives, dentists, podiatrists and so on.

We know that the Labor government under Premier Cain and Premier Kirner closed down Victoria's technical schools. That has now led to a lack of tradespeople, including electricians, plumbers, carpenters, mechanics, machinists, toolmakers, boilermakers; these are the hands-on people that we need for our everyday lives to build our houses and our infrastructure.

Once again western Victoria has missed out on funding for rail standardisation and upgrades. We all remember the \$96 million promised by the then Treasurer Brumby, who is now the Premier, five or six years ago. There has not been a sleeper laid or a spike driven. In western Victoria the naturally deepwater port of Portland is ideally placed to transport grain, mineral sands and woodchips. However, the rail network has been neglected and road transport has to be used. That causes enormous damage to our local roads and bridges.

There is no new money in this budget for connecting gas to towns in western Victoria and many of those promised connections in the past have failed or have fallen off the radar. Local councils in western Victoria have certainly not shared in the tax windfalls collected by this Labor government. The government talks the talk but does not walk the walk. In today's *Weekly Times* there is an article by Peter Hunt which says:

An analysis of council funding shows:

council rates have risen from a state average of \$431 in 1983 to \$1198 today, but the government pensioner rebate has risen from \$135 to only \$172 across that period.

the cost to councils of the Meals on Wheels program has risen from \$3.59 a meal in 1980 to \$9.95 today, but the government subsidy has risen from —

a miserable —

\$1 to only \$1.32.

Victorian government funding for children's crossing attendants has risen from \$6 million in 1992–93 to \$7 million today. The government grant should be closer to \$10.8 million, factoring in population growth and inflation.

the cost of running council libraries has skyrocketed from \$99 million in 1997–98 to \$152 million today, but Victorian —

miserable —

government funding has risen from \$22 million to only \$30 million.

Mr Goss, the president of the Municipal Association of Victoria, said that. I did not say that; Mr Goss said it. He also said:

rural and regional councils were particularly vulnerable, with high road and other infrastructure costs and ageing populations that needed more in-home council services.

Before the last election the Liberal Party promised to increase library funding by 50 per cent in its first term of government, which would have lifted the state's contribution from \$29 million to \$46 million per annum. The Labor Party made lots of promises but has not delivered them. The Liberal Party also announced it would match the federal government's Roads to Recovery funding which would have injected an extra \$62.5 million per annum into fixing local roads and bridges. I have often heard the Premier, John Brumby, say that local roads are a local council responsibility, not a state government responsibility. He should tell that to local governments. The Liberal Party also announced extra funding for neighbourhood houses. All

of these measures would have had a positive impact in helping councils and especially ratepayers.

In conclusion, this Labor government has received enough tax revenue to have made a huge difference to everyday Victorians. But whatever measure you use, you find that those opportunities have been squandered. Today the Treasurer in question time admitted that times are getting tougher. As a primary producer, I understand the need to make hay while the sun shines. The sun has shone on Victoria for the last seven or eight years. The times are about to, according to the Treasurer's words, get much tougher. The infrastructure has not been delivered and put in place during the good times. We have wall-to-wall Labor governments and we all know, as I said before, that we are in for a climate change. I say to the Treasurer that over the next four years approximately \$150 billion is in his hands to expend. I do not believe in the past he has spent wisely. The Treasurer is a new kid on the block. It is his first year as the Treasurer. We will be watching him closely.

An honourable member — He is a Dutchman.

Mr VOGELS — He is a Dutchman, which does not make him a bad person. Sometimes I even see him walking in this house with clogs on! Let us hope that we do not have to live to regret the next two or three years of this Labor government.

Mr P. DAVIS (Eastern Victoria) — I am pleased to have the opportunity to speak to this motion this evening, particularly while the Treasurer is present, because when responding he may be able to satisfy my concern about aspects of his recent budget.

It is quite evident that I have taken a keen interest in government performance in relation to flood recovery in Gippsland due to the floods of June last year. The region of Gippsland, particularly central Gippsland and East Gippsland, were devastated by a series of natural disasters. There was prolonged drought, extensive bushfires, mudslides and then floods. To the government's credit, at the time there was a proper whole-of-government response which was referred to as the Gippsland flood recovery package.

I was interested to see the budget documents tabled in this place today, and in particular I took interest in the *Victorian Budget Overview*.

Mr Lenders interjected.

Mr P. DAVIS — It has got lots of pretty pictures and is colourful. It did not match the Treasurer's tie, but in any event, it was colourful!

The centrepiece of this document, of course, for regional Victorians is always what you might call the centrefold, which gives some perspective on regional matters that you might take some particular interest in. I went to the section on Gippsland and noted the dot point on the Gippsland flood recovery package, and I thought, 'Terrific'. The government made a series of announcements in 2007 about the Gippsland flood recovery package on behalf of the then Premier, Steve Bracks, in relation to funding initiatives.

The first tranche was announced on 10 July by the then Premier in a media release entitled 'Over \$60 million flood recovery package for Gippsland', and subsequently there was a further announcement made on 16 August of last year in a media release entitled 'Gippsland to get an extra \$10 million for flood relief', making a total of \$70 million. What I was interested in, in particular, was that the mid-term budget update revealed that the government had in fact provided only \$38.7 million of those committed funds — that is, a little more than half of the funds that had been committed for flood recovery for Gippsland were provided for in the budget update.

Provoked, as I said, by the eminently colourful marketing document, the *Victorian Budget Overview*, highlighting the Gippsland flood recovery package, my presumption was that the other half of the funding would be delivered in this budget. I have to say to the Treasurer that I am disappointed.

Mr Lenders — Not you, Mr Davis!

Mr P. DAVIS — I am deeply disappointed. What I found when I went to budget paper 3 was that in fact — —

Mr Lenders — The other Mr Davis has not read that far. Maybe you have got more time on your hands.

Mr P. DAVIS — I have a great deal of time to take a keen interest in the performance of the Treasurer, and what I have found is that his performance in this matter is singularly lacking. All of the initiatives in relation to the Gippsland flood recovery were documented in the budget update for 2007–08, and indeed in budget paper 3 for 2008–09 there are no new funding initiatives to deliver on the promises that were made in 2007 by the government to provide \$70 million for flood restoration for Gippsland. There is no new money beyond 2007–08.

The result, therefore, is that the government has failed to deliver nearly 50 per cent of the promise that it made to Gippsland, and I am sure that over coming weeks Gippslanders will be well informed of that matter and

about how Labor lives up to its promises, or, in reality, fails to keep its promises to the Gippsland region. That is incredibly disappointing.

I will give the house one example of how this failure to commit the necessary funds will affect the region. A little place called Licola — which many people will have heard of, although there are only 12 permanent residents there — has suffered extraordinary deprivation as a result of bushfires, mud slides and floods on a continuing basis over the last year.

Mr Pakula — I opened the Barkly Bridge. I did not see you there.

Mr P. DAVIS — I had higher priorities, I have to say, at that time. I make the point that the major asset of that community is, in fact, the Licola Village. Many people would not know what that is, but it is a camp which is primarily focused on providing support for disadvantaged and disabled people. Some commercial operations are undertaken there. School groups in particular lease the camp for outdoor education use, but that is purely a revenue-raising exercise to subsidise the delivery of services to disadvantaged and deprived people, which the Lions organisation in Victoria is so competent to deliver. I make the point that there are many members of this Parliament who are members of Lions, and it is a great community service organisation.

The fact is that there are significant funds required to stabilise the Macalister River at Licola and to make bed and bank improvements to ensure that the further erosion of the land surrounding that village can be halted. Therefore further investment in the village is at risk, and importantly therefore the recovery of the Lions village is at risk.

I make the further point that it is the Treasurer's government which made a commitment to the Gippsland community to provide \$70 million for recovery. In fact it has committed to provide only \$38.7 million. The Treasurer has reiterated this week in his budget documents that there will be no further funding provided to Gippsland in relation to flood recovery measures. I invite the Treasurer, as we are getting to the conclusion of this debate, to respond to that issue amongst the other issues that no doubt he will feel moved to respond to, and to explain to Gippslanders why they should have any trust in Labor in respect of any promises it makes to the Gippsland region.

The ACTING PRESIDENT (Mrs Peulich) — Order! There being no further speakers, I call on the mover of the motion, David Davis, to sum up.

Mr D. DAVIS (Southern Metropolitan) — In reply I would like to thank the various members who have made a contribution today. The motion has clearly been supported by the evidence that has been put before the chamber. This government is a high-taxing government and a government that has lifted taxes, government receipts and spending from around \$19 billion to more than \$38 billion in its nearly nine years in office.

In doing that it has not delivered a commensurate level of services. It has not delivered services in a way that the community would expect. Many local members have pointed to deficiencies in this government's capacity and willingness to provide necessary services for their local community. I ask members to support the motion.

House divided on motion:

Ayes, 18

Atkinson, Mr	Kavanagh, Mr
Coote, Mrs (<i>Teller</i>)	Koch, Mr
Dalla-Riva, Mr	Kronberg, Mrs
Davis, Mr D.	Lovell, Ms
Davis, Mr P.	O'Donohue, Mr
Drum, Mr (<i>Teller</i>)	Petrovich, Mrs
Finn, Mr	Peulich, Mrs
Guy, Mr	Rich-Phillips, Mr
Hall, Mr	Vogels, Mr

Noes, 19

Broad, Ms	Pulford, Ms
Darveniza, Ms	Scheffer, Mr
Eideh, Mr	Smith, Mr
Elasmar, Mr (<i>Teller</i>)	Somyurek, Mr
Jennings, Mr	Tee, Mr
Leane, Mr	Theophanous, Mr
Lenders, Mr	Thornley, Mr
Madden, Mr	Tierney, Ms
Mikakos, Ms	Viney, Mr
Pakula, Mr (<i>Teller</i>)	

Motion negatived.

THE UNITING CHURCH IN AUSTRALIA AMENDMENT BILL

Introduction and first reading

Received from Assembly.

Read first time for Hon. J. M. MADDEN (Minister for Planning) on motion of Mr Lenders.

ENERGY AND RESOURCES LEGISLATION AMENDMENT BILL

Introduction and first reading

Received from Assembly.

**Read first time for Hon. T. C. THEOPHANOUS
(Minister for Industry and Trade) on motion of
Mr Lenders.**

PUBLIC SECTOR EMPLOYMENT (AWARD ENTITLEMENTS) AMENDMENT BILL

Introduction and first reading

Received from Assembly.

**Read first time for Hon. T. C. THEOPHANOUS
(Minister for Industry and Trade) on motion of
Mr Lenders.**

Business interrupted pursuant to standing orders.

ADJOURNMENT

The PRESIDENT — Order! The question is:

That the house do now adjourn.

Rail: V/Line coach services

Ms LOVELL (Northern Victoria) — My adjournment matter tonight is for the attention of the Minister for Public Transport in the other place, and it is regarding the overbooking problems with V/Line's coach services that inconvenienced a number of northern Victorian families on the Anzac Day long weekend. My request of the minister is that she conduct an urgent investigation into V/Line's problems with a view to stamping out overbooking and also to providing a better backup service.

The issue was brought to my attention by a constituent who, together with her teenage daughter and two of her daughter's friends, was forced to sit at the Strathmerton bus stop for 2 hours in cold and dreary weather on 27 April because the bus the girls were due to catch was too full to accommodate them. The girls had booked tickets on that bus.

The driver of the bus that arrived half an hour after its scheduled time of 3.55 p.m. informed them that a backup service was on its way and that the girls would be able to get on it. They also had a train to catch at

Shepparton station to take them down to Melbourne. When the backup service did not arrive an hour later, V/Line informed them that it had arranged for a taxi to pick them up and take them to the Shepparton station or to Seymour if they had missed the train.

The train the girls needed to connect with departed Shepparton at 5.05 p.m., and from Seymour at 6.07 p.m. At 5.45 p.m., when the taxi had still not arrived and it was no longer possible to connect with the train at either station, the mother decided to take the three girls home.

The following day she drove them all the way down to their boarding school in Melbourne. The school told her that she was not alone and that there had been reports that two other car loads of students from northern Victoria were driven down to the school because there was not enough room for them on V/Line services. The mother who contacted my office about this issue has encountered these problems herself more than three times and is aware of issues with overbooking every long weekend. The level of service is completely unacceptable and a disgrace.

I request the Minister for Public Transport to urgently investigate V/Line's overbooking problems with a view to stamping out overbooking and providing a better backup service so that no more families are inconvenienced in this way.

Emergency services: telephone alerting system

Ms HARTLAND (Western Metropolitan) — My adjournment matter is addressed to the Minister for Police and Emergency Services in the other place and is in regard to the lack of progress on the emergency telephone alerting system.

My motion earlier this year, on 12 March, called on the government to respond to the chemical incident at Paramount Road, Tottenham, and generated a positive discussion and debate. There was no opposition to the five actions I called for.

The first action was the allocation of sufficient funding in the 2008 budget for the telephone emergency alerting system to commence in the next year. Unfortunately this has not happened. The Office of the Emergency Services Commissioner (OESC) released its report on the chemical incident at the end of March 2008. It is a transparent and honest account of the substantial failures that occurred during and after that toxic event.

From the OESC report and also in correspondence I have received from Minister Cameron I understand that the emergency telephone alerting system was discussed

at the Ministerial Council for Police and Emergency Management meeting on 26 March 2008. I have sighted the minutes of that meeting; the minister has obtained the support of his national counterparts, and I concede that this is a step forward. But what concerns me is that there are no time lines or references regarding tangible outcomes.

If there were another chemical incident in the next week, I believe it would result in a disaster similar to that at the Tottenham fire. It has been four years since the successful trial of the telephone alerting system for Coode Island, yet after four years we have still had no action. The community and agencies understand what needs to happen. It strikes me that the government is lagging behind on this crucial issue.

My request to the minister, as he has refused to meet with me, is: will he organise a meeting, open to anybody interested and engaged with this issue, for the purpose of informing the community what is to occur between now and the next national meeting scheduled for November 2008?

Maffra Secondary College: funding

Mr HALL (Eastern Victoria) — Tonight I wish to raise a matter for the attention of the Treasurer in regard to capital works funding for Maffra Secondary College. I am sure the Treasurer has been made well aware of the confusion and disappointment caused by errors made by the government regarding the announcement of capital works funding for Maffra Secondary College and then Maffra Primary School.

As I understand it, the first budget press release issued by the government said that Maffra Secondary College would share in the \$39 million that was announced to modernise nine schools in regional Victoria. That announcement met with great delight and pleasure by the secondary college community which was anticipating funding of around \$5.7 million for the first stage of a major school redevelopment.

I am informed that after a flurry of local media attention on the matter the deputy secretary of the education department rang the school and said, 'Terribly sorry, but we made a mistake and the funding was intended for Maffra Primary School, not Maffra Secondary College'. You could well understand that while the primary school community was overjoyed that the school was to get funding, the Maffra Secondary College community was absolutely gutted by the fact that it was promised some funding which has now simply been taken away, through a simple error claimed by the government.

In this instance the government has admitted it made a significant mistake, and I say it should now rectify that mistake. I ask the Treasurer: given that the government has a healthy \$800 million-plus projected surplus, it could well afford the funding required for both the Maffra Primary School and the Maffra Secondary College. I ask the government to do the right and honourable thing — that is, make available this financial year the \$5.7 million required by, and initially promised to, Maffra Secondary College.

Water: Wimmera–Mallee pipeline

Mr KOCH (Western Victoria) — My matter is for the Minister for Water in the other place and concerns the management policy of Grampians Wimmera Mallee Water (GWMWater) that states all lands currently within the channel supply system and within the designed Wimmera–Mallee pipeline network are to be automatically classified and rated as properties capable of being supplied with water.

Farmers located south-west of Horsham who are not customers of GWMWater have been told they will now be rated if the Wimmera–Mallee pipeline passes through their properties. Unrated farmers do not have any representation on GMWWater's Wimmera domestic and stock consultative committee. They have no voice and are concerned that they have not been consulted or informed of decisions that will affect their farming operations.

These land-holders, in what is known as Supply System 6, have never been rated in the past, although the channel system has run through their properties. Their properties have not been connected to the channel system as they are self-sufficient in water. Over the years they have undertaken a great deal of work to ensure that natural water run-off is harvested and stored for stock and domestic use, and as a consequence they will not need to be connected to the pipeline.

Their well-established catchment infrastructure provides adequate water supplies for livestock and domestic use. Landowners forced to connect to the new pipe will have the added expense of installing tanks, troughs, pipes and fittings and the laying of pipe. I have been informed that the cost of this infrastructure is estimated to be over \$70 000 for a fully rated farm of 1500 hectares, creating a severe financial burden on many farmers.

This unnecessary expense of duplicating an existing functional water delivery system means these farmers will have to maintain both systems. Farmers, especially those with no need to be connected to the

Wimmera–Mallee pipeline, do not want their presently unrated land automatically classified for rating purposes. If piped water is not required, there should be no service fees, as is the case with gas, telephone and electricity.

Furthermore, once the pipeline system has been implemented by GWMWater, all water ratepayers, whether they use the water or not, will be subject to future price and rate increases, which may be substantial due to this government's poor management of its water assets.

My request is for the minister to revoke this unpopular compulsory rating regime on areas not seeking piped supply and to remove this unnecessary burden on currently unrated landowners.

Volunteers: government support

Ms PULFORD (Western Victoria) — My adjournment matter is for the Minister for Sport, Recreation and Youth Affairs in the other place, James Merlino. I would like to remind members that next week is National Volunteer Week.

On a recent trip in my electorate of Western Victoria Region I had a wonderful experience with two volunteers in the community. Travelling between Warrnambool and Ballarat at around 8.00 p.m. on 3 April I stopped off at an Operation Coffee Break stop in Lismore. Operation Coffee Break provides motorists with a much-needed rest and stretch of the legs as well as a bikkie and a cuppa on a long journey, particularly at times of greater risk on our roads, like long weekends.

I had the pleasure and privilege of meeting volunteers Ted and Sarah and enjoyed a chat and a much-needed cuppa. The Lions Club operates Operation Coffee Break in Lismore where Ted is a member. Sarah is a young Lismore woman who grew up in the town and is currently studying in Warrnambool. Sarah was back in Lismore while undertaking a placement at her former school. Volunteers like Ted and Sarah play a vital part in making regional and metropolitan Victoria so dynamic. I note that in the 2007–08 state budget the Brumby Labor government provides \$3.8 million to be allocated for youth mentoring projects across metropolitan Melbourne and regional areas, linking young Victorians to volunteer mentors in their community.

I ask the minister to ensure that a proportional share of the \$3.8 million allocated to this program is delivered to my electorate of Western Victoria Region so that our

volunteers and communities can benefit. A great deal of volunteer work is done in Victoria every day and with the minister's support and this recent budget initiative, young volunteers like Sarah will be able to learn a thing or two about serving the community from lifelong volunteers like Ted from Operation Coffee Break at Lismore.

Solar energy: hot water systems

Mr P. DAVIS (Eastern Victoria) — What a joy it is to raise a matter for the attention of the Minister for Environment and Climate Change. I am referring particularly to the revised solar hot water rebate program for country households that he and the Minister for Energy and Resources in the other place jointly announced on 21 March. In response to concerns raised by residents in East Gippsland, I have assessed the merits and actual value of the program and found the announcement and the erroneous claims used to support it to be a sham. The scheme will provide rebates up to \$2500 for people installing solar hot water systems in place of existing electric or gas systems from 1 July. The ceiling has been increased from \$1500 under the existing version of the scheme.

It is clear from the terminology in the announcement and on the Sustainability Victoria website that the new scheme will also be based on energy rating of the system being purchased — its value in renewable energy certificates (RECs). For example, an East Gippsland resident who had entertained the idea retreated in shock when he learnt he would be more than \$3000 out of pocket after receiving the rebate. I arranged for a Gippsland Solahart dealer in Traralgon to run the numbers on the purchase and installation of an average 300 litres solar system. The cost of the system, a gas booster and installation is close to \$6500. Based on the RECs value of that system, a customer would receive a rebate of \$3000, in part from the state but also including a \$1000 commonwealth rebate. The customer is up for \$3500 — a multiple of the cost of a replacement gas system, which is around \$1500.

The ministers obviously used a hypothetical accounting system in their announcement because they were somehow able to claim the customer's cost would only be \$500 to \$800. The announcement of the two ministers commits \$33 million to the revised program over just two years. The scheme was re-announced in the budget yesterday but in a different form. Now it is said to run for four years, including 2007–08. The arrangement that is currently in force will obviously be different to the one that applies from 1 July. The upshot of this announcement is that country people have been hoodwinked into believing they will receive real benefit

in return for the removal of the electricity network tariff rebate. Instead they are already paying more on their electricity bills.

The issues therefore on which I am looking for a response relate to amending and clarifying the erroneous cost calculations but particularly clarifying the discrepancy between the description of the program in the media release and announcement of 21 March and that contained in budget paper 3 on page 29. Specifically I request that the minister release the guidelines and customer cost-benefit analysis of the new solar rebate program.

Solar energy: feed-in tariffs

Ms PENNICUIK (Southern Metropolitan) — My adjournment matter is for the Minister for Energy and Resources in the other place. Mr Malcolm Mathews, a Hampton resident, installed a photovoltaic system over six years ago. Before he could connect his solar array to the mains supply he required an inspection and approval from his electricity retailer, Pulse Energy, the network distributor Alinta, and the Essential Services Commission. Subsequently he received periodic credits for the power he provided to the grid. Because his supply connection was 3-phase he required a separate meter for his solar-generated surplus power; thus he has two meters — one incoming and one outgoing. The 3-phase supply meter runs forward while the feed-in connection to a grid meter runs in reverse. This is known as gross metering.

To accommodate this unusual arrangement Pulse Energy could not use its automated billing system and billed Mr Mathews manually. While Pulse remained his supplier, all went well. Then Pulse was taken over by AGL. Some 12 months after the takeover AGL started to integrate the Pulse system into its system, and this is when the problems started. AGL advised Mr Mathews that they would disconnect him from the grid. However, this required Alinta to perform the actual disconnection. It refused to do so because it had no legal reason to do so. Subsequently AGL discontinued billing Mr Mathews, although the meters continued to be read periodically.

The meter reading is performed by yet another company and a minor difficulty arises here because some of the meter readers did not know how to input readings from a meter that was going backwards. Most domestic feed-in customers have just one meter which records net flow, and most of these clients consume more than they produce so they generally will be debtors to the power retailer. When full market contestability was introduced to retail customers

Mr Mathews decided to become a customer of Origin Energy. Origin took over the supply but could not obtain a final meter reading from AGL — at least not one that it is happy to accept. Although the meters were read around the time that Mr Mathews moved to Origin, AGL will not supply this reading.

Matters remain at this impasse. AGL will not settle the outstanding credit and Origin will not commence full billing until it has a valid meter reading from the time of customer transfer.

The formula for calculating feed-in tariffs is currently set by the electricity retailers. Essentially Mr Mathews wants to see a system where a fair rate is set for small residential feed-in suppliers that reflects the cost of installing these systems, and a mechanism for resolving disputes including determination-making powers by an agency like the energy and water ombudsman or the Essential Services Commission. My request to the minister is that he introduce without delay legislation to define the terms, conditions and price of a feed-in tariff for residential solar installations.

Disability services: supported accommodation

Mr O'DONOHUE (Eastern Victoria) — My matter this evening is for the Minister for Community Services in the other place, Minister Neville. We have heard in this chamber recently about the grave situation that many carers face in Victoria, caring for a loved one with a disability. We heard in debate on a recent motion proposed by Mr Davis the stories of many people who struggle into old age and are faced with the question of what will happen to their child when they are gone.

In that context I was very disappointed that the Howard coalition government was not re-elected, because one of the key planks of its re-election platform was \$962 million for the construction — —

Mr Lenders — On a point of order, President, I fail to see how it is an issue of public administration of a state minister that a member of Parliament regrets that a political party lost a federal election. I fail to see how that has anything to do with the administration of the Minister for Community Services in the state of Victoria.

Mr O'DONOHUE — On the point of order, President, I was coming to the point that supported accommodation for people with — —

The PRESIDENT — Order! Mr O'Donohue cannot debate the point of order. Does he have a point of order?

Mr O'DONOHUE — On the point of order, President, I am constructing an argument around the need for additional funding in this sector. As a result of the election result last year some funding in that sector has not — —

The PRESIDENT — Order! By Mr O'Donohue's own admission he is trying to construct an argument or a point, and the adjournment is not for that. He has to be succinct and direct in terms of the matter that he wants to raise. Under general guidelines I also remind Mr O'Donohue that members may provide only such information as is necessary to assist the minister's understanding of the issue. Members should avoid debating the issue, which might invite a response from other members, and of course we already have one. I think in fact the Leader of the Government has a point, which I uphold. Mr O'Donohue may continue, but he should take into account that he is not actually constructing an argument and be succinct.

Mr O'DONOHUE — Thank you, President. As I was saying, the situation of people who care for their children or others with a disability is very serious, and what is apparent is that there is a severe shortage of supported accommodation for people with a disability.

I have had a number of dealings with the Frankston-Peninsula carers group, which represents a number of people in the Frankston and Mornington Peninsula area who are desperate for the construction of a new facility on the Mornington Peninsula so that the parents can be assured that their children will be taken care of when they are gone. Currently they do not have that surety.

Sadly, the budget that was handed down by the Treasurer did not provide one additional supported accommodation bed, and I ask that the Minister for Community Services come with me to meet representatives of the Frankston-Peninsula carers group so that she can firsthand understand the desperate plight that many of those people are faced with and hear firsthand their proposal for a facility on the Mornington Peninsula for people with a disability.

Roads: Ballarat pipeline

Mr DRUM (Northern Victoria) — My adjournment matter this evening is for the Minister for Water but may also be passed on to the Minister for Roads and Ports, both of whom are in the other house. I will leave that to the Treasurer to test once this has been read out. Recently I was contacted by some residents in the Newstead — —

The PRESIDENT — Order! Mr Drum can raise an adjournment matter with only one minister, not two or three ministers. I ask him to be specific.

Mr DRUM — Thank you, President. I have already spoken to the Treasurer, so I will address this to the Minister for Water. It relates to some contact I have had from residents in the Newstead and Sandon areas of central Victoria. They are very concerned about the impact vehicles that are working on the Ballarat pipeline are having on the regional and local roads in their area. Whilst they are sympathetic to the contractors actually working on the pipeline, they are also concerned about the structure of their local road system, which has been broken down by the constant barrage of trucks that are heavily laden with the gravel going in and the mud and rocks and dirt being taken out, as well as the pipeline sections, the pumps and so forth. They are worried that the cost of fixing up the local road network will eventually be borne by the ratepayers, as the local councils may be left to rebuild and repair the roads from within their own financial capacity. They do not feel that it is up to them as ratepayers of local government to clean up after a state government project.

There have been many situations where damage to roads, damage to amenity and damage to natural vegetation and so on has been caused by these pipelines being constructed throughout regional Victoria. I have already met with the Minister for Water about a problem where land-holders whose properties are positioned next to massive pumping stations are complaining that their property values have been diminished with the arrival of the pipeline and the pump stations in their backyards, and I know that they will not be receiving individual compensation, which was their request previously, but this is a somewhat different matter.

I call on the minister to reach agreement, possibly with the Minister for Roads and Ports, and work out which government department will be responsible for fixing the local roads and the regional roads that have clearly been damaged by the trucks that have been contracted to build the pipeline to Ballarat and other pipelines around the state.

Budget: Autism Training Institute

Mr FINN (Western Metropolitan) — I draw a matter to the attention of the Minister for Education in another place, and I refer the minister to the Autism Training Institute, which is an integral part of the Western Autism School. It is a world first. It is the only autism-specific training institute for teachers in the

world, and it is a brilliant concept which has now become a brilliant reality.

We should, as Victorians, be very proud of what is happening in this regard in our very own western suburbs. In particular we should congratulate Val Gill, who is the principal of the Western Autism School, and who has driven this institute since its inception. Two years ago the then Minister for Education and Training, Lynne Kosky, promised \$1.9 million would be made available in the budget that was brought down yesterday for the relocation of this institute to the Western Autism School's new Laverton campus.

As I am sure the house could imagine, much work and effort has gone into planning this wonderful new project. We can just as equally, I am sure, imagine the shock, confusion and deep distress when the Treasurer presented his budget and no allocation of funds for the Autism Training Institute was apparent.

I ask the minister to honour her predecessor's promise and approve and provide the necessary funding for this most important facility for teachers, for children with autism and for their families.

Women: Fitted for Work program

Mrs COOTE (Southern Metropolitan) — My adjournment matter is for the Minister for Women's Affairs in the other place. She, together with a number of my other colleagues from all parties, attended the launch of a very good program called Fitted for Work. It was a bipartisan group of people who were there, and they were very supportive of what is an excellent program.

It is called Fitted for Work and it is the brainchild of a number of people who have been instrumental in getting this set up — Renata Singer, Margaret Brett, Vicki Bonet, Meryl Hyde, Barbara Kamler, Marion Webster and Emily Wild.

Fitted for Work shared with us today some very moving stories about women who were returning to the workforce but did not have suitable clothing or skills to go for an interview. One called Filomena had always worked on a factory floor. She had had children and had decided to go back to work. Fitted for Work encouraged her to look for office work. It helped to provide her with a business suit and the skills to go for an interview, and she eventually got an office job. She said it was the confidence of being helped to present well for an interview that made such a difference.

The foreword to the kit provided for us today states:

Fitted for Work was created to fill a gap in employment services and complement the work of job training — —

The PRESIDENT — Order! On numerous occasions I have made it clear to members of the house that there is no capacity to debate an adjournment matter. By any measure the member is currently debating her matter. I ask the member to be specific and get to the point she wants the minister to deal with.

Mrs COOTE — I know how keen you, President, are on the way people look and how well dressed they are, and I know this is something you would concur with and be supportive of. This evening I encourage everyone to look at the Fitted for Work kit. The action I seek is for the minister to establish a program to encourage large Victorian businesses to actively employ Fitted for Work clients.

Police: Bendigo

Mrs PETROVICH (Northern Victoria) — My matter on the adjournment is for the Minister for Police and Emergency Services in the other place. I wish to raise the matter of police numbers in Bendigo, which is one of the fastest growing areas in Victoria, yet is one of the slowest to get a necessary increase in police manpower. Police officers in Bendigo are stretched to breaking point. My understanding is that they are currently operating with at least 10 to 12 officers less than they need. It is staggering to think that they have to manage with the same number of police in Bendigo today as they did in 1989 when the population of Bendigo was 60 000, compared with almost 100 000 today. The population has grown, yet police numbers have not increased. It is quite unbelievable.

I take my hat off to these men and women who give above and beyond the call of duty. Not only do these police officers have to look after the Bendigo city but they also service the Greater Bendigo region, which covers areas well outside the central business district. One initiative that has had some impact is the 1.00 a.m. lockdown on nightclubs. At least this has curtailed the nocturnal activities of alcohol-fuelled locals. But this is only one problem with one solution — there are many more that are affecting this community and local businesses.

I understand the police themselves are concerned that many crimes are now going unreported because the community knows there are simply not enough police on the ground. CIB members use their overtime budget in the first three months of operation, meaning that many hours of overtime by our dedicated police go unrewarded.

The action I seek is that the minister, as a matter of priority, assess the problem of police shortages in his own backyard by working with police command in Bendigo to improve his knowledge of the human resources desperately required in this rapidly growing part of the state.

Responses

Mr LENDERS (Treasurer) — Adjournment items were raised by 13 members this evening. I also take the opportunity to circulate replies to 12 adjournment items that were previously raised in the house. I will refer six of tonight's adjournment matters — from Ms Hartland, Ms Pulford, Philip Davis, Ms Pennicuik, Mr Drum and Mrs Coote — directly to the ministers they were addressed to.

Mr Hall referred an item to me regarding Maffra schools. I will refer that to the Minister for Education in the other place for her attention as the minister responsible for that portfolio.

I will refer the remaining five adjournment items — from Ms Lovell, Mr Koch, Mr O'Donohue, Mr Finn and Mrs Petrovich — to the ministers involved. However, in doing so I will comment that all five members have sought funding for very worthwhile projects. But they have also, in this house today, called on the government to reduce its revenue to 1999 levels. They have said the government is overspending — —

Honourable members interjecting.

The PRESIDENT — Order! I have made it clear to the house that debating is not in order during the adjournment. I have said that to other speakers, and there is no doubt that the minister is currently debating his response.

The minister has concluded. The house now stands adjourned.

House adjourned 10.38 p.m.

