

PARLIAMENT OF VICTORIA

**PARLIAMENTARY DEBATES
(HANSARD)**

**LEGISLATIVE ASSEMBLY
FIFTY-FOURTH PARLIAMENT
FIRST SESSION**

**23 May 2000
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By authority of the Victorian Government Printer

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Deputy Leader of the Parliamentary Labor Party and Deputy Premier:

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Mr P. J. RYAN

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Leigh, Mr Geoffrey Graeme	Mordialloc	LP	Wynne, Mr Richard William	Richmond	ALP

¹ Resigned 3 November 1999

² Elected 11 December 1999

³ Resigned 12 April 2000

⁴ Elected 13 May 2000

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Tuesday, 23 May 2000

The SPEAKER (Hon. Alex Andrianopoulos) took the chair at 2.04 p.m. and read the prayer.

BUSINESS OF THE HOUSE

Photographing of proceedings

The SPEAKER — Order! I advise the house that I have given approval for still photographs to be taken during question time today from the Hansard box, the advisers seat and the public gallery. No additional lighting will be used. The photographs will be used by the Parliament for educational and promotional purposes.

NEW MEMBER

The SPEAKER announced the election of Ms Denise Margret Allen as member for the electoral district of Benalla in place of the Honourable Patrick John McNamara, resigned, pursuant to writ issued on 17 April 2000.

Ms Allen introduced and sworn.

MINISTRY

Mr BRACKS (Premier) — I inform the house of changes in the ministerial responsibilities of certain members of this place. I have relinquished my role as Treasurer of Victoria. The honourable member for Broadmeadows has taken on the responsibility of Treasurer as well as retaining his role as Minister for State and Regional Development. However, the honourable member has relinquished his position as Minister for Finance.

The honourable member for Altona has taken on the responsibility of Minister for Finance as well as retaining her role as Minister for Post Compulsory Education, Training and Employment.

I congratulate the honourable members for Broadmeadows and Altona on their new appointments.

QUESTIONS WITHOUT NOTICE

MAS: royal commission

Dr NAPHTHINE (Leader of the Opposition) — I refer the Premier to suggestions made in today's *Age* that the terms of reference for the MAS royal

commission may be altered. Will the Premier advise the house what changes are proposed to the terms of reference and why?

Mr BRACKS (Premier) — The commission asked for a change in the terms of reference. Details of the final terms of reference, which will be determined by the commission, will be submitted to Parliament once they are decided. Because there is a matter under litigation in the Supreme Court I cannot canvass those matters widely.

At its request the royal commission has been offered an extension of six months to 1 December. Initially its request was for an extension until 1 April 2001. Following negotiations it has now been determined the extension will be until 1 December.

I will inform the house of the full cost of that review once I have advice back from the commission. I am waiting for advice on both the final terms of reference it wishes to adopt and the final costing of that.

Growing Victoria Together

Mr NARDELLA (Melton) — I refer the Premier to the government's Growing Victoria Together summit. Will the Premier inform the house of the progress of the outcomes of that important event?

Mr BRACKS (Premier) — I thank the honourable member for Melton for his continued interest in the development of the state and of his own electorate of Melton, in which he is encouraging business investment and growth.

The Growing Victoria Together summit was a tremendous success. As I have mentioned before, it was the first time this chamber has been used to bring together business, industry, union and community leaders from around Victoria.

Three key initiatives that came out of the summit are in place and will be communicated to all summit members. Other matters will be progressed as they are developed.

The first initiative is the establishment of an Infrastructure Planning Council. The council will be an advisory body to the government on the short-term to medium-term infrastructure needs of Victoria — the economic infrastructure that will grow jobs, grow growth and ensure that the government maintains the best possible economic infrastructure, not only in one part of the state but for the whole of Victoria. The council will be chaired by Mike Fitzpatrick from Hastings Funds Management and the first meeting will

be held in two weeks. I look forward to the council's work and contribution in advising the government on this important matter.

The second initiative is the establishment of an industrial relations taskforce. The government has responded by the establishment of an industrial relations taskforce and by having nine representatives on it to maintain the balance of representation between the employer, union and community sectors. It will make recommendations to the government on how an industrial relations system might be conducted in Victoria and its composition, and also work for a much more harmonious, cooperative environment for industrial relations in Victoria in the long term.

The third initiative is the establishment of a business association round table — that is, a representative body of associations that represent business and industry. The first meeting of the body was held on 16 May. The body has representatives from the Business Council of Australia, the Committee for Economic Development of Australia, the Australian Bankers Association, the Insurance Council of Australia, the Australian Industry Group, the Victorian Employers Chamber of Commerce and Industry, the Victorian branch of the Australian Retailers Association, the Federal Chamber of Automotive Industries, the Master Builders Association of Victoria, the Royal Automobile Club of Victoria, the Housing Industry Association, the Committee for Melbourne, the Victorian Automobile Chamber of Commerce, and the Victorian Farmers Federation.

The first meeting of the body was productive and useful. It is a scan of where business and industry are at this point in time, but also looks forward. I am pleased to say that the body will meet quarterly.

Those three outcomes are the first from a successful summit for Victoria.

MAS: royal commission

Dr DEAN (Berwick) — I refer the Premier to his earlier answer to the Leader of the Opposition and I ask: will the Premier agree to table and make public the request by the royal commissioner for a change in the terms of reference of the royal commission?

Mr BRACKS (Premier) — As I have mentioned, and I have to be careful on this matter, as the — —

Honourable members interjecting.

Mr BRACKS — You learn by these things. I thought I was careful; I have to be careful on this.

That is a matter I will take up with the commission on behalf of the honourable member for Berwick, because at the end of the day it is the commission's advice to the government. I will check with it on the appropriateness of that being tabled in Parliament.

An honourable member interjected.

Mr BRACKS — I am answering this question carefully. As I indicated to the Leader of the Opposition, the government will be tabling the final terms of reference once they are determined by the royal commissioner.

Snowy Mountains scheme

Mr INGRAM (Gippsland East) — I refer to section 100 of the Australian constitution and the Snowy Mountains Hydro-Electric Scheme. Does the Attorney-General have advice that calls into question the constitutional validity of the 1949 and 1958 commonwealth acts that established the Snowy Mountains Hydro-Electric Scheme? Does that advice suggest that affected landowners may be able to bring claims for compensation?

Mr HULLS (Attorney-General) — As the house will be aware, the Snowy Mountains Hydro-Electric Scheme was established in 1949 by the commonwealth legislation that was enacted in reliance on the constitutional defence power. Further commonwealth legislation was enacted in 1958 reflecting an agreement entered into by Victoria, New South Wales and the commonwealth. The three governments are currently in negotiations about the proposed corporatisation of the scheme.

In response to the honourable member's question, the government has sought preliminary advice about the constitutional issues associated with the 1949 and 1958 phases of the scheme. Conflicting opinions have been received.

One opinion from a senior and respected Queen's Counsel is that aspects of both phases may be open to constitutional challenge. Therefore, it is possible that some landowners may be able to pursue claims for compensation.

However, Victoria's Solicitor-General is of the view that both the 1949 and 1958 phases are constitutionally sound and that a constitutional challenge to either phase or any claim for compensation would be unsuccessful.

In its negotiations on the environmental flow of the Snowy River the government's focus is on reaching a successful agreement with the New South Wales and

commonwealth governments. The Bracks government is firmly of the view that the negotiation process is the best way to ensure an adequate water flow in the Snowy River. I assure the house that the government is vigorously pursuing the negotiations and hopes to reach an appropriate agreement in the near future.

Finally, I commend my colleague the Minister for Energy and Resources in another place on her involvement in the negotiations and the progress she is making on behalf of the Victorian government.

Unemployment: government commitment

Ms ASHER (Brighton) — Given the budget forecast that demonstrates that the government will not achieve an unemployment rate of 5 per cent, does the Minister for Post Compulsory Education, Training and Employment still stand by the government's election promise to reduce unemployment to 5 per cent during its term of office?

Ms KOSKY (Minister for Post Compulsory Education, Training and Employment) — I welcome the question from the shadow Treasurer, and I point out that she should have either read the budget in detail or listened to the Premier's speech in the house. The budget makes it clear that the forecast does not take into account all of the government's additional strategies to achieve economic growth and job increases in Victoria.

The government is confident that with its additional initiatives it will achieve its 5 per cent target. However, the government is not in control of and cannot determine the federal government's strategies on a range of issues, including the goods and services tax and interest rates.

The government has committed additional money to ensure that unemployment will be lowered in areas where it is currently too high, something that the Kennett government was not concerned about. The former government was committed to the trickle-down approach, whereas the Bracks government is committed to growing Victoria's economy and targeting its employment program for the benefit of all Victorians.

GST: public transport

Ms BARKER (Oakleigh) — Will the Minister for Transport inform the house whether he is aware of proposals for the state to pay the costs of the goods and services tax on transport users? If so, will he give the house the details of the cost of that proposal and its impact on the government's ability to fund important transport projects across the state?

Mr BATCHELOR (Minister for Transport) — Under the goods and services tax (GST) that is being introduced by the Howard government there is no exemption for public transport fares. Consequently, public transport fares Australia wide will increase from 1 July.

When I recently announced that, because of the GST, the price of tickets for metropolitan train, tram and bus services will increase by 5 per cent and the price of regional train and bus tickets will increase by 2 per cent, the opposition's response was interesting and in stark contrast to the policy position of the Howard government. The opposition believes that Victorian taxpayers should pick up the transport costs of the GST.

The honourable member for Mordialloc advised the media that the Victorian government should compensate public transport companies for the cost of the new tax. In an article in the *Age* of 16 May he announced the opposition's new policy.

Honourable members interjecting.

Mr BATCHELOR — It should have been the shadow Treasurer! I asked my department to provide advice on what the cost would be. It estimated that in the forthcoming financial year some \$23 million would have to be paid if the government adopted the new policy of the opposition.

That means that over the life of the franchise agreements, which run between 10 and 15 years, it would cost in excess of \$400 million of Victorian taxpayers' money, which according to the Victorian opposition should be paid to public transport companies as a result of the introduction of the goods and services tax. If that were to occur it would mean that there would be a list of very important transport projects that could no longer be delivered in metropolitan and rural Victoria.

For example, the upgrading of the Calder Highway between Melbourne and Bendigo would have to be abandoned. The upgrading of a rail and bus interchange at the Box Hill and Glen Waverley stations would also have to be abandoned. Projects that are already under way, such as the duplication of Wellington Road in the electorate of Knox, would be left unfinished. The introduction of flyer trains on the Ringwood, Pakenham and Frankston lines would never get off the ground. The completion of the duplication of High Street between Doncaster and Manningham roads in the electorate of Bulleen would be over and done with. If the new policy of the Victorian opposition were introduced, many projects would be abandoned.

It is clear that the proposal of the honourable member for Mordialloc is nothing more than economic madness and the height of financial irresponsibility. It shows that the opposition is so desperate it will promise anything. I understand the honourable member for Mordialloc would have discussed this new policy with the Leader of the Opposition and the shadow Treasurer before he made the announcements, and testimony to that is that neither the Leader of the Opposition nor the shadow Treasurer has refuted the comments since they were made on 16 May.

The SPEAKER — Order! I ask the Minister for Transport to cease debating the question and come back to answering it.

Mr BATCHELOR — If the opposition wants to have any financial credibility, it must make it clear that it will not proceed with its bizarre financial policies and will abandon the idea of state governments having to pay the GST cost to private industry. If there is no repudiation of those bizarre economic policies by the Leader of the Opposition or the shadow Treasurer, they will stand as being part of the opposition's platform.

Hazardous waste: disposal

Mr PERTON (Doncaster) — Noting that the Tullamarine waste disposal site handling 70 000 tonnes of toxic waste annually will close on 31 December next year, I ask the Minister for Environment and Conservation where the government proposes to permit the deposit of the 70 000 tonnes of hazardous waste each year.

Ms GARBUTT (Minister for Environment and Conservation) — The hypocrisy of opposition members knows no bounds, does it? After its record with the Werribee and Niddrie toxic dumps it is incredibly hypocritical of the opposition to ask such a question. The government is committed to effective reduction in hazardous waste, firstly by working with industry to reduce the waste generated, and secondly by finding ways to safely reuse, recycle and recover those wastes that cannot be avoided.

I recently received the report of the bipartisan Hazardous Waste Consultative Committee, which will shortly be released for further public consultation. One issue covered by the committee is the siting of waste facilities, and that is obviously an important issue, particularly as the government is firmly committed to not riding roughshod over community concerns. The government will not tolerate another Werribee or Niddrie situation. The government is committed to working with industry and the community to develop

an open approach to future waste management in Victoria.

Following the government's consideration of the committee's report and any further comments, the Environment Protection Authority will finalise a statutory industrial waste management policy, which will require the avoidance and recycling of industrial wastes in preference to landfill.

The government supports a strong program to stop illegal dumping, as most honourable members will have read today, and the unsafe transportation of wastes, which is key to ensuring the safety of the Victorian community. A process is in train that will allow the government to further develop its policy in consultation with the community to decide on these crucial issues.

Education Week

Mr SEITZ (Keilor) — This week is Education Week, and I ask the Minister for Education to inform the house of events taking place to mark this important week in the education fraternity.

Ms DELAHUNTY (Minister for Education) — I thank the honourable member for Keilor for his question and his enduring interest in education. Education Week — —

Mr Leigh interjected.

The SPEAKER — Order! The honourable member for Mordialloc will cease interjecting. I will not warn him again.

Ms DELAHUNTY — Education Week is a celebration of the endeavour and excellence in Victorian government schools. It is a time to salute both the fine teaching profession for its dedication and the work done by parents. In this first Education Week of the new millennium we will celebrate the reinvestment in education across the state by the Bracks government.

This week contains many focal points: the Marvellous Maths March last Sunday to celebrate the teaching of maths; the student Parliament, involving primary school students, which was held in this place yesterday; the principals' forum and Softnet broadcast on drug education, which took place this morning; the vocational education breakfast cook-off to be held this Thursday, to which everyone is invited for breakfast; the education gala dinner to be held this Thursday evening, which honourable members on both sides of the house are invited to attend; and literally

hundreds — indeed, over 500 — special events that will be held during Education Week across the state.

I want to highlight the drug education forum conducted this morning with school principals. The drug issue is one of the most intractable and challenging issues we face, and the government believes it has bipartisan support on the issue. Every honourable member in the house supports a policy that attacks drug abuse. The basis of the government's approach is education, prevention, harm minimisation, saving lives and law and order. For schools to have the courage to confront the situation with the facts rather than fear is the point of the principals' forum, Taking the Lead, which was launched today. Principals have been provided with a range of resources to allow them to deal with the increasing use of in particular hard drugs such as heroin in Victorian schools. The aim is to understand ways to prevent and reduce the harm of drug use; to strengthen resilience and coping skills —

The SPEAKER — Order! I ask the honourable member to switch off his mobile phone, and I remind the house that electronic devices that emit sounds are not permitted in the chamber.

Ms DELAHUNTY — The Taking the Lead program for principals will provide accredited professional development for principals and teachers. A new curriculum and welfare approach called Get Wise will include a response to cannabis, a video and print resources, new standards to review the effectiveness of the schools' drug education strategy and a guide for principals concerning legal issues they must deal with in the schools. That is why the government has already provided 210 student welfare coordinators to secondary schools to help lead the fight against drugs.

Education Week salutes Victoria's teachers, students and parents. As far as education is concerned, Victoria is the place to be.

MAS: royal commission

Mr DOYLE (Malvern) — Does the Minister for Health stand by his statement to the Public Accounts and Estimates Committee that legal fees for the Metropolitan Ambulance Service to be represented at the royal commission are not his responsibility?

Mr THWAITES (Minister for Health) — As I pointed out to the Public Accounts and Estimates Committee, the royal commission is the responsibility of the Premier, and any fees or indemnities are the responsibility of the Attorney-General. That announcement has been made in Parliament before, and if any organisations wish to make application for either

indemnity or payment of fees it must be done through the Attorney-General.

Government financial reporting

Ms GILLETT (Werribee) — Will the Treasurer outline what steps the government will take to improve openness and accountability in the formal reporting of the state's finances?

Mr BRUMBY (Treasurer) — I thank the honourable member for Werribee for her continuing interest in budget accountability.

The 2000–01 budget set new standards and enshrined openness and accountability into the system. The budget papers detail state finances in an unambiguous and open manner. For example, they show the budget surplus of \$592 million, unfunded superannuation liabilities and state public sector debt paid down, the \$1 billion Growing Victoria reserve and \$400 million in tax cuts over the next three financial years. It is an excellent budget in every respect.

Other features of the first Bracks government budget are: firstly, the budget papers show revenue foregone through tax concessions and exemptions; secondly, for the first time ever the budget papers show the costs of each individual output; thirdly, an election implementation scorecard is included, matching up the promises of the government with its implementation; and fourthly, it outlines the government's short and long-term financial objectives.

The government is committed to regular financial reporting on the detail of the state's finances. Honourable members will recall that the Niemeyer statements used to be published each month, but former Treasurer Stockdale abolished their publication in 1997. The Bracks government is reintroducing regular quarterly reporting, and I am pleased to advise that the annual report for the financial year ending 30 June 2000 will be released on 27 October. It will contain the audited financial statements for 1999–2000 for the whole-of-government budget sector financial statements and the outcome report. The financial report for the quarter ended 30 September 2000 will be released on 30 November and will show the budget sector financial statements for the first quarter of 2000–01.

I could detail the dates on which the quarterly statements will be released for the next 12 months because it would show that, unlike the former government that scrapped the Niemeyer statements, nobbled the Auditor-General and gagged its members

of Parliament, this government is committed to openness, transparency and accountability.

SCRUTINY OF ACTS AND REGULATIONS COMMITTEE

Alert Digest No. 6

Ms GILLETT (Werribee) presented *Alert Digest No. 6 of 2000* on:

- Accident Compensation (Common Law and Benefits) Bill
- Appropriation (2000/2001) Bill
- Appropriation (Parliament 2000/2001) Bill
- Arts Legislation (Amendment) Bill
- Business Registration Acts (Amendment) Bill
- Children and Young Persons (Appointment of President) Bill
- Chinese Medicine Registration Bill
- Control of Weapons (Amendment) Bill
- Dairy Bill
- Disability Services (Amendment) Bill
- Electricity Industry Acts (Amendment) Bill
- Emergency Management (Amendment) Bill
- Environment Protection (Enforcement and Penalties) Bill
- Equal Opportunity (Breastfeeding) Bill
- Equal Opportunity (Gender Identity and Sexual Orientation) Bill
- Health Practitioner Acts (Amendment) Bill
- Health Services (Governance) Bill
- Land (Revocation of Reservations) Bill
- National Parks (Amendment) Bill
- Psychologists Registration Bill
- State Taxation Acts (Miscellaneous Amendment) Bill
- Superannuation Acts (Amendment) Bill
- Tobacco (Amendment) Bill
- Transport (Amendment) Bill
- Victorian Law Reform Commission Bill
- Year 2000 Information Disclosure Bill

together with appendices.

Laid on table.

Ordered to be printed.

Redundant and unclear legislation

Ms GILLETT (Werribee) presented report on Constitutional Convention Act, together with appendix.

Laid on table.

Ordered to be printed.

COUNCIL OF MAGISTRATES

Annual report

Mr HULLS (Attorney-General) presented, by command of His Excellency the Governor, report for 1998–99.

Laid on table.

PAPERS

Laid on table by Clerk:

- Anderson's Creek Cemetery Trust — Report for the year 1998
- Ballaarat General Cemeteries Trust — Report for the year 1998
- Ballarat University — Report for the year 1999 (two papers)
- Bendigo Cemeteries Trust — Report for the year 1998
- Cheltenham and Regional Cemeteries Trust — Report for the year 1998
- Crown Land (Reserves) Act 1978* — Section 17DA Order granting, under s 17B, a licence by the Glenelg Shire Council
- Deakin University — Report for the year 1999
- Fawkner Crematorium and Memorial Park — Report for the year 1998
- Financial Management Act 1994* — Report from the Minister for Environment and Conservation that she had received the 1998–99 Annual Report of the Calder Regional Waste Management Group
- Geelong Cemeteries Trust — Report for the year 1998
- Keilor Cemetery Trust — Report for the year 1998
- La Trobe University — Report for the year 1999
- Lilydale Memorial Park and Cemetery Trust — Report for the year 1998
- Melbourne University — Report for the year 1999
- Memorial Park (Altona) — Report for the year 1998
- Monash University — Report for the year 1999
- Necropolis Springvale — Report for the year 1998
- Planning and Environment Act 1987* — Notices of approval of amendments to the following Planning Schemes:
 - Ballarat Planning Scheme — Nos C24, C28
 - Bayside Planning Scheme — No C4
 - Casey Planning Scheme — No C11
 - Greater Dandenong Planning Scheme — No C13
 - Melbourne Planning Scheme — No C26
 - Melton Planning Scheme — No C10

Strathbogie Planning Scheme — No C3
 Wangaratta Planning Scheme — No C2
 RMIT — Report for the year 1999
 Swinburne University of Technology — Report for the year 1999
 Templestowe Cemetery Trust — Report for the year 1998
 Victoria University of Technology — Report for the year 1999
 Wyndham Cemeteries Trust — Report for the year 1998.

State Taxation Acts (Miscellaneous Amendments) Bill
 Superannuation Acts (Amendment) Bill
 Electricity Industry Acts (Amendment) Bill
 Victorian Law Reform Commission Bill
 Children and Young Persons (Appointment of President) Bill
 Dairy Bill
 Arts Legislation (Amendment) Bill
 Land (Revocation of Reservations) Bill

BUSINESS REGISTRATION ACTS (AMENDMENT) BILL

Introduction and first reading

Received from Council.

Read first time on motion of Mr HULLS
(Attorney-General).

ROYAL ASSENT

Message read advising royal assent on 16 May to:

Chinese Medicine Registration Bill
 Disability Services (Amendment) Bill
 Electronic Transactions (Victoria) Bill
 Equal Opportunity (Breastfeeding) Bill
 Federal Courts (Consequential Amendments) Bill
 Local Government (Governance) Bill
 National Taxation Reform (Further Consequential Provisions) Bill
 Vocational Education and Training (Council Membership) Bill

BUSINESS OF THE HOUSE

Program

Mr BATCHELOR (Minister for Transport) — I move:

That, pursuant to Sessional Order 6(3), the orders of the day, government business, relating to the following bills be considered and completed by 4.00 p.m. on Friday, 26 May 2000:

Transport (Amendment) Bill
 Health Services (Governance) Bill
 Tobacco (Amendment) Bill
 Psychologists Registration Bill
 Health Practitioner Acts (Amendment) Bill

In moving the motion I acknowledge that agreement has been reached to enable the government to complete its business program for the coming two weeks. In that process I appreciate the assistance of the shadow Leader of the House, the honourable member for Monbulk!

Honourable members interjecting.

Mr BATCHELOR — To achieve this week's legislative target of 13 bills and the remaining bills the following week, it is important to advise honourable members and parliamentary staff of the likely duration of this week's sitting times. The intention is that the house will sit on Friday and that any outstanding bills be resolved at 4.00 p.m. on that day, after which the bills that will be adjourned for the winter recess will be read a second time. On Tuesday, Wednesday and Thursday of this week it is intended that the house will sit until around 10.00 p.m.

A daily work program has been designed so that legislation is processed through this chamber and then transferred to the upper house. If there is sufficient time we will begin the appropriation debate. The intent is to introduce and debate legislation and transmit it to the upper house on Tuesday and Wednesday, thereby enabling a continuous and lengthy period on Thursday and Friday to deal with some remaining bills and also to provide sufficient time for the appropriation debate. The major contribution to the appropriation debate will take place in the latter part of this week on Thursday and Friday. With tolerance and give and take across the chamber the government expects this workload to be achieved. I thank all honourable members in anticipation of that. I look forward to a busy and efficient week.

Mr McARTHUR (Monbulk) — The opposition will not oppose the government business program. As the Leader of the House has pointed out, over recent days detailed negotiation has been undertaken to find a way to get to the end of what is a fairly tight and difficult two weeks. To put it in perspective, there are 20 bills and two appropriation bills currently on the

notice paper. Another bill from the Legislative Council was introduced into the house today, so in all there are 23 bills to deal with in a two-week program. One also needs to take into account that on Wednesday next week a special ceremony will be held in recognition of National Reconciliation Week.

When the program was first put to the opposition, it requested an extra week of sittings because of the substantial legislation before the house, including a number of significant bills, both in legislative and public interest terms, that require considerable debate. The government was not prepared to extend the session for a week, but has agreed to extend the sitting this week until around 10.00 p.m. on Thursday and 4.00 p.m. on Friday, as provided for in the sessional orders. That gives approximately 9½ hours of additional government business program time to debate those bills. Given that there are so many bills, the opposition argues that although that is a welcome addition, it is not sufficient. The government has also agreed to give up its time to debate matters of public importance tomorrow and allow bills to be debated during that time, with one minor adjustment to that. A voluntary arrangement has also been made to facilitate debate on the bills, apart from the budget, where non-government members will get the lion's share of debating time. Those are welcome concessions from the government.

None of this would have been necessary if the government had managed its legislative program effectively. I refer honourable members to the government business programs of the earlier weeks of this session. In the week 29 February to 2 March there were three bills on the business program; 14 March to 16 March, two bills and the address-in-reply; 21 March to 22 March, three bills; 4 April to 6 April, five bills; 11 April to 13 April, five bills; 2 May to 4 May, six bills; and 9 May to 11 May, five bills. The government has been unable to organise its legislative arrangements to allow a regular and even introduction of legislation in the house, and as a result some 23 bills will be debated over the next two short weeks. Over the previous seven weeks there were 29 bills in total — almost the same number!

One should also take into account that the budget was recently introduced. It is the primary piece of legislation on the parliamentary calendar in any year, a bill on which most honourable members want to make a contribution. It is important to the electorate of every honourable member. They require adequate time to debate in Parliament a bill that will affect their constituents over a 12-month period.

It is extraordinary that honourable members are being asked to do that in the short time available. Although the opposition will assist the government in achieving its target, it urges the government to get its house in order before the spring sitting. The opposition puts the government on notice that it might not be so accommodating next time if towards the end of the spring sitting there are 20 or 30 bills to get through in a two-week time frame. The government has three months over the winter recess to ensure the drafting work is undertaken and proposed legislation gets through the relevant departments and cabinet before being introduced into the house in a reasonable time. If it can do that, the opposition will have no objection.

If the same thing happens next time, the opposition will have an entirely different attitude. Nevertheless, I ask all honourable members to treat this as a one-off occasion and to support the government business program.

Motion agreed to.

MEMBERS STATEMENTS

Ministers: correspondence

Mr SPRY (Bellarine) — I express serious concern about delays in ministerial responses to members' correspondence. Those delays reflect on the way the government operates, and I believe they are indicative of the apparent indifference of ministers to matters raised by honourable members on behalf of constituents. Often the matters are of urgent concern to constituents and they deserve and are entitled to a proper response. This lack of attention highlights the endemic inefficiency in the office of the Minister for Environment and Conservation in particular, but also extends to other ministers, including the Minister for Housing and the Minister for State and Regional Development.

I first raised an issue about safety in the Otways with the Minister for Environment and Conservation on 20 March, which is now more than two months ago. I reminded her again of that correspondence on 6 April, but have had no response. Again, a month and a half ago I raised an issue with the minister concerning new tendering protocols within Parks Victoria. I also raised the matter on the adjournment debate in this house on 12 May. I have still not received a response. There has been deafening silence.

I raised a matter with the Minister for Housing on behalf of a constituent on 24 March — —

The SPEAKER — Order! The honourable member's time has expired.

Brimbank: health plan

Mr SEITZ (Keilor) — I congratulate the City of Brimbank on developing a municipal health plan. Brimbank is a progressive community-representative council that has encouraged its staff and the general community — schools, police, the medical profession, and in particular input from the elderly and the migrant community — to develop a health plan to assist people to have a better life in the municipality. Although many migrants who have settled in the City of Brimbank had to pass rigorous medical tests before they could get immigration approval to come to Australia, the number of deaths from lung cancer, heart failure and digestive system problems is above the Victorian average.

There is also a high incidence of diabetes and asthma attacks in the area. Some people put that down to the region itself: that people who have asthma attacks are affected by wattle pollen being blown down from the You Yangs in spring. The other complaint is radioactive soil and the larvae that come down —

The SPEAKER — Order! The honourable member's time has expired.

Kraft Foods

Mr MAUGHAN (Rodney) — On Thursday, 18 May, Kraft Foods announced that it would move production of its individually wrapped cheese slices from Leitchville to Strathmerton, with a consequential loss of 100 jobs at the Leitchville plant.

Leitchville is a community of some 300 people. It is heavily dependent on Kraft's milk receival and cheese manufacturing plant, which has 230 employees. The loss of 100 jobs is a devastating blow to a community of 300, not only for the employees directly affected but also for the businesses and services that support the community, not the least of which is the recently opened and locally owned community bank, of which the town is justly proud.

Kraft is the largest employer in the Shire of Gannawarra, whose council joins me in asking the Minister for State and Regional Development to provide the Leitchville community with a whole range of services that government provides in such circumstances. In particular, assistance is needed in attracting new industry to Leitchville to provide employment for a skilled and stable work force to ensure that the community infrastructure, such as the school, the preschool and the bank, remains viable and

community investment in housing, roads, water and electricity continues to be utilised and, most importantly, so that the people of Leitchville can put the setback behind them and get on with their lives.

Taxation: income insurance

Mr ROBINSON (Mitcham) — I call on the Australian Taxation Office (ATO) to amend the manner in which it treats income insurance payments. Such payments constitute income and are therefore taxable. However, they are different from income in that they are not automatically taxed at their source.

Many Victorians take out insurance policies to cover themselves in times of sickness or other crises. Rather than arranging for an amount similar to tax instalments to be deducted from such insurance payments at the source the ATO allows the gross payments to continue and waits until the end of the tax year before seeking to recover them.

The policy creates great hardship. People in receipt of insurance payments as a substitute for income due to sickness are in a very poor position at the end of the tax year, and if still in receipt of insurance payments instead of income will have very limited capacity to make lump sum payments to the ATO. Recently the matter came to my attention in the Mitcham electorate. I am aware that in one instance the ATO imposed on outstanding payments its penalty rate which currently runs at over 13 per cent.

The ATO, even with the changeover to the pay-as-you-go system, is keeping its head in the sand on the matter and, despite very reasonable requests to review the way those payments are treated, continues with the existing system which causes great hardship.

Mount Eliza Secondary College

Ms McCALL (Frankston) — I draw the attention of the house to the decline in service from the regional education department since the change of government. My region is controlled out of Dandenong. My electorate has 16 schools, one of them being Mount Eliza Secondary College.

I express concern to the house about a number of major decisions that have been made about that school, which sound terrific on the surface but in practice nothing has happened. In particular, I cite the provision of a lift for a disabled student due to start at the school this year. The decision was mooted in the middle of the last year under the previous government and was finally signed off on 20 December last. As at today, 23 May, no work has begun on that lift, and the child is severely

disadvantaged on the basis that he has to take an additional 15 minutes to go from one class to the next, simply because the directorate of education has not moved quickly enough in the region.

The second issue relates to a major \$1.4 million project for Mount Eliza Secondary College to develop an arts and technology wing, which was originally begun under the previous government and, I am pleased to say, approved in the budget this year.

However, the major omission in relation to the bus turning circle will become a major occupational health and safety issue if the directorate of education is unable to make a decision about the additional funding.

Primary Parliament

Ms GILLETT (Werribee) — I would like to take the opportunity to congratulate a number of officers of Parliament on their terrific contribution yesterday to Education Week, which was the holding of the annual Primary Parliament.

Primary Parliament continued throughout the day; it had a morning session and an evening session. I was privileged to be the Acting Speaker for the morning session, when Wendouree Primary School, Sunshine North Primary School and Cambridge Primary School in Werribee participated. It was a wonderful morning. The parliament was opened by the Honourable Mary Delahunty, the Minister for Education.

I would like to thank Karen Dowling, who is the Parliament's education officer for taking the time and putting in the energy necessary to bring together a terrific program for those young people. I would also like to thank Ann Sargent, who is the assistant chamber officer, for using her patience, intelligence and commitment to increasing the knowledge of the greater community about the operation of Parliament, and particularly for increasing the knowledge of the children in grades 5 and 6, who are active, eager and alive to learning everything they can about this Parliament.

Some 96 children attended the morning session, and 113 attended the afternoon session. It is a wonderful opportunity for children to be able to participate in — —

The SPEAKER — Order! The honourable member's time has expired.

Preschools: information technology

Mr VOGELS (Warrnambool) — I raise on behalf of Kindergarten Parents Victoria the lack of computers in Victoria's kindergartens.

Victoria's kindergartens and preschool committees are made up mainly of parents with young families who have to perform complex employer and administrative tasks to maintain the smooth running of what are now seen as small businesses. They often have to work up to 30 volunteer hours a week to ensure the effective management of the kindergartens.

The benefits of providing computers to kindergartens is enormous. It is no longer acceptable for any organisation with the amount of work required of small business providers to have inadequate tools and support to perform the tasks expected of them.

Kindergarten Parents Victoria needs assistance now. I know it has put forward a proposal to the Minister for Community Services for the provision of computers to all funded preschool services, and I urge the minister to support the proposal.

Honourable members interjecting.

Mr VOGELS — I am sorry to hear the many interjections from the other side of the house, because I believe — —

Honourable members interjecting.

Mr VOGELS — I urge the minister to carefully consider the proposal put forward by Kindergarten Parents Victoria.

Preschools: information technology

Ms CAMPBELL (Minister for Community Services) — I wish to put on record my appreciation of the staff of the Department of Human Services, who for the past few months have worked very hard for kinders. The work of kinders and their committees of management is well known to members of the house.

Some \$1000 has just been allocated to every kinder in Victoria, and all kinders have been informed that that money is available to purchase computers — —

Honourable members interjecting.

The SPEAKER — Order! I ask the house to come to order.

Ms CAMPBELL — That money is available to the preschools to put to any use they desire. The money can

go towards providing computers for preschools that do not have them. The \$1000 may also be used for other purposes. The work of the departmental officers at both regional level and head office is commendable, and I thank them.

Australian Fruit Marketing Cooperative

Mrs FYFFE (Evelyn) — I wish to congratulate the Australian Fruit Marketing Cooperative on the recent announcement that it will be supplying jams and marmalades for the new range of Dick Smith Australian-made foods.

The cooperative will supply 360 000 jars of jams to major supermarket chains and aims to gain 10 per cent of the Australian jam market. That will be a fantastic achievement, and I applaud the efforts of the cooperative. I congratulate all the members of staff of the cooperative, including the manager, Neil Cross, and operations manager, Brian Bull, and particularly the five growers who showed the initiative to form the cooperative.

Some 25 per cent of berry fruit grown is not suitable for the fresh fruit market because of either size or blemishes, but the growers still have to pay for the fruit to be picked. If the fruit is left on the plant it contaminates the rest of the crop.

The initiative is to use that 25 per cent of fruit to make more viable not only the businesses of the cooperative members but also the businesses of 40 other growers. I commend the cooperative on the initiative.

Mia Mia: honour roll

Mr HARDMAN (Seymour) — I congratulate the Mia Mia Hall Committee on its hard work over the past year to get a comprehensive list of all their veterans who represented Australia in past wars.

That huge job was ably led by Mr Brian Ward and Mr Humphrey Campbell, who saw a need to have an honour roll for all members of their community. Previously they had an honour roll for only members of the school community or the local Uniting Church community. Mia Mia is a small community of approximately 150 people. At the unveiling of the honour roll on Sunday, 30 April, there were many more than 300 people in attendance. The honour roll was unveiled by Mr Bruce Ruxton, who is the president of the Victorian branch of the Returned and Services League. It is fantastic to see that that small community has the spirit to undertake worthwhile projects for the benefit of its long-term future.

I commend the people of the Mia Mia community and the hall committee for being active and involved and, most importantly, for undertaking that important project, which recognises the people who made sacrifices for our country in times of crisis.

TRANSPORT (AMENDMENT) BILL

Second reading

Debate resumed from 4 May; motion of Mr BATCHELOR (Minister for Transport).

Mr LEIGH (Mordialloc) — The Transport (Amendment) Bill is probably the last piece of legislation — one would hope so, anyway — dealing with changes to the franchising of the public transport system in Victoria.

It is appropriate to reflect on where the system has come from and where it is now heading. On 15 December last year in debate on the Rail Corporations and Transport Acts (Miscellaneous Amendments) Bill I referred to the present Labor government's utter turnaround in attitude. From being anti-privatisation and anti-franchising it has turned around to a totally different position that it denies it holds. Nowadays the Minister for Transport will turn up anywhere he is invited to go to claim credit for anything that is going well.

I have no problem with that. It is interesting to reflect, however, on the stand the Labor Party took when in opposition. Anyone interested in the Labor Party's position on private franchising arrangements for the transport corporations should read my comments of 15 December last year, which included press statements made by the then shadow Minister for Transport over the last couple of years. I quote first from a press release of 25 August 1997:

In Singapore and Hong Kong, where a single organisation runs the entire metro rail service under close scrutiny by the government, there is no partitioning of the metropolitan system ... It cannot work.

He also said in relation to multimodal ticketing:

The provisions ... will result in the multimodal nature of the ticketing system ... being sabotaged.

On 17 April 1997 he said:

... privatisation would destroy Victoria's integrated public transport system.

A public transport system needs to be fully integrated, coordinated and have a uniform ticketing system that can be used on trams, trains and buses.

The government is taking a good public transport system and breaking it up into separate parts which will be sold off to different owners.

Having different train, tram and bus companies will lead to confusion and uncertainty for passengers. It will be harder to coordinate services and could result in a loss of patronage.

Statements he made in the same vein at the time are so numerous that it is easy for any member of the public to discover the Labor Party's earlier views on the subject of privatisation or franchising of the public transport system. The parliamentary library can easily provide a stack of documents.

That was Labor's view then; but what is its view now? Remember, the amendments proposed by the bill are the final amendments designed to take away the Public Transport Corporation's powers over staffing arrangements, land and the like.

I now refer to a recent statement by the minister, which I will make available to honourable members. It is also available from the Department of Infrastructure web site. Remember, this is the minister who said that franchising would destroy public transport. Under a beautiful photograph of himself the minister states:

For the first time, the community will have accurate information on how punctual and reliable each operator's services are. *Track Record* will compare their performance to previous quarters. It will also summarise key financial information about the operators' franchising contracts, including the subsidies paid by the government.

In this first issue, for example, *Track Record* reports that Yarra Trams, Swanston Trams and V/Line Passenger paid penalties totalling \$1.5 million from August to December 1999. The three private operators improved performance, but still failed to meet targets.

Those are the targets set by the former government, which were higher than the targets of the Public Transport Corporation. The statement goes on:

Hillside Trains and Bayside Trains received bonuses totalling \$1.9 million, reflecting improvements in their performance (a full summary of the key results appears on p. 4).

The summary of the key results referred to in that first edition of *Track Record* begins as follows:

Punctuality up

In the last quarter of 1999, metropolitan trains and trams achieved a level of punctuality (or 'on-time running') which was higher than their performance in the early half of the year.

That was the very beginning. The system started to operate reasonably efficiently only last year.

Under the heading 'Operational performance regime' he goes on to say:

The targets set by the government are demanding: in order to avoid financial penalties, operators must improve their performance in 1998 by at least 20 per cent. Swanston Trams must improve their 1998 performance by more than 30 per cent in order to earn incentive payments.

The punctuality figures for the companies are listed in table 1. The survey states:

Table 1 ... shows the 'on-time performance' of each train/tram company for each quarter in 1999. It records the proportion of trains and tram services which arrived at their destination no more than 59 seconds before —

this is fascinating —

and no more than 5 minutes 59 seconds after the time in the timetable. This is the approach by which train punctuality has traditionally been measured.

The performance figures are as follows. Bayside Trains: January to March, 93.8 per cent; April to June, 94 per cent; July to September 96.9 per cent; and October to December 97.4 per cent. Hillside Trains: January to March, 93.2 percent; April to June, 93.2 per cent; July to September, 95.2 per cent; and October to December, 97 per cent. V/Line Passenger: January to March, 93.2 per cent; April to June, 94.5 per cent; July to September, 95.7 per cent; and October to December, 94.5 per cent. Swanston Trams: January to March, 55.5 per cent; April to June, 61.8 per cent; July to September, 70.9 per cent; and October to December, 72.6 per cent. Yarra Trams: January to March, 70.7 per cent; April to June, 71.2 per cent; July to September, 75.5 per cent; and October to December 79.8 per cent.

Sitting opposite is, dare I say it, Chicken Little, who was always prepared to say the sky was falling in. What has happened to the system now that it is in the hands of private operators? The punctuality of our public transport system has improved! I suspect I know one of the reasons for that. Yesterday a leading transport official told me that since the minister has been in office he has not made one decision. The outcome of his unwillingness to make a decision is that performance levels have improved.

The same survey contains the following information:

Overall punctuality

The on-time performance of trains and trams in the last quarter of 1999 was significantly better than the performance in the first half of the year.

Trains

Over the last quarter of 1999, 97.2 per cent of metropolitan trains ran on time. The average for

metropolitan train on-time running for the first half of 1999 was 93.6 per cent.

That is an increase.

Over the last quarter of 1999, 94.5 per cent of V/Line Passenger trains ran on time. This was slightly higher than the average performance during the first half of the year.

Trams

Over the last quarter of 1999, 74.8 per cent of trams ran on time (at monitoring point four, near the end of the trip). The average performance in the first half of the year was 62.3 per cent. This is an improvement of 12.5 percentage points between the two periods.

Reliability

This section records the proportion of scheduled train and tram services which were cancelled. Table 2 shows the percentage of services cancelled by each business during the four quarters of 1999.

The figures shown in table 2 under the heading 'Cancellations of trains and trams 1999 — percentage of services scheduled' are as follows. For Bayside Trains: January to March, 1.5 per cent; April to June, 0.8 per cent; July to September, 0.5 per cent; and October to December — a slight deterioration — 0.7 per cent. For Hillside Trains — it has to be said that this is the company that says it is leading the way: January to March, 0.8 per cent; April to June, 0.6 per cent; July to September, 0.4 per cent; and October to December, 0.4 per cent. For V/Line Passenger: January to March, 0.2 per cent; April to June, 0.3 per cent; July to September, 0.2 per cent; and October to December, 0.1 per cent. For Swanston Trams: January to March, 0.9 per cent; April to June, 0.6 per cent; July to September, 0.5 per cent; and October to December, 0.9 per cent. For Yarra Trams: January to March, 0.8 per cent; April to June, 0.4 per cent; July to September, 0.4 per cent; and October to December, 0.4 per cent.

The house should remember that the minister claims credit for all those figures.

The survey continues:

Some of the key conclusions to be drawn from these figures are set out below:

Trains

Cancellations of metropolitan trains reduced during 1999, with the performance in the last two quarters substantially better than the performance in the first quarter of 1999. On average, 0.6 per cent of trains were cancelled in the last quarter of 1999 — about half the recorded rate for the first quarter.

Mrs Peulich — He should be praising us!

Mr LEIGH — The minister should be praising us. I am waiting for an apology for all the mean things he said about privatisation and franchising. All the new right-wing Labor members of Parliament sitting opposite think franchising is a terrific arrangement.

The survey goes on:

Trams

Tram cancellations averaged 0.6 per cent in the second half of 1999. This is lower than the 0.9 per cent average applying for the first quarter, however, the improvements were not uniform across both operators.

The survey then deals with performance incentives and penalties, which are two of the great things about the system. I remind the house that this is the minister who said while in opposition, 'Labor had a fabulous system that worked brilliantly and looked after everybody'. If Bayside Trains can get more people on board now, the incentive payments will increase.

As the minister will be well aware, under the contract implemented by the former coalition government, which he so roundly criticised, the tram operators had to pay the government a penalty if they did not get it right. Subsidies of thousands of dollars are referred to in this interesting document.

I will not bore everybody by quoting all the figures shown under 'Total payments', but the conclusion makes the following key points:

Metropolitan trains

The metropolitan train operators earned bonuses for a substantial improvement in on-time running and reduced cancellations compared to the government's targets. For the four months since franchising, net incentive payments to the metropolitan train operators have totalled \$1.9 million.

V/Line Passenger and trams

V/Line Passenger and the tram operators [have] each paid penalties to the government since the operational performance regime came into effect at the end of August 1999. While service delivery by these operators has generally been better than the average performance during 1998, it has not yet consistently exceeded the targets established by government.

The house should remember that although those companies are performing better than the former PTC, they are being fined because their performances are not good enough. I am sure you, Mr Acting Speaker, will be impressed by that. Customer satisfaction is a key issue. Under the heading 'Customer satisfaction surveys' paragraph 4.1 states:

Every three months, the Director of Public Transport commissions opinion poll surveys of public transport passengers to measure whether operators are providing the quality of service their customers expect. These surveys look at a range of different aspects of customer service — from station facilities through to ticketing, punctuality and passenger security. Customer satisfaction is recorded through a customer satisfaction index (CSI) which reflects passengers' responses to questions put to them in telephone-based surveys.

The graph that follows sets out the figures.

Under the heading 'Overall satisfaction', paragraph 4.2 says:

Satisfaction with public transport services, in general, has steadily increased during 1999. Satisfaction with metropolitan public transport services recorded its highest ever score of 65.2 in October to December 1999 (up from 60.3 in January to March 1999).

That is very interesting.

In summing up I will read a couple of the other survey results because they highlight a number of key criteria. The paragraph headed 'Service delivery' states:

Service delivery (which includes the timeliness of services, frequency of services and numbers of cancellations) is the main driver of overall satisfaction with public transport. Passenger satisfaction with service delivery is increasing gradually for most companies. V/Line Passenger is the clear leader in this area and has experienced an upward trend in satisfaction since early 1999. There have been statistically significant increases in the service delivery recorded by Bayside Trains and Swanston Trams, and now all metropolitan companies are performing at a similar level.

Passenger comfort

Yarra Trams' rating for passenger comfort has increased over time, extending its lead over the other metropolitan companies. Swanston Trams and Bayside Trains also improved their rating in October and December 1999.

Stations/tram stops

Previous results have shown Hillside Trains to be the leader of the metropolitan companies in terms of satisfaction with station facilities. However, Bayside Trains, Swanston Trams and Yarra Trams have recently improved their ratings in this area and are now performing at levels similar to Hillside.

Ticketing —

and remember, the minister made a lot about this —

January to March 1999 was a low point for satisfaction with ticketing across all of the metropolitan companies and for the tram companies in particular. While satisfaction with ticketing remains at a lower level than other aspects of service quality, it has increased over the past three-quarters for each of the companies, with train companies remaining ahead of the tram companies. Statistically significant increases in satisfaction with ticketing were recorded for V/Line Passenger and Yarra Trams in the latest quarter.

Station/tram staff

While satisfaction with staff service has remained relatively stable for V/Line Passenger, there has been a notable increase in the equivalent CSI score for each of the metropolitan companies. In particular, statistically significant increases in satisfaction have been recorded for Bayside Trains and Yarra Trams during the last quarter.

Personal security/safety

V/Line Passenger clearly leads the field in passenger perception of personal security and has extended this lead with a statistically significant increase this quarter. Bayside Trains also recorded a statistically significant increase in satisfaction in the last quarter, however, that was from a low base recorded during the second and third quarters of 1999. Both train companies recorded a steady increase in perception of personal security during the year. The ratings for the metropolitan train companies remain at a notably lower level than for the tram companies.

That document can be found on the web site of the Department of Infrastructure. The document demonstrates that the Minister for Transport was wrong during the past seven years with his carping, whingeing and whining about doom and gloom in the public transport system. He was not only not right, because he mounted clever scare campaigns; he was wrong.

What does the document say for the minister's credibility? After all the statements he made, as is evidenced by the press releases, he is now ticking them all off under his name and saying, 'Look guys, you are doing a better job than when you worked for the public transport system'.

I have moved around the system and talked to employees at the stations. There is a general feeling among the staff that the franchising of the public transport system was the best thing that has happened for them, because now they have people who care about the system. They need to care, and it is in their interests to do so, because if they do not they will not attract more passengers to the system. That is what is different from what happened in the days of old. However, some of the minister's union mates are still out there doing what they can to wreck the system. If the minister could he would secretly wind back this whole system and put it back into one huge conglomerate. We would be back to the early 1990s, when trams were lined up in front of Parliament House.

The minister will not say that he is sorry. He will not say, 'Look, it is really working well'. Perhaps he will apologise to the people about whom he made remarks when he was not right. However, honourable members should not be surprised about the minister's being not right — his credibility has been tinged over the years by problems with those sorts of things.

There are issues that still need to be resolved. The purchase of new rail rolling stock was mucked up; more should have been purchased in Victoria. The removal of parts of section K from contract documents is another issue. The government has recognised that if a better deal were negotiated it would have released the parts from the former coalition government's section K that set out what was going on. The government has mucked it up. In the months since the Minister for Transport has held his portfolio he has had to sit in his office and choke on the fact that he was not right.

With regard to what has happened to public transport, it is clear that with the winding up of the legislation there can be the beginnings of the renaissance of the Victorian rail system, if it is done cleverly. There needs to be a guarantee of safety and personal security, and the system needs to be clean and reliable. Travellers need to know they will be returned home at night. No-one wants the wildcat stuff that was seen recently, when after Senator Carr's brother was caught on video choking a Hillside Trains inspector all the blokes went on strike because they thought it was not appropriate that someone who did not agree with somebody could be caught on camera choking that person. The fact that under the system in place, which the minister opposed, a video camera captured the incident demonstrates that there is better security in the system and that it can be improved further.

In the budget the government committed to introduce 100 tram conductors. Presumably the minister will shortly announce what they will do. The government said it was going to reintroduce the traditional tram conductors. Honourable members would recall that previously there were 750 conductors in the system, yet the government is proposing there will now be 100. When the minister finally talks to National Express about it he will have to admit, firstly, that he has not done much talking to them, and secondly, that the additional staff will be customer service officers and not tram conductors. Despite all the fake carrying on during the last Parliament by the minister there will be no traditional tram conductors coming back — they are out.

There will also be 100 new railway station staff. No-one wants to go back to the days when station staff were locked in ticketing boxes and what happened on the stations simply happened on the stations. The government would be better off having 100 additional staff on security duty — walking around the system and getting on and off trains as a way of checking them in the interests of the public. There will not be manning at every station; the days of that happening under this system, or other systems such as those in the United

Kingdom, have gone. It no longer happens like that, and Victoria is no different from the rest of the world.

The tragedy is that rather than being fair and reasonable during the previous two Parliaments, the then shadow minister sought to distort the truth. Unfortunately for him, as always happens, the truth will out. If you do not believe me, believe what the then shadow Minister for Transport said during those years, because there are reams of his statements on the record. He conveniently arrived right after a machine was vandalised to announce that the system was a shocker. I am sure he had no prior knowledge, just a sense of where and when a specific machine had been vandalised so he could be there with Channel 7 and Channel 9 just 5 minutes after the vandal — who presumably wore a balaclava — disappeared.

Mrs Peulich — Any fingerprints?

Mr LEIGH — No, no fingerprints. According to the then shadow Minister for Transport, the ticketing system was never going to work because the Kennett government had sabotaged the system. Presumably no-one in Victoria is now able to buy a train or tram ticket! It will be interesting to examine the Auditor-General's report on the collection of ticketing fees. I bet more money is collected by the ticketing system than was collected by the conductors.

Until their jobs were in jeopardy those guys never helped elderly persons or mothers with prams on or off the tram. As someone who frequently travels about the city by tram, I can say that on a quiet day the conductor would often sit at the rear of the tram rather than collect fares, so I would have to walk up to him or her to say that I had a pass that enabled me to travel on the system free of charge.

As I said, the Minister for Transport now owns the system; it is his responsibility. As I recall, the management of Yarra Trams was preparing a report on reducing the number of tram stops. In response, the minister ran about saying that there was nothing he could do. Obviously, he did not know his Transport Act. The one thing the Public Transport Users Association and I agree on is that the Minister for Transport is responsible for any changes that are made to the system. No ticket, schedule, bus stop site or anything else can be changed without the approval of the minister through the Director-General of Transport.

The Minister for Transport does not have to listen if, for example, the management of Yarra Trams tells him it wishes to increase fares or make other changes. If the minister says no, they must agree with him. Perhaps he

has read the act since his early days in government and now realises that he has the same power as any Minister for Transport has had.

The advantage of the recent change is twofold. Firstly, unlike the days when the Public Transport Corporation ran it, the system is now run by people who have an interest in ensuring that as many people as possible travel by public transport. Under the previous Labor government the buses operated by various bus companies ran right behind each other. At East Brighton, for example, Driver Bus Line buses with no passengers on them ran just 4 minutes behind buses operated by another bus company because it had entered into a dumb contract and had no choice. One remembers the continual chaos in the rail system and the decline in patronage under the former Labor government in the early 1990s.

Public transport patronage is now higher than it has been, no matter how the government tries to interpret the figures to try to prove otherwise. The challenge for the minister is whether he can maintain the confidence of the companies. To date, his behaviour in some instances indicates that not all is well.

The second issue is the future purchase of rolling stock. It is many years since Victoria bought new rolling stock. As a result, under franchising arrangements that vary between 10 and 14 years, companies must supply the equivalent of \$1.8 billion in new stock. Rather than the government or the taxpayers borrowing the money, the companies and their customers must pay.

When the companies announced their rolling stock arrangements, the answers of both the Premier and the Minister for Transport were interesting. The Premier said Victoria would receive a \$800 million boost, and the Minister for Transport said Australia would receive a \$800 million boost. Unfortunately for the Premier, the Minister for Transport was correct. Because of the arrangement entered into by the Bracks government, more than half the rolling stock will be built in New South Wales. The government was unable to sit down and negotiate with a group of companies to ensure that Victoria received the best arrangement. It was happy to offer \$400 000 to Olympic Airlines, but when it came to helping Victoria's manufacturing industries, it offered not one cent!

The government was prepared to offer Virgin Airlines money to come to Victoria. Was it prepared to offer the Victorian manufacturing industry any money? No, not one cent. Between the Minister for Transport and the Minister for Racing, who runs around masquerading as the Minister for Manufacturing Industry, Victoria has a

government that cannot deal with people, and it did not gain the best deal for Victoria. It is a sad state of affairs.

The government can no longer blame the situation on the past. It must now accept responsibility for the situation. If it is not capable of doing that, the government should get itself another Minister for Transport, because I suspect that thus far he has not made too many decisions.

The bill makes minor inconsequential changes to matters that affect the Public Transport Corporation, ranging from land use to removing some of the powers of the PTC. The opposition does not oppose the bill. I suspect that most of it, if not all, came out of the former administration.

It should be said again so that people are aware of the truth: the government controls the public transport system just as much today as if it owned all the rolling stock. There are no changes other than the fact that somebody else is going to buy new rolling stock and commit it to Victoria, so consumers who use the system will get a better system. I hope the minister cuts out this nonsense with the likes of Senator Carr's brother and gives him a bit of a spanking to make him get on with his job or charges him with assault, if that is the case. I would like to see that.

Mr Batchelor — You are into spanking?

Mr LEIGH — Certainly not, and I would be careful if I were you. The Minister for Racing, who is also the Attorney-General, said something similar to one of my colleagues and ended up apologising for it. I am certainly not into that sort of thing.

The signs are not positive for the government because the minister is not in control. When the new deputy head takes over shortly we will see who is running whom. I do not think it will be this minister; I do not think he runs anything.

Mrs Peulich — The Gang of Five.

Mr LEIGH — As the honourable member for Bentleigh says, it is the Gang of Five. It is interesting to note that someone running one of the biggest sections of the system in Victoria is not in the Gang of Five. I do not know why, but he is not.

Mrs Peulich — Wrong faction.

Mr LEIGH — No, right faction but not powerful enough.

The opposition does not oppose the bill, but let it be on the government's head. I am looking forward to watching this administration claiming credit. Every time one sees this minister go out and claim credit for Box Hill or this or that, one should remember it was all in a contract he had nothing to do with and which he spent the entire past seven years criticising, complaining and whingeing about, yet now he runs around saying, 'Isn't this a good idea?'

The minister announced more peak services for V/Line, but one must remember that it was in the contract that that would be done. It had nothing to do with him, yet there he was saying, 'The Bracks Labor government has done this'. If the government believes in openness and honesty, let him be honest about these things.

When the Minister for Transport and the Premier went down to open the Domain Tunnel, everyone standing around booed the two of them. Unfortunately the press did not report it, but the fact is they were both roundly booed. Isn't that right, Minister? You were roundly booed because all you did was attack it; you said nothing positive. The Premier said, 'We would have done it differently'. He forgot about David White's speech in 1992.

I do not intend to be the shadow Minister for Transport for seven years; I hope we knock them off in three and a half. Every time I think about whingeing and whining I will read one of the minister's speeches, because he puts me off whingeing.

Mr Viney interjected.

Mr LEIGH — From what I hear the redistribution commissioners say you won't be here, Son, so don't worry about that!

I have placed on the record where the public transport system now stands, because it is important for people to realise that the disaster predicted by these characters on the other side has not happened. In everything that was ever done during the life of the coalition government, the former opposition got it wrong. For example, on the gaming issue, the former opposition said it was crooked; it has now found out it was not. Members of the government are looking for mistakes because mistakes are made by any administration.

I say to this minister, who sat opposite during the life of the Cain and Kirner governments — he was the numbers man behind the scenes — that the difference between those administrations and the coalition is clear to anybody associated with the public transport system, and the coalition deserves congratulations on the changes it made to public transport. I say in particular

to the honourable member for Mornington, the former Minister for Transport, and the former Treasurer, the Honourable Alan Stockdale, that the changes they led were unique to Australia. It was an impressive operation. They learnt the lessons from the privatisation and franchising of the British rail system during Maggie Thatcher's era, and made the appropriate changes.

The record shows, as does the minister's statement about it, that the people who were responsible for making sure that the present system worked to advantage did a good job and did the right thing by Victoria. I hope the people who use public transport have a better public transport system, and I am sure most people will remember that the bunch who sit opposite had nothing to do with it. The Minister for Transport is a little unhappy that so many of his not-so-nice comments were put on the record, because once again it has been proved — as it was in 1995 — that not only was he wrong, but also he was not being straight with the Victorian public.

I rest the opposition's case.

Mr BATCHELOR (Minister for Transport) — In closing the debate on the Transport (Amendment) Bill I thank the honourable member for Mordialloc for his contribution and thank the opposition for its support.

The bill is machinery-of-government legislation that removes redundant powers and functions of the Public Transport Corporation from the Transport Act while still enabling the corporation to carry out its ongoing functions. The Transport (Amendment) Bill cleans up the Transport Act by repealing and amending sections of the legislation to remove references to now irrelevant transport functions of the PTC.

The bill is required because of the sale and franchising to private operators of public transport by the Kennett government in August 1999. The PTC no longer provides public transport services or owns land on which tram or rail services are provided. The bill seeks to reflect the new environment and remove the powers and functions the corporation exercised when it was the major provider of public transport services in Victoria.

I thank the honourable member for Mordialloc for his acknowledgment that the government is leading a renaissance in public transport in this state, and I thank him for his support for the good job the government is doing.

Public transport is in good hands and I thank the honourable member for Mordialloc for his support and for his public acknowledgment of my administration! It

must be galling to see the new Bracks government doing such a sterling job in administering public transport. The government gets on well with the new private operators, and public transport will go from strength to strength. Not only will the government improve the services but it will be more open and accountable.

It is interesting that the honourable member for Mordialloc chose to recite chapter and verse from one of my publications, *Track Record*, which clearly demonstrates the vast improvements in public transport in metropolitan and rural Victoria under this government.

I thank the honourable member for Mordialloc for his ongoing and enthusiastic support of the government's administration!

Motion agreed to.

Read second time.

Remaining stages

Passed remaining stages.

BUSINESS REGISTRATION ACTS (AMENDMENT) BILL

Second reading

Mr HAERMEYER (Minister for Police and Emergency Services) — By leave, I move:

That this bill be now read a second time.

The bill facilitates electronic service delivery for registration services, makes name changes to the Office of Fair Trading and Business Affairs and its director, and makes miscellaneous amendments to the Associations Incorporation Act 1981, the Business Names Act 1962, the Co-operatives Act 1996 and the Partnership Act 1958 — referred to as the 'Business Registration Acts'.

The government is committed to delivering all suitable government services online as soon as possible by way of electronic service delivery. As part of this strategy, it is proposed that selected transactions — such as registration of business names or incorporated associations — will be able to be conducted electronically. This will be facilitated by amendments to the Business Registration Acts to allow for electronic service delivery.

This bill is intended to partner the Electronic Transactions Bill which is also before this house. The Electronic Transactions Bill, when enacted, will provide for the acceptance of electronic signatures in place of manual signatures and provides the framework for this bill's operation. Together, they will enable electronic commerce with government agencies.

The bill will retain the need for original documents to be signed manually in certain circumstances — eg, where a form is required to be signed by multiple parties and the computer system does not support multiple signatures of the same document, and the use of an agent.

The bill will allow for electronic lodgement where a document is digitally signed and lodged, without the need for a hard copy. It will remove the requirement for a manual signature on electronically lodged business name renewals to enable a quick and easy process for renewal applications. Forms of electronic lodgement will replace the manual signature. Electronic renewals will not otherwise be accessible to a large number of business name registrants if the current requirement for a signature for this class of renewals is retained. At present, there are up to 60 000 such transactions conducted each year. The bill also provides that documents lodged by electronic transmission do not need to comply with regulations which prescribe requirements for paper documents. These amendments will remove obstacles for electronic service delivery and facilitate legal recognition of electronic communications.

In addition, the bill amends the Business Names Act and the Associations Incorporation Act to enable the director or registrar to approve the design and layout of forms. This is essential to enable rapid changes to forms in response to changes in technology, particularly, as electronic lodgement becomes more common. Currently, the design and content of the forms are prescribed by regulations and, in some instances, by the acts themselves. To ensure legal certainty, the content of the forms shall still be prescribed by regulations or the relevant acts. However, the design and layout need not be fixed in this way.

The bill will change the name of the Office of Fair Trading and Business Affairs to Consumer and Business Affairs Victoria and the name of the Director of Fair Trading to Director of Consumer and Business Affairs. The reason for this name change is to make the agency more accessible to consumers, and to emphasise the government's interest in consumer welfare.

The bill also makes miscellaneous amendments to the Business Registration Acts to increase penalties for trading under unregistered business names, to allow for the registration of a mailing and email address as well as a registered address for service of notices, and various technical amendments to correct out-of-date references.

In broad terms, the bill will authorise electronic lodgement capability for many of the services provided under the Business Registration Acts. However, the development of this capability will not make electronic lodgement compulsory, and businesses will still be able to conduct these transactions by mail or in person. The bill is intended to enable businesses to conduct transactions electronically, but not create new obligations or impose additional costs. As e-commerce becomes more common in the future, the ability to provide electronic service delivery will become more important for both consumers and government agencies. This bill is a major step in that direction.

I commend the bill to the house.

Debate adjourned on motion of Mr DOYLE (Malvern).

Debate adjourned until Tuesday, 30 May.

PSYCHOLOGISTS REGISTRATION BILL

Second reading

Debate resumed from 4 May; motion of Mr THWAITES (Minister for Health).

Mr DOYLE (Malvern) — The opposition is delighted to support the bill — the latest in a line of pieces of legislation regulating health professionals. The government and the opposition can be proud of the model developed for legislation of this type.

The bill protects the public by providing for the registration of psychologists and the investigation of their conduct and practice. It regulates advertising of psychological services and in so doing establishes the Psychologists Registration Board.

I will not take up the time of the house in praising and supporting the bill, but I wish to make a number of points. It is important to note the definition of unprofessional conduct running through a number of the bill's tenets, the most searching of any jurisdiction in the world; they are particularly good when dealing with the health professions and the public's vulnerability.

Another important point is that the bill adopts a belt-and-braces approach. It does not state that a professional must conduct himself or herself according to standards lower than the public would expect; the bill goes further and says that a professional may not conduct himself or herself in a way that a member of the profession would find unacceptable unless it is a lower standard. That is a stringent test.

Honourable members may be aware of a small treatise written by the President of the Court of Appeal, Mr Justice Winneke, in which he makes a strong argument for keeping the courts and politicians out of the regulation of health professions. I subscribe to the theory that the Parliament of the day can act as a safety net and provide tenets, but it should leave the administration of the profession to the profession itself. It is provided for in this bill. Members of the Parliament should be congratulated on the searching nature of the definitions of unprofessional conduct provided.

My point goes to one of the requirements that the board might exercise requiring evidence that the applicant for registration be covered by professional indemnity insurance. The issue will be raised in debate on the Health Practitioner Acts (Amendment) Bill. In general it is an excellent provision because it ensures members of the public can be protected by insurance should something go wrong in a course of treatment. The provision of indemnity insurance was not mandated because the government does not wish Parliament to hand over registration power to an insurance company, ethical as the company may be.

The provision gives effect to my previous comments about leaving the control of the profession with the profession. Sensibly, the board will make the decisions about what insurances and other arrangements may be necessary. The matter will be discussed in the debate on the health practitioners bill.

I refer to a longstanding concern previously raised with the officers of the department when the coalition was in government. It is not a matter that I propose members do anything more than turn their minds to, and concerns the provision regarding certificates. Clause 18 describes issuing certificates of registration and includes the requirement that the certificate be returned if there is a condition or limitation put upon a particular practitioner.

The board issues to graduates a large and ornate certificate marking the first registration which in many cases is proudly displayed. It is lesser known that in succeeding years practitioners must re-register with the board and the board will issue a type of receipt to show

that the fees have been paid and membership of the profession is continuing.

It seems odd that the yearly certificate must be returned to the board for annotation if there is a condition or limitation placed upon the practitioner, which must be recorded on the register, but there is no necessity to display the certificate anywhere. An unscrupulous practitioner with a condition of practice could simply use an unamended certificate to represent himself or herself as not having conditions or limitations and may gain a grace period of some 11 months before it is picked up by the board. Given that a range of businesses and professionals display such certification, I ask the government to give some thought to that mandated display. Why have that certificate with conditions and limitations unless the public has access to it?

These are difficult questions to resolve and I do not pretend to have the answers. On the one hand, the public has a right to know if the practitioner has a condition or limitation on his or her practice. On the other hand, we do not want to unnecessarily alarm members of the public. There is also a need for protection of the practitioner's right to practise and a consideration of the consumer's right to know. I encourage the government to think about what we might do in the future to let the public know about the practitioners they are consulting.

Proposed section 45 refers to the constitution of a hearing panel for a formal hearing. Certain rules govern those who can be appointed to a hearing panel. Because of provisions relating to the types of complaint and the persons who should determine such complaints, it may be necessary from time to time for the minister or the board, through the minister and the Governor in Council, to invite another person to be a member of the panel conducting a formal hearing. People are nominated through the Governor in Council process. They become board members for that particular hearing, often because they have expertise in a specific area or there is no available board member to meet that requirement, and at the cessation of that formal hearing the Governor in Council appointment ceases. The provision allows for a list of persons to be empowered to sit on such hearings.

I support the provision. It provides for a group of expert people from whom the board can draw for a formal hearing without the necessity of going through the Governor in Council mechanism. That seems reasonable. People who are not prepared to put their names forward as board members may well be prepared to serve in this way. For example, a person at the end of

his or her career may not be prepared to give the entirety of his or her service to the board, as is necessary, but may be prepared to offer some service in that way once he or she comes off the board. I can see very practical uses for it.

However, I suggest a careful distinction is needed. A quasi-board should not be set up to operate with some of the board's powers and provisions. I am not suggesting the provision does that. I suggest we should monitor carefully the way it is done. I certainly support the provision and I know the boards will find it something of a relief not to have to go through that not terribly complex but reasonably onerous Governor in Council process.

Proposed section 50 provides that an investigation may continue even if a person is no longer registered. It is a sensible provision and will be mirrored in other legislation. The provision refers to a person who may well be registered as a practitioner — in this case a psychologist — whom the board wishes to investigate through a formal hearing, and who voluntarily relinquishes his or her registration in order to obviate that investigation. The bill makes it plain that the board can investigate such a practitioner who was registered at the time of the offence, even though the person is no longer registered at the time of the investigation. It is a sensible provision which I am sure the board will welcome.

I draw the attention of honourable members to proposed section 56(3), a matter I brought to the house's attention during the debate on the Chinese Medicine Registration Bill. It states:

No action for defamation lies against the Board or its members for giving a notice under this section.

Under the previous government similar provisions were introduced in an attempt to protect boards against people seeking to hold up the transmission of decisions by some action in the Supreme Court. I understand the government has advice that that is not necessary and that board members are covered under common law. However, I do not know whether the minister has provided the Scrutiny of Acts and Regulations Committee with the explanation that it sought. I am sure that will be forthcoming.

I am happy if boards are covered under common law, so long as they are covered. I do not see any necessity of removing it. If it is a belt-and-braces thing, we must be sure rather than sorry if someone seeks to hold up the transmission of a board's decision and we find the provision fails and the Supreme Court can hold up such

transmission of information to other registration boards around the state.

Finally, I refer to the advertising provisions. Again these are sensible. A strict view of national competition policy (NCP) or of a kind of barren economic rationalism would be that people can advertise in any manner they wish and then it is up to the consumer to determine that and there will be laws to protect them. We have a greater care to consumers with health professions because people are more vulnerable and more likely to put their trust where there is an information asymmetry between practitioner and consumer about what the practitioner offers. They are more stringent advertising guidelines than would have been the case under a strict NCP model and as reflected in other health practitioner bills, and are to be commended. Anything we can do to help the public make informed decisions where of necessity they have less information than practitioners is to be applauded.

I will make one point that is connected to but slightly off the bill, to which Parliament will have to turn its mind — that is, the question of counsellors. I recognise that the bill covers psychologists and therefore does not cover the wide and burgeoning area of counsellors. Over the past one-and-a-half to two years my attitude to this area has hardened somewhat and given me cause of greater concern than perhaps it did 18 months ago. The bill does not, should not and could not bring counsellors under its aegis. We have made a Council of Australian Governments agreement that we will not register any new health professions, and I support that and am not making a case for registration of counsellors. There are now many tertiary courses, many burgeoning practices and many advertising practices under the general guise of counselling. It is one area on which the bill is silent.

The bill will allow for psychological tests, which were once reserved to registered psychologists, to be available to all. I understand that there are some self-regulatory mechanisms in place and I certainly support those. It is time to turn our minds to the question of counsellors and how we can protect the public, not against the vast majority of excellent professionals but against the small minority who will prey upon the most vulnerable in our community. When one thinks of grief counselling or crisis counselling one can readily imagine that vulnerable people may well be put at risk because there is no self-regulatory mechanism that works in the wider marketplace. I do not know, but it may well be covered under the Health Services Act or somewhere else. However, when we consider the powers of the Health Services Commissioner we should turn our minds to counsellors and how we can help to protect the public.

That is not directly connected with the bill, nor do I think it should be. It is an allied instance. It is certainly relevant. Honourable members should be looking at a bipartisan approach to regulation of that area. I wish the bill a speedy passage.

Mr VINEY (Frankston East) — In concluding the debate, I thank the honourable member for Malvern and shadow Minister for Health for his contribution, and for his indication of support for the legislation. In doing so, I recognise that as a parliamentary secretary in the previous government he had some responsibilities for some of the legislation before the house this week.

Mr Doyle interjected.

Mr VINEY — Perhaps a motion could be moved to address that matter.

I recognise the contribution of the honourable member for Malvern to the preparation of the bill and, in particular, the consultation processes that were undertaken in developing it. As he noted, the bill follows and, with a few adjustments, is consistent with the model legislation for health practitioners.

The honourable member for Malvern raised the question of requiring practitioners to display their certificates, including any restrictions that may apply. He also noted the importance in such legislation of placing the responsibility for overseeing the profession in the hands of the Psychologists Registration Board. The government is happy to consider his suggestion. It would do so after consultation with the new board and with the profession in general on any issues that may arise, particularly as a result of the displaying of certificates with restrictions.

The principal objective of the bill is to protect the public by providing for the registration of psychologists and to enable investigations into the professional conduct and fitness to practise of registered psychologists.

The bill repeals the Psychologists Registration Act and, as I said, reflects the model health practitioner legislation. It replaces the current board with a board of the same name. The principal functions of the new nine-member board will be the registration of psychologists and investigation into the professional conduct and fitness to practise of those persons.

The bill provides for three categories of registration — general, specific and probationary — and contains criteria which facilitate mutual recognition. Probationary registration enables persons who have completed approved courses of study to undertake a

period of supervised study or training prior to general registration, which is an important provision.

The bill places a restriction on the use of the title 'registered psychologist' or 'psychologist'. It will be an offence for persons who are not generally or specifically registered to use those titles. That maintains the protection of those titles as provided by the current act and is the principal protection for consumers.

The board will have power to impose conditions and limitations or restrictions on registration. It will have discretionary power to require generally or specifically registered persons to have indemnity insurance against civil liability. Registered persons and applicants for registration will have to provide information to the board on any criminal convictions or court-ordered settlements in negligence cases.

As the honourable member for Malvern noted, there will be a legislative definition of unprofessional conduct and model provisions for disciplinary inquiries, including informal and open formal hearings. Appeals will be made to the Victorian Civil and Administrative Tribunal.

The bill includes some restrictions on advertising which are consistent with those in the Medical Practice Act. The new board will also have the power to inspect premises with a warrant, so enabling a thorough investigation of complaints.

I comment particularly on specialist qualifications. The act contains a specialist approvals process which enables the board to approve a psychologist as a specialist in any of eight specialist areas. Following the national competition review of the current legislation, the specialist approval provisions do not form part of the bill as the provisions were not considered necessary to achieve the legislative objectives and are not contained in equivalent legislation in the majority of other states and territories in Australia. It should also be noted that the medical profession does not have legislative restrictions in that area, despite that profession being highly specialised.

The board will still be able to recognise qualifications in addition to those required for registration, and note them on the register, so that consumers can verify information about qualifications.

The bill is about consumer protection. I noted the honourable member for Malvern's raising of the issue of counsellors. Although that issue is not relevant to the bill and this debate, I will comment that perhaps some of those professions need to be regulated through normal consumer protection laws rather than requiring

additional legislation to establish more health professions.

Broadly, the bill applies to the field of psychology the same provisions as are applied to other health professionals. I commend the bill to the house.

Motion agreed to.

Read second time.

Remaining stages

Passed remaining stages.

HEALTH PRACTITIONER ACTS (AMENDMENT) BILL

Second reading

Debate resumed from 4 May; motion of Mr THWAITES (Minister for Health).

Mr DOYLE (Malvern) — In a rush of bipartisanship the opposition is delighted to support the Health Practitioner Acts (Amendment) Bill.

Ms Pike interjected.

Mr DOYLE — Please do. I hope you are also here for the next bill, Minister. I am looking forward to that one tremendously.

Ms Pike interjected.

Mr DOYLE — No, Minister, we will not be doing the Tobacco (Amendment) Bill next. We will be doing the Health Services (Governance) Bill. I need to gird my loins first.

The Health Practitioner Acts (Amendment) Bill is interesting. After a board has been in operation for some time, from time from time its members will say to the government that the board's operation would be more efficient if some of the provisions were changed in the act, or they may draw attention to shortcomings that were not envisaged at the time of the board's creation. This is a bill that deals with such concerns.

I am fascinated by an omission from the bill. When the opposition was in government I was provided with some insight into the purpose of bills. I recall that when I was working on this bill it was about the Medical Practice Act and the Nurses Act. I note that the provisions dealing with nurses have disappeared from the bill and have been replaced by provisions dealing with dentists. I would be fascinated to know what the difficulties were with the provisions dealing with

nurses. However, I am sure I would be keen to offer the same support should the Nurses Act be brought before the house.

The provisions of the bill are sensible, but I raise a couple of concerns that I am sure can be taken up and resolved by the government. The bill amends the Dental Practice Act and the Medical Practice Act to bring students under the registration regime in a limited way. That seems to be appropriate given students have clinical contact with patients during their courses, and it would be unfortunate if a case of inappropriate behaviour were brought to the board's attention but the board was excluded from making any inquiries simply because it involved a student. The power of the board is limited to whether or not a student has clinical contact with patients, and the safeguards in place are entirely appropriate. It is a useful addition to the board's armoury.

Other provisions allow for the board to conduct appropriate investigations if a registered practitioner has either voluntarily relinquished or ceased to practise in a particular profession. That is also a sensible provision.

The third matter I wish to address concerns the insertion of the definition of professional indemnity insurance in the Medical Practice Act. The Medical Defence Association of Victoria has written to the opposition, and I presume also to the government, raising a couple of issues that I would like to draw to the attention of the house. The majority of Victorian medical practitioners are members of that association, which meets their professional indemnity requirements and represents them at formal hearings before the Medical Practitioners Board. The first issue raised by the association concerns the definition I have just referred to. I will read from the association's letter, which states:

The proposed amendment defines this phrase as including insurance against civil liability in connection with the practice of medicine and an agreement or arrangement for discretionary indemnity in respect of that liability. The amendments ensure 'a level playing field' for insurers offering indemnity and medical defence organisations such as this organisation, which provide discretionary indemnity.

It is our view that it is inappropriate to include the word 'insurance' in the phrase used in the act. It has the effect of labelling as insurance what is clearly not insurance, the indemnity afforded by MDOs. We submit that the phrase 'professional indemnity' would be more appropriate, embracing both insurance indemnity and discretionary indemnity from MDOs.

If the phrase remains as currently in the bill, we foresee difficulties in documentation. We expect the board will require a practitioner seeking registration or re-registration to

provide certification that he has 'professional indemnity insurance'. To provide a certificate with this phrase is not consistent with the discretionary indemnity provided by MDOs. 'Professional indemnity' is neutral, equally applicable to both forms of indemnity.

I believe the concerns raised by the association are reasonable. On my reading of the definition I am not sure — although I would seek advice from the government — whether the word 'and' is important, because it suggests that the phrase includes insurance against civil liability in connection with the practice of medicine and also an agreement or arrangement for discretionary indemnity in respect of that liability.

I would have thought that the phrase covers the concerns of the Medical Defence Association of Victoria. I am not sure whether that is so, but I am sure the intent is for both the arrangements offered by the Medical Defence Association of Victoria and any other insurance that could be called professional indemnity insurance to be able to provide the necessary safeguards.

I also believe the board has considerable discretion in what it may require from individual practitioners as proof that they have appropriate cover — if I may use that layman's term — and I do not propose any amendment to that. All I ask is that the government enter into discussions with the Medical Defence Association of Victoria on the matter. I am very happy to provide the government with a copy of the letter the association sent me if it does not already have a copy.

The second concern raised by the association concerns proposed section 49(e), which provides that the panel conducting formal hearings will not disclose for publication or broadcast the identity of the practitioner who is the subject of the hearing. The formal submission of the association states:

Formal hearings and the allegations that are commonly investigated in those hearings create great potential for damage through the media to the personal and professional reputations of practitioners.

I am pleased to see that the bill will amend the Medical Practice Act by the insertion of section 49(e) in the following terms ...

The proposed section is then quoted. It gives the panel the power to refuse to allow the publication or broadcast of the name of the practitioner before the board prior to the making of a final determination.

The association document goes on, however, to state:

We are concerned that a determination by a panel of the board pursuant to the proposed section 49(e) will cease to have effect upon the making of a final determination in the formal

hearing. We accept that if serious adverse findings are made against a practitioner, he or she may be identified in the media. However, in the event that allegations are rejected or substantially rejected by a panel, it should have the power to continue a determination that the practitioner not be identified, and indeed, have the power at that point to make a determination that the practitioner not be identified. Otherwise, irreparable damage will be caused to the reputation and practice of a practitioner whose name is published and broadcast by the media, notwithstanding he or she has successfully defended the allegations.

I ask the government to contact the Medical Defence Association and to take on board those concerns, which I believe can be met.

The Australian Medical Association (Victoria) has, as a result of my sending it a copy of the bill, raised a query. The AMA has already had detailed introductory discussions with the former government as well as with the present government and the department, but more recently I raised with it a couple of areas of possible contention on which it could comment. One is the definition of professional indemnity insurance. The association was not immediately concerned about the definition but expressed the wish to wait and see what effect the act may have over time. If concerns should arise and the government needs to introduce a further amendment to make the definition clearer, the opposition will support such an amendment.

The second matter raised by the AMA is also treated in part by the Medical Defence Association in its submission. The AMA letter — which I am happy to make available to the government — states:

We do however have some residual concern that when a medical practitioner who has notified the board that he has been committed for an indictable offence is then found not guilty of that offence the board still has a record of that committal. There does not appear to be a ready mechanism to expunge it from his file.

That is a slightly different issue because it concerns someone about to be committed or just committed for an indictable offence. The point made by the AMA is similar to the point made by the Medical Defence Association — namely, that while it may be appropriate to notify the board about a practitioner's present circumstances, if it is then found that there is no case to answer the board should not allow sensationalist media exposés to blacken the name of the practitioner. I ask the government to ensure that the name of a practitioner who has been found not guilty or who has not been committed may not be blackened in that way. It is a reasonable point raised by both the Medical Defence Association and the AMA.

There was a time when we would never have thought we needed such safeguards. Unfortunately, however, in

this increasingly litigious society we have to consider the effect on practitioners of vexatious and concerted attacks on their reputations. I am happy to lay those matters before the government for consideration.

The final point made in the AMA document is that while the association is not opposed to ownership of medical practices by entrepreneurs, it believes lay owners have a higher duty of care to patients treated in their practices than any duty of care applying to owners of non-medical businesses and that such owners should be held responsible for the care provided at their practices. The AMA believes effective protection for the patient can be achieved only through statute.

I recommend the provisions for a high duty of care which are found in the Dental Practice Act. They are entirely reasonable. A high duty of care attaches to people offering health services. As I said earlier, the problem to be overcome is caused partly by the information asymmetry between practitioners and consumers and partly by the vulnerable position patients find themselves in as consumers. I ask the government to look again at those provisions.

Clause 14 concerns complaints about a person who has been, but who has ceased to be, a registered medical practitioner if the complaint relates to conduct at a time when the person was so registered. That is an eminently sensible provision. Clause 17 relates to the investigation of students and appears also to be reasonable.

I have previously raised my concerns about the constitution of panels and about certificates. I will make one more point about them, however, in closing. Clause 30 amends the section of the Medical Practice Act that concerns the functions of the board by the insertion after section 66(1)(a) of the following paragraph:

- (ab) to regulate the standards of medical practice in the public interest ...

And after paragraph (d):

- (da) to issue and publish codes for the guidance of registered medical practitioners about standards recommended by the board relating to the practise of medicine.

They are excellent provisions. Honourable members will be aware that, although legislation is debated in this chamber, there is always also a regulatory regime. Bills such as this one which deal with the health professions and which have bipartisan support give professional boards a mechanism for saying to their own practitioners, 'Here is what we believe is optimal practice'. I believe the best arbiters of optimal practice in a profession are the members of that profession.

Parliament acts as a check and a safeguard; however, honourable members will find that the members of the profession are harder on themselves than anyone else. Both those approaches work extremely well in practice.

Honourable members need look no further than the field of dental practice to see how other states deal with the issue. The New South Wales government attempted to establish infection control protocols through legislation and a somewhat draconian regulatory regime, whereas Victoria employed a lighter touch, using codes of practice and a simple regulatory rule. As a result Victoria achieved a high level of infection control and a high level of compliance. I understand that at the time the Victorian legislation was passed with bipartisan support, the situation in New South Wales resembled a dog's breakfast.

Codes of practice can be used effectively in areas that politicians should be careful about treading in. I refer to a case I am sure honourable members will recall, which was about the appropriateness of carrying out second-trimester terminations in a day procedure centre. That involves difficult ethico-medico legal questions. To provide for the adoption of codes of practice is to say to the boards, 'You must set the highest standards of practice for your profession, and you must demonstrate to your practitioners what it is they are expected to do'.

The health professions can get carried away with what they can do technically, technologically, pharmacologically and scientifically rather than focusing on how they should be doing it or whether they should be doing it at all. Codes of practice give the government and professional boards a great deal of firepower to regulate the quality of the work done by those whom I would describe as the best health practitioners in the world. I congratulate the government on bringing in the bill, although it is a piece of legislation with which I have some familiarity.

I make one final point. The house has now passed with bipartisan support the Psychologists Registration Bill and the Chinese Medicine Registration Bill. In each case the government argued that a section 85 provision was not needed to protect the members of the board because the common law would be sufficient. I await evidence of that. I find it interesting and instructive that although that logic applies to psychologists and the practitioners of Chinese medicine, it apparently does not apply to medical practitioners and dentists. Why is the government not repealing the section 85 provisions in the Dental Practice Act, the Medical Practice Act and the Nurses Act when it has the chance to do so?

I hope it is just a matter of expedience and not a philosophical decision to draw a line between health professions, because that would be unacceptable. If the government believes a section 85 provision is not necessary in the Psychologists Registration Act and the Chinese Medicine Registration Act, I presume that at some future stage it will seek to remove it from the Dental Practice Act, the Medical Practice Act and the Nurses Act.

For my part, I would rather see it remain there. It may be unnecessary, but at least if it stays we could be completely sure that our board members are protected. With those final words, I commend the bill to the house and again wish it a speedy passage.

Mr VINEY (Frankston East) — In concluding the debate, I again thank the shadow spokesperson, the honourable member for Malvern, for his contribution. I am happy to again acknowledge his prior involvement, certainly in the consultation phase of the bill.

I will deal with the final point the honourable member raised about the section 85 provisions, which he rightly says will not be repealed by the bill. It is true that the government has been advised that common-law provisions are sufficient, as was the case with the Chinese Medicine Registration Bill and the Psychologists Registration Bill. I assure the honourable member for Malvern that no distinctions are being drawn between the professions. That is in no way the government's view. The bill was prepared prior to the government being advised about the common-law provisions protecting the board. However, given the severe nature of altering the application of the constitution by making a section 85 statement, the government has accepted the advice. That advice needs to be considered in relation to not only the medical practitioner legislation but also all similar legislation.

I will also refer to the issue the honourable member raised about professional indemnity insurance. It is not my recollection that the government has a copy of the letter referred to by the honourable member. That is not to say it does not exist, although I certainly have not seen it. I would be happy to receive a copy of the letter and respond accordingly. However, I am informed that in drafting the legislation, parliamentary counsel advised that the definition covers both insurance and indemnity. I am happy to have a look at the correspondence to which the honourable member has referred and to arrange for a more detailed response.

The bill makes some important amendments to the Medical Practice Act by establishing the legislative framework for the regulation of medical practitioners.

Given the time limitations, I will refer to only a couple of matters in detail. The first is the provision for the registration of all medical students who are in direct clinical contact with patients. That is modelled on a similar provision in the New South Wales medical practice legislation act and has been introduced following a combined approach by the medical schools and their student bodies, the Medical Practitioners Board and the Australian Medical Association.

Those parties felt that medical schools and hospitals were not sufficiently well equipped to deal with students whose ill health might affect their ability to work directly with patients. The board has considerable experience in assisting registered medical practitioners who are ill to continue in or return to active work. The amendments extend that assistance to students, but only where they are in direct clinical contact with patients.

The provisions are designed to maximise the chances of students effectively resolving their health problems and returning to and completing their studies. They are also intended to cover overseas-trained doctors who are undertaking further clinical training in Victorian hospitals prior to sitting the Australian Medical Council examination for general registration. They will be required to register with the board under the new student registration provisions.

The second issue I will quickly address goes to proposed section 66(1)(dc), which gives the board the power to establish and fund programs such as the Victorian doctors health program.

Medical practitioners are an extremely valuable resource for the Victorian community. Their training, which is publicly funded, is obviously costly. They work in stressful jobs and are at risk of suffering ill health as a result. If we are to provide the highest quality health services to the community, it is essential that medical practitioners maintain their own health. The program is designed to ensure doctors have access to specifically tailored health services that focus on early intervention, referral and rehabilitation to help them get back into the work force.

The government has ensured that the amendments to the Dental Practice Act are consistent with the amendments to the Medical Practice Act. For example, the changes to the powers of the Dental Practice Board relating to insurance held by dental care providers reflect the changes to the Medical Practice Act. The power of the Dental Practice Board to suppress the identity of a dental care provider prior to its final determination will be consistent with the power

provided to the board under the Medical Practice Act. I commend the bill to the house.

Motion agreed to.

Read second time.

Remaining stages

Passed remaining stages.

HEALTH SERVICES (GOVERNANCE) BILL

Second reading

Debate resumed from 4 May; motion of Mr THWAITES (Minister for Health).

The ACTING SPEAKER (Mr Plowman) — Order! As the required statement of intention has been made pursuant to section 85(5)(c) of the Constitution Act, I am of the opinion that the second reading of this bill requires to be passed by an absolute majority.

Mr DOYLE (Malvern) — This bill proceeds from the Labor government's election commitment to disaggregate the health care networks. It is an enabling piece of legislation. It is quite generic and complex in its provisions because of the range of possibilities that may flow from the type of disaggregation the government will choose and the way that that disaggregation will affect individual institutions and existing networks.

For its efficacy or sense the bill rests on the so-called Duckett report, which is the ministerial review of health care networks. One needs to read both that report and the legislative provisions together to get a sense of what the government intends to do to break up the health care networks. I will discuss the Duckett report later.

The third paragraph of the second-reading speech talks about the 'networking of hospital services providing many benefits for patients, clinicians and the health system as a whole'. Apparently, contrary to the original intent of the planning board, some health care networks have become too large and unwieldy and their administration is seen as remote from the people at the heart of health care delivery — namely, patients, patients' families and health care workers.

In order to determine the way the government was going to achieve its election objective, late last year the Minister for Health established a ministerial review of the networks chaired by Professor Stephen Duckett, the report of which I referred to a moment ago. The review

panel was to advise on the optimal future configuration of the hospitals and the networks; on the governance, management and mechanisms to ensure coordination of health services; and on the promotion of consumer involvement and accountability for health care.

The second-reading speech also accurately points out that the review has generated considerable expectation and some apprehension in the public hospital sector. When any government admits to 'some apprehension' it is saying in code that people are running around not knowing what on earth is going on and terrified for their jobs, and indeed for the future of their institutions. Why are the people in the health system going to be put through that uncertainty for a period of 18 months or more for an entirely uncertain conclusion?

The bill will break up 7 health care networks and turn them into 12 health care networks. There will really be 13 networks if one considers St Vincent's and St George's as being a kind of quasi-denominational network. The government's first intention is to have a whole lot less administration, so it proposes to take 7 networks and turn them into 12, or maybe 12½ networks. I will come back to that issue later.

There is a statement in the second-reading speech that says how it is important 'that boards are consumer focused and do not lose sight of the interests of the people whom the agency exists to serve'. That is something that we would all agree with. However, although I do not know if I can speak on behalf of the people who have offered to serve and have served on the metropolitan health care networks, it is something of an insult to them to say that they have not been consumer focused, that they have lost the interests of the people they serve and that their agencies have lost sight of those they need to serve. That is particularly the case when one considers that the vast majority of health care networks have been left exactly as they are. It is not as if each of the networks has been divided up. It is quite the opposite. Only two of the networks have been divided into a smaller number of networks. I will return to that issue later.

In a glib manner the second-reading speech also states:

For the first time, there will be a clear statutory duty on boards to ensure that effective systems are in place to safeguard the overall quality of care provided and to ensure that action is taken to address any problems identified with service quality.

That has always been the case. It was the case under individual hospital boards, under the hospital network boards both as originally created and as they currently exist — those that it is proposed to break up — and I

expect that will be the case in the future. The expression 'for the first time' is something of a throwaway line.

There are two scenarios involving the transformation of the existing networks. One involves no disaggregation of the networks and the other involves disaggregating existing networks and allocating staff, property, rights and liabilities to the new agencies. I am entirely satisfied that what are extremely thorny legal problems have been solved with some elegance, achieving what the government set out to do. I commend the work that has taken place in the legal branch of the department.

The honourable member for Frankston East in his contribution on the previous bill made a comment on how the government intended to remove the section 85 provision from all legislation dealing with health practitioners. I was pleased to hear there is no differentiation between health professionals. At the same time he had a passing swipe at the former government for its use of section 85 provisions. The bill contains a section 85 provision, and I do not think I have ever before read the imputed reason stated for such a provision. If the former government had introduced a rationale for a section 85 provision such as is contained in the bill it would have seen people marching in the streets.

I quote from the second-reading speech in which the minister explains the government's reason for restricting the jurisdiction of the Supreme Court:

This provision is considered necessary to enable the essential restructuring of Melbourne's public hospital system to proceed in an effective and coordinated manner, and without disruption to the provision of services.

In other words, the government says it will limit the jurisdiction of the Supreme Court because it wants its policy to proceed without people having any recourse to the courts. The second-reading speech implies, 'It is our policy. We want it. No courts'.

I understand the reasons for the complaints members opposite made over seven years about the use of section 85 statements. However, the government's excuse for this section 85 statement is the most bald-faced excuse I have heard: 'It is our policy so we will take the Supreme Court out of any deliberations on it'. The rationale is that Labor policy is above the law. I wonder whether that was discussed at any length in the Labor Party caucus meeting.

I turn now to the conclusion of the second-reading speech, which is interesting. It states:

This bill is designed to improve the effectiveness of Victoria's metropolitan hospital system by bringing public health care

agencies closer to the communities they serve and injecting a renewed spirit of collaboration and cooperation among these agencies.

Mr Nardella — Hear, hear!

Mr DOYLE — ‘Hear, hear!’ indeed, because I recall those words being written for the opposition when it was in government. As page 29 of the Duckett report points out, that is exactly what the health care networks did — that is, brought services closer to where people live. I do not want to dip into the Duckett report too early; it is a pleasure that awaits me!

However, in this instance I will refer to page 29, which also talks about the changes by volume of separations in inner Melbourne, middle Melbourne and outer Melbourne hospitals, all of which are incredible. The change in the volume of patients by separation in inner Melbourne hospitals was 5.2 per cent; in middle Melbourne hospitals, 28.6 per cent; and in outer Melbourne hospitals, 36.7 per cent. That clearly demonstrates that the health care networks admirably fulfilled their prime function of moving services closer to where people live. I am sure that honourable members on both sides agree that that is appropriate.

On the one hand the government is now saying that is an aim worth striving for, yet on the other hand it is breaking up the very networks that have demonstrably delivered their own objective over the past five years.

I turn now to some of the provisions in the bill. Because it is enabling legislation it is difficult to apply to the system. Firstly, the bill gets the palm for having the most prolix clause notes I can recall. Given the complexity of some of the situations referred to in the bill, that is understandable.

The bill starts with a simple clause, which says that its purpose is to facilitate the disaggregation of the health care networks — in other words, it says it will follow the recommendations of the Duckett report, which I understand the government has accepted. Since its public release a couple of weeks ago I have read the report with considerable interest. The things that strike me about it are somewhat different from those that appeal to the government, given the noises it has made since the report’s release.

The first thing that strikes me about this blueprint for realigning billions of dollars of acute health services and breaking up 7 health care networks into 12 is, as the second-reading speech admits, the resulting 18 months’ disruption to the entire system. I refer in particular to the suggested centralisation of the support and purchasing functions, the 84 recommendations on the

re-aggregation of the networks and the reference in the table of savings to considerable redundancies in the health care sector.

However, nowhere in its 170 pages does the report discuss cost of disaggregation. I will shortly come to the table of purported savings, a blatantly political summary. I would have thought that if the government were attempting to tabulate savings of \$18 million, the report would contain some statement about the cost.

If the cost is \$3 million and the government will achieve its objective of saving \$18 million, it should say so. If it costs \$10 million and the government still achieves savings of \$18 million, it should say so. The government should not pretend that no costs will be incurred as a result of the most major restructure of health services since the establishment of the networks in 1995–96, because that will not be the case. Any document that dodges the cost of re-aggregation and the cost of rejigging the entire metropolitan health system cannot be taken seriously.

I believe the savings are illusory, and I will deal with that in detail shortly. However, be that on the government’s head. Some time ago I wrote to the Auditor-General requesting that he track the savings carefully, because no-one seriously believes that savings of \$18 million can be made. No-one believes it in the public hospital system or in the community. The government understood that, and having read the report it understands that more clearly than before, as I will point out.

The government says the legislation will reduce bureaucracy. It argues that the separate level of bureaucracy in the health system can be removed, as a result of which the system will run better and \$18 million will be saved.

It is a double-edged sword: to reduce bureaucracy the government will turn 7 networks into 12. The bill will set up 12 networks and call them by a different name. It is a Labor Party specialty — rebadge, relaunch and celebrate as your own. They are no longer networks but metropolitan health services — they are brand new and shining reincarnations.

To reduce bureaucracy Professor Duckett suggests that 39 separate committees, boards or task forces should be set up. What an amazing reduction in bureaucracy that will be!

The house has just dealt with two pieces of legislation that go right to the heart of how practitioners deal with patients. If the rhetoric in the second-reading speech is right, and if we wish to provide high quality care to the

community we serve, why is it that in the 84 recommendations of the Duckett committee the word 'patient' is mentioned only once? If this document is about refocusing an entire system to make it more responsive to the needs of the individuals it serves — some 950 000 Victorians who will receive hospital treatment this year, plus the many others who will use Victoria's excellent community, mental health and aged care services — why is the word 'patient' patently missing from the heart of the considerations and recommendations of the report?

I now turn to the report. It is interesting to note that Professor Duckett begins backing away from what the government asked him to do in the letter that constitutes his report to the minister. It states:

In the terms of reference you asked us to find savings of \$18 million per annum. We have achieved that, although the savings will not be achieved immediately because of the need to absorb staff through attrition and redeployment or make redundancy payouts. The savings come from reduced bureaucracy and improved efficiency and support functions, thus there will be no adverse impact on clinical services. However, as we argue in chapter 4, the existing health care network system is not financially sustainable and additional expenditure is needed to put the system right. The review panel has thus been forced to make recommendations to achieve financial sustainability for the system.

Let us be under no illusions here: that is code for saying, 'We don't think we can find you the \$18 million, but maybe the public and the Parliament will not notice if you throw mud at seven years of coalition government'. That is what that implies. It says, 'We do not think we can find you the \$18 million, but if you throw enough mud some of it will stick and maybe this argument will go away. We can bury the report and hope it never surfaces again'.

I turn to what the report says. I hope in the time available I get beyond the executive summary, because the detail, although no more enlightening, is certainly interesting when one starts to understand just what this committee was asked to do and what they had to come back with as findings. The report states:

... to identify savings of \$18 million per annum through reductions in the cost of bureaucracy.

It is interesting that the review panel talks about the 84 recommendations that lead to major improvements in health care delivery, but the report talks about how a new service system, as yet unproven and untested and highly questionable:

... builds on the successes of the health care network system, but will be stronger, through adopting a collaborative, rather than competitive, approach.

That mantra reappears throughout the document. It is saying, 'We did not get handed a dud. We did not get handed a poor system'. Anything that it does 'builds on', in the words of the report, 'the successes of the health care network system'.

I turn to the financial context, and there is a wonderful statement that I have some sympathy for — perhaps I had better not say that. People who have been in government understand how these statements can be made. The report states:

The health care system in metropolitan Melbourne is under severe financial strain.

My response to that is, when wasn't it? In this state we have a constrained amount of money to spend, some \$18 billion to \$20 billion. Health and human services consume nearly 40 per cent of that sum. It is a constrained amount. Any sensible government and sensible health minister will say that demand for health services outstrips the capacity of the state to supply them. Yes, the system is under pressure — it always has been the case. I am sure a former minister for whom I have a great deal of respect, Maureen Lyster, well remembers the ambulances being parked on the forecourt of 555 Collins Street with officers complaining about the lack of money in the ambulance budget.

I can well remember having fierce debates in this chamber when cuts were made to the acute health budget in 1992–93. I well remember the library supplying me with a sheaf of front pages screaming about the fact that the metropolitan health care system was under severe financial strain. It was thus during the years of the Cain, Kirner, Hamer, Thompson and Bolte governments. Our attention is focused on the issue in a way perhaps never before seen. Although Professor Duckett's committee makes that statement, it has always been the case. I am not sure where that comment takes us.

An argument in the report takes us down a track that tries to divert attention from the principal function of the review — to find the \$18 million savings. A phrase I have not come across before pops up and has since been used in government rhetoric. The second-last paragraph of the first page states that two of the health care networks 'are technically insolvent by normal commercial criteria'. I would like somebody to explain to me what 'technically insolvent' means. They are public health care facilities funded by the government and providing health care to our citizens under the Australian health care agreement, and doing so very well. What does 'technically insolvent' mean?

Honourable members interjecting.

Mr DOYLE — I can see there is a great deal of sensitivity to some of the terminology, and that is fine. I can take up the interjections in a simple way: the last paragraph under the heading ‘Financial context’ states:

The review panel believes that this financial crisis would have occurred even if the existing health care networks were continued. The effect of disaggregation is to focus attention on the issue rather than create it.

What on earth does that mean? Does that mean the panel is seeking some political way out? On disaggregation it is saying, ‘We have suddenly found this, and here is a way to abuse the system as it was for the past seven years’. In that seven years the system went from treating approximately 650 000 Victorians a year to treating 950 000 Victorians a year. The figures are clearly demonstrable in the forward estimates. Yes, after budget cuts in the first two years of the Kennett government, the amount for acute services increased year by year. If the present government is able to further increase that amount, I welcome that additional money going into the health system.

However, let us not forget where that money came from. It was not from the wonderful management of honourable members who now occupy the Treasury benches; it did not come from a policy they put in place. The money came from the careful management of the health system and the overall state economy by the previous government. As the government crows about what it has delivered to the Victorian people in succeeding debates about appropriation in the budget, let us not forget why the government can provide funds without resorting to the activities of previous Labor Treasurers. While I welcome the extra money to be spent in the health system, I note there are some very real questions about the points the committee makes.

It is interesting that the too-big rule seems to have been applied to what will be done to the networks. Although they all allegedly contain several levels of bureaucracy, the only networks that will be disaggregated are Inner and Eastern Health Care Network and North Western Health Care Network. The others will remain mainly as they are. The Royal Victorian Eye and Ear Hospital forms its own network — I would like to have heard the political lobbying that went on before the government came to that decision! — and St Vincent’s Hospital and St George’s Hospital will together form a network.

If it were true there was a whole level of wasteful bureaucracy in the so-called appalling networks, why is the government only able to find purported savings of

\$100 000 in the Southern Health Care Network, which spends something like \$450 million on acute services? The government says it can make savings in the Inner Eastern Health Care Network — and I will come to that in a moment — but what about the Peninsula Health Care Network or Barwon Health? Why are there apparently no savings to be made from them? It is because they are operating extremely efficiently and are models for the provision of health services.

The review panel had problems with the political agenda underlying its decisions. The government told it the networks were too big and too far away from consumers and that the too-big rule should be applied. The decision to retain Dandenong Hospital and Monash Medical Centre within the Southern Health Care Network left the government with a problem because it left a network with a \$450 million business. How was the government to deal with that under its too-big rule? In a token gesture that will come back to haunt it, the government excised Sandringham hospital, which has business of about \$25 million.

I ask honourable members to forgive me if I am a bit woolly on the precise figures. Neither the clinicians nor the management at Sandringham Hospital nor the Southern Health Care Network put forward a submission asking the government to attach Sandringham Hospital to the Alfred and change its role. It must be asked whether it is a good idea to remove a hospital with a turnover of \$25 million from a network of \$450 million.

The most astonishing part of the Duckett report is the section headed ‘Shared support services and joint supply arrangements’. Honourable members should remember that the section deals with the supposedly appallingly wasteful networks which must be disaggregated. The first couple of lines from the executive summary at page 4 of the report state:

The review panel notes that one of the achievements of many health care networks has been the integration of corporate support services including finance, human resources, information technology and supply and engineering. Health care networks with fully integrated support services have identified cost savings in the delivery of these services and have also indicated that greater levels of in-house expertise in specialist areas are affordable by health care networks when the costs are shared.

It gives a giant tick to the networks for achieving what previous individual, autonomous, discrete institutions could not.

The review panel was keen to ensure the benefits were retained, but the problem for the government was that the savings could not be added up to the magic figure of

\$18 million, so it decided to put in something nice and fluffy to make up the difference. The report of the review panel says:

In particular, the North Western and Southern health care networks have been active in identifying and negotiating supply contracts and in benchmarking and testing prices.

It admits that some networks do well now, but the panel sought advice on potential savings and considered the purchasing of pharmaceutical products and general medical supplies. The review panel set up to recommend on disaggregation and decentralisation of services actually recommended that services be aggregated — that is, not broken up into 12 networks but brought together. It said the previous government did not go far enough and more centralisation should occur.

The review panel believes that there are significant savings that could be achieved from further centralising the purchasing function for pharmaceutical and general medical suppliers. Based on advice provided to the review panel, these savings could be in the order of \$20 million depending on the implementation process undertaken. Clearly, all the benefits will not be immediate and a 12 to 18-month lead time would be required before savings begin to be achieved. The review panel has adopted a conservative approach towards including these savings in the achievement of its savings target by identifying only \$5–\$6 million.

What a wonderful piece of logic! The panel believes if services are aggregated further it may be possible to make savings of \$20 million, although not for perhaps 18 months. If those are the savings claimed, what does it say about the government's goal of making \$18 million in savings?

Under the heading 'Services coordination and planning' the government also recommends the establishment of a health services planning council of between 9 and 12 people to do the job of the minister — a group of people to tell us about health services in Victoria. The job of the Minister for Health and the excellent senior officers in the Department of Human Services is to plan health services and implement public policy. The government introduces a carefully researched program of public policy and asks the department to implement it in the best possible way.

The responsibility lies with government and capable senior officers. What will the health services planning council advise on and with what powers of direction? What will happen when the minister and his council are in conflict? I will not harp on the 39 boards and committees set up under the bill, but this one is a real danger because the minister can move away from the proper planning of and responsibility for health services.

The quoting of individual submissions is a good idea only if a quote encompasses a comprehensive point of view or one's own view. From a review of the cemeteries legislation I recall one such quote that expressed succinctly and concisely the need to show respect for the dead and allow them dignity. It accorded entirely with the view of members of the committee and could not have been worded more elegantly. The quotation was used, acknowledging its source as a guiding light, because it represented the heart of the views of the committee members.

That is not the case in the section in the report headed 'Reduced bureaucracy', which states:

... that '... additional layers of bureaucracy accounted for significant expenditure in administrative costs including successive (and failed) management structures which are business and finance dominated' and that '... these additional layers have not made any demonstrable contribution to improving the level and quality of health services within the networks'.

The report itself says that substantial savings can be made in only two of the current seven networks. The subjective anecdotal opinions are not corroborated in attempts by the committee to find savings. The report discusses savings being made in regional offices and in head office. I will return to that when considering the table of savings. It is amazing that head office is expected to take a greater responsibility for service coordination while making savings of \$1 million through redundancies.

I turn to the savings strategy: the table of savings of \$18 million. The committee was given the task of finding exactly \$18 million of savings. It is an astonishing coincidence that the amount of saving demanded by the government is exactly the amount of saving found by the review panel — \$18 million.

Let us consider whether the \$18 million of savings is real and achievable or illusory and political.

The ACTING SPEAKER (Mr Plowman) — Order! It has been brought to my attention that the minister has not been sitting at the table through the entire speech of about 25 minutes. I welcome the minister back to the table.

Mr DOYLE — My first query regarding the \$18 million of savings is: where is the cost? Some inane argument has been put that the costs are built into the savings — in other words, that the savings are inclusive of costs. If that is so, let us say so and clearly outline the cost, subtract it from the imputed savings and see if we get to \$18 million. Nowhere is the cost argued or reasoned.

Now let us consider the individual savings. It is claimed the overheads in the North Western Health Care Network can be eliminated, saving \$1.5 million. That may or may not be the case. It is claimed the saving can be achieved by breaking the network into three different networks.

More astonishing claims are made about the Southern Health Care Network. I have made the point that the Southern Health Care Network does business of approximately \$450 million. If there is such an appallingly bloated bureaucracy running the network why can only \$100 000 of savings be made? On any measure, public or private, it is an outstanding success for a network doing so much important work.

The one that really gives the game away is the claim about the biggest network — the Inner and Eastern Health Care Network — which provides about \$640 million worth of acute health services a year. It is to be broken into three networks. The report documents that the cost of running the business is \$3.1 million. It is commendable for a large network that provides \$640 million worth of acute health services a year to have only \$3.1 million in administrative costs — highly praiseworthy and unbelievably efficient. What other public or private business could say it does business worth \$640 million and costs only \$3.1 million to administer? We should be applauding such efficiency. The astonishing thing is that it currently costs \$3.1 million to run the network.

The review panel recommends that the network be split into four health services. I admit the Royal Victorian Eye and Ear Hospital is a small one, so let us say it will be split into three health services. According to the review, there will be a saving of \$3.1 million. Perhaps if the review panel would have some credibility if it indicated how much would be saved. However, to suggest the Inner and Eastern Health Network can be replaced with three completely new structures resulting in a saving of \$3.1 million stretches my imagination beyond the pale.

How will the government do that? The committee suggests the factors affecting the extent and timing of this achievement include:

Easily identifiable functions which will be eliminated in the new system.

They may be easily identifiable but I cannot find them in the report. That work may well have been done, but on my reading of the report it has not been put before Parliament.

Another interesting aspect of the table of savings is that often qualifications are used by the committee so that it cannot be pinned down on whether the savings will be made or when they will be made. The first one states:

Timing dependent on staff attrition, redeployment and redundancy.

Apparently people will be sacked. That may well be a way of achieving an end, but redundancy has a cost. Where is that cost reflected in any of this documentation? Even if one says that attrition is not a cost and it can be dealt with even though it may take longer and that redeployment is possible and will not be a cost although it may take time, redundancy has a cost. Where is that reflected? The report further states:

Staff appointments ... should be frozen and action commenced to scale down the network offices immediately.

That is fine, but if that involves redundancy there will be a cost. I do not believe a network which now costs \$3.1 million to run and which undertakes \$640 million worth of business can be turned into three health services which cost nothing but do the same amount of business. Even if I were prepared to concede the \$1.6 million of savings from the north-western and southern networks, the \$3.1 million in savings of the inner and eastern network must be highly questionable.

The second part of the table indicates that there will be a reduction in board and chair payments of \$700 000, which is easily implementable with appointees of new boards. The mathematics just do not stack up. The report states that last year board payments cost \$1.1 million. I added up the figures and they suggest the new boards will cost about \$570 000. That will make a saving of about \$530 000, not \$700 000. I hope the house will forgive me for not having those figures accurately at my disposal.

There will be 12 boards and the 12 chairs will be paid \$10 000 each. Then eight board members will be paid \$5000 for representation on 10 of those boards, and 2 of those boards will have a further five people who will be paid \$5000, because the recommendation is to have two networks with much smaller boards. So there are six rather than nine. It does not add up to a saving of \$700 000, as claimed in the report, given that last year \$1.1 million was spent on board appointments. Even on simple mathematics — and I wish it were so simple that I could remember the actual figure — that saving is not achievable. It may be a matter of only \$100 000, but that is the saving they expect to make out of the whole of the Southern Health Care Network. Again, that is a pretty rubbery figure.

The next saving is revised internal management for new metropolitan services of \$1.3 million. It is interesting to examine how those savings are to be achieved:

Achievement of these savings will depend on the precise configuration of site management. This will be a decision of the newly appointed CEOs of the new services.

The review panel thinks there is a saving of \$1.3 million, but that will depend on decisions made by new chief executive officers (CEOs). Another point that is not argued is if the savings are a result of the configurations of site management, surely they are one-off savings and are not recurrent savings as claimed in the minister's press releases. Again, the savings are dependant on staff attrition, redeployment and redundancy.

The next figure refers to consultancies, which is a favourite hobbyhorse of the government. From memory the report states that in the past year networks spent about \$3.4 million on consultancies, therefore, \$2 million can be saved in those consultancies. There will still be about \$1.5 million spent on consultancies, but the committee claims \$2 million can be saved. How will that be done? The factors affecting the extent and timing of the achievement state:

Achievement dependent on actions of new CEOs.

So, a guarantee cannot be given that savings will be made in consultancies. If the new CEOs need work done by external agencies they should be free to go and get that work done. Of course no-one wants wasteful or unnecessary consultancies. Everyone wants consultancies of quality. All honourable members would agree with that. Let's not say that they are of no use to the government of the day to add firepower to its expertise and to help make good public policy. I hope consultancies continue in the networks. They were efficient, well managed and helped the former government to make good public policy decisions.

The report simply states in a blithe manner that \$2 million can be saved, but it is apparently entirely dependant on the actions of the new CEOs. Therefore, to be honest, it cannot be claimed at all unless the government directs the new CEOs of those new services to make those savings.

The next alleged saving is due to reduced compliance costs of \$500 000. Again the wording is interesting. It states:

Achievement contingent on DHS central office streamlining HSA processes and reducing micro-management.

The government says it wants those networks and the head office to be more responsive to the needs of the individual patients. What could be more micro-managing than that? And it is a good way to go. The review panel says the government should get out of micro-management. It states:

Timing dependent on ... staff attrition, redeployment and redundancy.

It is also contingent on streamlining processes. Those savings may be achieved, but the review panel hedges its bets and says they may not be. Some \$2 million in savings is to be achieved in the regional offices and \$1 million at head office. How will those savings be achieved? It depends on:

... restructuring of regional offices and the re-engineering of some ACMH processes.

... on staff attrition, redeployment and redundancy.

Secretary of DHS to decide on reductions based on reduced complexity and administration involved with HSA process and reduced emphasis on micro-management.

The reduced emphasis on health service agreements relates to going from single-year health service agreements to three-year health service agreements. That is probably a good move.

I agree that single-year health service agreements have probably had some shortcomings, but the complexity of changing to three-year agreements should not be underestimated. Equally, and more importantly, if the government wants to track three-year agreements it will have to do so more precisely than ever before, because as honourable members know hospital budgets can run off the rails quickly.

The government is saying there will be not a one-year but a three-year window of negotiation. Is the government seriously saying to networks, 'Okay, here is our health service agreement; you go out and do your best and we will see you in three years'? Of course not. It would be irresponsible to expect the networks to manage health service agreements over three years and guarantee that hospitals always track properly.

The savings that are claimed to be available in regional offices and in head offices may be a cost to the system in tracking something like health service agreements moving to three years. It is blithely claimed that, contingent on a number of dependent factors, the government can make savings of \$3 million so that the report finally, agonisingly, gets to a subtotal of \$12.2 million in savings, when \$18 million is needed.

How can savings of \$12 million increase to \$18 million and the requirement laid down by the government still be fulfilled? Hey, presto! Remember the support service agencies referred to earlier? The writers of the report are saying, in effect, 'We kind of think you can make savings of \$20 million — maybe starting in 18 months time. What will we call that? Why don't we call it the difference between the agonisingly arrived at \$12.2 million and the target the government has set us? Surprise, surprise! The joint supply arrangements are that precise figure — \$5 million to \$6 million — and we have got to our \$18 million'!

What about the \$5 million to \$6 million? Surely it has been argued that that is a modest amount? No. It will require a task force to identify the best model for centralised purchasing and a lead time of 12 to 18 months to implement the new system before the savings can be achieved. So, agonisingly, the report creaks inexorably through appalling logic to the \$18 million that the government demanded the review committee find. Not a single line of the report's savings table is believable. It is a joke to suggest that the review committee has fulfilled the requirement of the government that it find \$18 million in savings.

The opposition also points out that in public utterances, and in a press release I have seen it has been claimed — perhaps unintentionally — that the \$18 million is recurrent savings. That is not what the report says. The report refers to savings from the networks. If my memory serves me correctly — I am sure the house will forgive me if this is not precisely right — the report states that the recurrent savings from the networks will be \$8.7 million. That amount is arrived at with some difficulty. I ask for some clarification of what it is.

I wish I could go on for hours and hours and hours.

Honourable members interjecting.

Mr DOYLE — I take with great heart the exhortations that I do so, but I will resist, because I am strong.

I would hate it to be said that I was being political. Far be it from me to say that my response to the report is political, because what the government set up was an entirely impartial committee to consider a policy imperative and come back to it with its findings! That is what Professor Duckett no doubt set out to do. Perhaps I am being cynical by suggesting that there are political imperatives in the document and in the savings it suggests can be made.

Honourable members will understand why an article that appeared in 'Focus' in the *Weekend Australian* of

20–21 May headed, 'Yes, Prime Minister' caught my eye. I read the article on Saturday, 20 May — a landmark day. The article was about the relationship between senior public servants and people in the public service and government, particularly between people who choose to serve the government and the government's quite natural political ends.

The article presented, among other things, an argument about whether it is a good thing or a bad thing for the political process to interfere with the public service. We often have that argument in this place.

An honourable member interjected.

Mr DOYLE — Don't start me, because I will come back. Let's talk about the changes in the Department of Human Services, shall we? I promise we will talk about that in the future. Let's talk about a few of the faces that are no longer there — they were excellent public servants.

An honourable member interjected.

Mr DOYLE — The government's public servant, I recall. I will return to that issue as well.

An honourable member interjected.

Mr DOYLE — I hesitate to take up that issue, but I am certainly looking forward to welcoming back Mr Moran to the Department of Premier and Cabinet. I would not throw stones from inside glass houses if I were a government member.

As I came to the end of the article I was interested to see that it quoted Professor Stephen Duckett. What did he have to say about the process for fearless and frank advice being given to government? I will quote from the article:

Former health secretary Stephen Duckett argues for politicising senior levels of the public service as a legitimate way for the government of the day to implement policies for which it was elected.

The article then quotes Professor Duckett as saying:

People elect governments and if they feel they need someone ideologically similar to implement policies, then that's okay.

The article also states:

Duckett also welcomes the appointments of public service outsiders. 'It's a good thing to expand the gene pool', he says.

Professor Duckett said, 'If they feel the need for someone ideologically similar to implement policies' — not examine, analyse or offer advice on policies — 'then that is okay'.

When I read the Duckett report on the ministerial review of health care networks I asked myself whether I was being too cynical in suggesting that there could be a political connection between Professor Duckett and the Labor Party promise to find \$18 million. I confess that I came to the conclusion that I was not being too cynical! But I digress. I could go on and on, and I am happy to do so.

The end of the executive summary of the Duckett report is on page 7 of a 170-page document. I would provide a more careful annotation of the document, but I am cognisant that a number of honourable members wish to contribute to the debate. If the house will forgive me I will skip over a number of points and consider only the points that I believe are particularly relevant to the bill, which is the enabling legislation that implements the recommendations of the report.

Page 29 of the report refers to the spread of health services and sets out an interesting table that shows the health services that have been moved from inner metropolitan Melbourne to the middle and, more impressively, outer parts of Melbourne. That is a great testament to the work of the boards of the health care networks. I hope at some stage the minister will write to present and past board members and thank them for their service. Government members may not support that work, or its aegis and structure, on political and ideological grounds; that is their right.

I hope the government has the courtesy to write to those individuals to thank them for the great deal of time, energy and creative thought they gave to the networks. I wish to put my thanks to those people on the formal record. They are very busy, senior people who have given a great deal of their time and energy to the health system. They should be congratulated on doing exactly what the government wished, according to the minister's second-reading speech — moving the services to outer metropolitan Melbourne.

The table on page 29 shows that 36 per cent more work is now being performed in outer metropolitan hospitals than in 1994–95. In 1994–95, 99 660 separations took place in outer metropolitan Melbourne hospitals; in 1998–99, 136 216 separations took place in outer metropolitan Melbourne hospitals. In 1994–95, 208 544 separations took place in middle metropolitan Melbourne hospitals; in 1998–99, 268 097 separations took place in middle metropolitan Melbourne — a 28.6 per cent increase. The number of separations that took place in inner metropolitan Melbourne hospitals increased by only 5.2 per cent: from 185 741 separations in 1994–95 to 195 463 separations in 1998–99. That is a great testament to the work of the

boards of the health care networks in moving services to where people live.

I am often amused to see the productions and publications issued by the Department of Human Services that claim that those achievements are a result of the policy of the new government. The government did not have to change even the typeface of those press releases, because they contain the same words as those written by the department under the former government. Moving the networks to where people live was part of the former government's policy, and I believe all honourable members would subscribe to that policy.

I also wish to refer to some of the points made in the chapter headed 'Financial context'. Great play has been made in the community of the accusation that assets have been inappropriately diverted for purposes other than those for which they were intended. I do not support that practice, and I will support any legislation that ensures that no government, bureaucracy or structure is able to divert trust moneys away from the purposes or hospital for which the original donor intended them. We all know that sometimes the intended purpose of a trust may change and that the health system should be able to benefit from trust moneys, but I do not support going against the express wishes of donors. Any legislation that tightens the regulations that govern trusts is good.

If there are examples of inappropriate or illegal actions having taken place I suggest they should be reported to the Auditor-General. That is the appropriate forum for it. All honourable members would be concerned if money donated for proper, specific purposes were diverted from those purposes. That is what concerned me about that chapter of the Duckett report. It included some suggestions which were not fully fleshed out but for which there should be documentation. That should be referred to the Auditor-General.

Some of the language of the report concerns me. On page 34, for example, there is reference to three of the other four health care networks having a 'patchy' financial performance. Without extensive argument such derogatory and pejorative language is inappropriate, particularly since the bill does not alter anything about the structure of those networks. I caution against denigrating the work of people operating in an environment where demand for health services always outstrips supply and where people are necessarily faced with difficult decisions about resource allocation. Such denigration is inappropriate.

I note in passing that some of us who have struggled with the health system lie awake tossing and turning in a lather of sweat trying to understand WIES, which stands for weighted inlier equivalent separation. I do not recommend it as bedtime reading for people who wish to get through more than about three paragraphs. After some years, however, I hope I have a basic understanding of it. There was probably a time when Professor Duckett was the only person in Australia who understood it! I point out for honourable members that the footnote on page 34 is a concise explanation of WIES. I commend its author and heartily recommend it as at least brief, if somewhat dense.

The idea of funding at marginal rates for only 5 per cent a hospital's work is interesting. The report points out on page 35 that approximately 12 per cent of activity being funded at marginal rates was being funded through the target A margin, option WIES and tender WIES components of the casemix funding formula. I argue that they were generic alterations made as we went along.

If the government now wishes to rejig casemix to add weight to casemix payments, that is fine for the individual WIES; it is a reasonable solution. We should not, however, separate such actions from history or from the fact that during the time the health budget was increasing hospitals in Victoria treated an enormous number of extra patients. We should keep activities at that high level. It is a staggering fact that 950 000 patients go through our hospitals each year. It is true that some of those cases are readmissions, but it is also true that the figure is growing. In rough terms one-quarter of our population passes through our hospitals each year, and the degree of satisfaction with the conditions and the treatment received is unbelievably high.

In the health portfolio — and sometimes even in the shadow portfolio — the tendency is to focus on the negatives, on what goes wrong in the system overall rather than on what goes right. It is a tribute to what hospitals and networks have done that Victorians who are ill and vulnerable overwhelmingly wish to be treated in our hospital system, because we have an excellent system. That does not mean we should not strive to improve it, as the government believes it is doing.

Productivity improvement is an area in which the government wishes to criticise the former government. On page 36 of the report, for example, the intention is to criticise the former government — but the example used to illustrate better productivity improvement makes a comparison with the United States health

system! I would have thought no Labor government would hold up as a model such an appalling system of care management, a system in which 40 million or 50 million United States citizens have no access to any treatment! How can the government hold up such a system as a model for Australia to follow? That is a remarkable about turn. I have no time to dwell on that matter, however.

A number of my colleagues will make a point about the Sandringham and District Memorial Hospital, so I will not go into that matter in detail. Suffice it to say that the government has made a wrong decision about Sandringham. It should be left with the Southern Health Care Network because it has a particularly local focus. If the orthopaedic work done at Sandringham cannot be transferred to another local hospital there will be real problems.

It appears that St Vincent's, St George's and the Royal Victorian Eye and Ear Hospital will now form a quasi-network. I have no difficulty with that concept. It seems reasonable but I think those hospitals got caught up with the too-big rule. Once the government decided that Dandenong would remain with Monash it had to excise something, if only for the sake of show. Sandringham was, unfortunately, the victim of that process.

The bill deals with a number of matters that the opposition supports. For example, it provides that the North Western Health Care Network's mental health program, MH-Sky and the north-west regional dialysis service, which are all excellent and recommended to stay in their current form — —

Mr Haermeyer interjected.

Mr DOYLE — I thank the Minister for Police and Emergency Services for his compliment about the way the former government organised those services. I remember the opening of the Northern Hospital. That was an occasion I enjoyed very much, and I hope to get back there again soon.

Section 5.3.4 of the report on page 52, which is headed 'Relations with denominational and privately operated (public) hospitals' seems remarkably sketchy for a major provider. Confining St Vincent's, for example, to that degree seems not to do that hospital justice for the role it plays in the system — notwithstanding that since 1998 it has stood in a somewhat different relationship.

Despite the pleasure it would afford me, I will not go through the rest of the Duckett report in any detail. Instead, I will touch on a few provisions of the bill.

In October 1998 the former government presented the Health Services (Further Amendment) Bill. The then shadow minister is now the Minister for Health. In his response he talked about the purposes of the bill, his major concern being that it would enable:

... the Minister for Health to sack the directors of Melbourne's public hospital networks.

He goes on a page later to say:

The provisions of the bill will allow the minister to sack on a whim any of the 43 directors of our hospital networks.

Further down he states:

It allows a board or a director to be sacked for no reason at all. For that reason the opposition does not support the provision. Indeed, the legislation could be used to force hospital boards simply to toe the political line ...

They were the then shadow minister's words in 1998. He seems to have changed his mind since then. Page 75 of the Duckett report says:

The Governor in Council may remove a director or the whole board. In practice, this is a contingency power which is seldom used. It is important that this power be retained in relation to metropolitan health services to ensure that government has ultimate capacity to exercise control when necessary in the interests of the wider community.

His violent opposition to exactly that provision in October of 1998 has not survived the test of a couple of years. Apparently it is now perfectly all right for him as Minister for Health to have a power which he was not prepared to vouchsafe to other ministers for health.

One of the worst things about being a member of this place — and I am sure at some point it will happen to all of us — is that your words come back to haunt you. I do not think it is appropriate to — —

Mr Haermeyer interjected.

Mr DOYLE — I would not wish that on anybody. Luckily it is done for you, so please feel free to read it at your leisure!

Despite the then shadow minister's abhorrence of a board being made to toe the government's line, that is exactly what clause 6 does. In referring to core objects it inserts proposed section 24(2A), which says:

If the Secretary directs a metropolitan health service to amend or alter its core objects, the metropolitan health service must amend or alter its core objects accordingly.

In violent opposition, the shadow minister said in 1998:

Indeed, the legislation could be used to force hospital boards simply to toe the political line ...

That is exactly what his bill will do!

I am not suspicious by nature, but even my credulity is strained when a shadow minister violently disagrees with the secretary of the department having the power to direct a health service to amend or alter its core objectives yet two years later as minister not only accepts the same recommendation in the Duckett report but also specifically includes it in his bill. To be perfectly honest, I do not have a problem with that. The Minister for Health sits at the apex of the health system, so to me the provision seems reasonable and appropriate. What is unreasonable is that in 1998 the minister was apparently violently opposed to it.

The final point I wish to make is that the bill sensibly provides for what is to happen when a hospital for which a trust has been established changes its name, goes out of existence or changes its function. The bill makes some sensible changes to ensure that that money is not lost to the system, which seems reasonable. However, in exactly the same debate the then shadow minister argued vehemently against just such a proposal. In particular, he pointed the finger at the then government, saying that the proposal was the result of changes involving Essendon hospital and the Central Wellington Health Services.

The coalition government argued that there was nothing sinister about the proposal. It said its aim was to ensure that a trust — particularly a non-discretionary sort of trust — would not fail simply because a hospital changed its name and that a government had available to it the mechanisms it needed to guarantee that the trust money was used for a purpose similar to that for which it was originally intended.

Everyone understands that if someone has left money to a hospital — Prince Henry's, to name a hospital properly closed by a former Labor government — the successor in law to that hospital that does the work for which to all intents and purposes the money was intended should, so far as possible, be given access to those funds.

In 1998 the former shadow minister found that provision sinister and inappropriate. Yet as minister in 2000 he has enshrined it in a bill. As I said, I do not oppose that. I thought it was sensible in 1998, and at least I have the luxury of having the same opinion in 2000, unlike the Minister for Health.

Mr Acting Speaker, in conclusion — —

A Government Member — You have said that several times!

Mr DOYLE — Yes, it has been a lengthy conclusion. However, it is a matter about which I feel passionately.

A government member interjected.

Mr DOYLE — All I can suggest is that if members are passionate about my conclusion given the next speaker, they may be even more passionate about me continuing. However, that is a different issue. The government said that, as an article of faith, it would break up the networks and make savings of \$18 million. I recognise that the bill is enabling legislation and that it contains some sensible proposals for the redirection of trust moneys and the way re-aggregation could occur.

At the same time, I believe the government will be found out, because I doubt that it can make the savings it claims can be made. It was a foolish promise to make in opposition, and it is unachievable in government. However, that is the government's problem. It is intellectually shoddy not to mention the cost of doing those things. It is inappropriate for the government to rely on a political imperative to propose an answer that may or may not be appropriate. I do not think that is the right way to go. The costs need to be clearly pointed out.

It is a pity that the good work of the members of previous boards has been denigrated by the report. Although some of the good work has been praised in public debate, most of it has been ignored. The government says it wants to reduce bureaucracy. It is therefore regrettable that it is increasing the number of networks from 7 to 12 and setting up 39 different boards, committees and advisory committees.

If the government's basic tenet is that the report will result in better services for patients, it is also regrettable that in its 84 recommendations the report mentions the word 'patient' only once. I return to the point about the report being a political exercise. As Professor Duckett said about governments, which was quoted in the *Australian* newspaper:

... if they feel they need someone ideologically similar to implement policies, then that's okay.

It is my fear that that is the motivation behind the review of health care networks rather than a desire to take a real look at whether the proposed re-aggregation will better serve Victorians.

Although I do not think the government will achieve its aim, I hope it does, because if the result of the exercise is better patient care, the people of Victoria will be the better for it. Opposition members will be monitoring

the situation not just throughout the next 18 months but throughout the next three years because we intend to hold the government to its election promise to make savings of \$18 million. We will make the government accountable for its promises.

Having said that, given that the bill is enabling legislation the opposition will not oppose it.

Mr VINEY (Frankston East) — It feels rather like the honourable member for Malvern and I have been playing a game of ping-pong, given that we have followed each other in the debate on the past three bills. Although during his lengthy contribution the honourable member raised many issues on which I would like to respond, I am unable to do so in the few minutes available to me. I am sure other honourable members from this side will respond to some of the specific issues he raised.

However, I will respond to what I regard as his gratuitous criticism of Professor Duckett's report. The honourable member for Malvern spent 1 hour and 15 minutes suggesting that the savings identified in the Duckett review do not exist. However, his suggestion that Professor Duckett was responding to a degree of political influence amounted to unfair and unreasonable criticism of the dean of health sciences at La Trobe University and someone who, it would be fair to say, is Australia's foremost health policy expert. To make that suggestion was demeaning and I hope it was done more in the robustness of debate than in seriousness.

The honourable member for Malvern was clutching at straws in his contribution when he grabbed hold of one line from page 28 of what is a detailed and complex report and took some heart from it as some kind of endorsement of the previous government. The report is nothing short of a total indictment of the previous government's approach to the management of the hospital system.

The Duckett review identified that hospitals were going bankrupt and that apparently nobody in the Metropolitan Hospitals Planning Board that set up the network structure on the advice of the previous government supported the structure. The review also identified that the system was pushing hospitals into insolvency. For the benefit of the honourable member for Malvern, the word 'insolvency' means that one's liabilities exceed one's assets. The review recognised that in 1992 net current assets in the hospital system were \$76 million and that now there is a deficit of \$12.5 million. That is what 'insolvency' means and that is what Professor Duckett identified. It may not be what

the honourable member for Malvern wants to hear, but the Duckett review identified those problems.

The review also identified the underfunding of the hospital system. The government has responded to that by putting an additional \$176 million into the hospital system, \$93 million of which is baseline budget support and \$60 million of which is to be used to open an additional 360 beds. I am proud to say that that includes the government's commitment to 64 beds at Frankston Hospital. There will be a \$23 million improvement in the quality of services provided. These developments are responses to the crisis the government found in the hospital system and are designed to restore confidence in the public hospital system and provide the sorts of services which people in the community expect and which were lost under the administration and mismanagement of the system that was overseen by the honourable member for Malvern when he was parliamentary secretary.

It is a gratuitous gesture by the former parliamentary secretary to criticise the quality research, reporting and analysis done by the Duckett review. The government is pleased to take up many of its recommendations: appointing to hospital boards at least one person who represents consumers, establishing consumer advisory committees in each metropolitan health service, and capping remuneration packages for chief executive officers, some of whom have been in receipt of salaries of up to \$300 000. Those salaries will now be capped to the level of that of the secretary of the Department of Human Services.

Other recommendations include: enshrining equity in waiting times for surgery between specialities, requiring the Department of Human Services to publish a suite of performance indicators, and agreements between major regional and metropolitan hospitals to help rural patients access specialist treatment such as coronary or intensive care. These are the sorts of actions that are necessary to overcome the previous coalition government's mismanagement and degradation of the hospital system. The bill will be vital in restoring confidence. I commend it to the house.

Mr WILSON (Bennettswood) — The Health Services (Governance) Bill seeks to abolish the health care network structure established by the previous coalition government and replace it with a new structure comprising 12 new metropolitan health services.

On many occasions the Minister for Health has made wild claims about the previous coalition government, which had an excellent record of providing a better

health system for all Victorians. As the former chief of staff to the previous health minister, Rob Knowles, I am proud of the previous government's record of treating 300 000 more public patients in 1999 than were treated at the time of its election in 1992. I am aware that in 1992 the previous coalition government inherited a health system from the Labor Party that had almost 1000 Victorians waiting more than 30 days for urgent elective surgery. In 1999 no Victorians were in that category.

I am proud of how the previous coalition government moved services to where people were increasingly deciding to reside. Examples are its commitments to build new hospitals at Knox, which has since been cancelled by the present government, Berwick, and my boyhood town of Mildura. I am proud of how it successfully argued for \$250 million extra in the new Medicare agreement with the commonwealth government. I am proud of how, under the leadership of Marie Tehan, it established the Metropolitan Hospitals Planning Board and the resultant health care network structure, which this bill seeks to abolish, and under her successor Rob Knowles, the Metropolitan Health Care Services Plan. Let the record show that under the network system that this bill seeks to demolish the previous coalition government provided new metropolitan health services in Epping, Broadmeadows and Cranbourne — —

Government members interjecting.

The ACTING SPEAKER (Mr Nardella) — Order! I ask government members to please keep their voices down. Hansard is having difficulty in hearing.

Mr WILSON — The genesis of the bill is an election promise made by the Labor Party. Labor claimed it would abolish the health care network bureaucracy and redirect the \$18 million saved into patient care, yet the Duckett report mentions the word 'patient' only once. Of that \$18 million it is proposed that some \$9 million will be spent to make our hospitals 'cleaner and introduce better infection control'. If that is accomplished we will all say that was a good decision.

The final report of the ministerial review of health care networks by Professor Stephen Duckett — the basis for the bill before the house — was released on 11 May by the shadow Minister for Health, the honourable member for Malvern.

In releasing the report the honourable member for Malvern announced in lieu of the government that the seven networks that currently exist with an annual total expenditure of \$2.592 billion were to be abolished.

However, the report fails to state any costs for the implementation of the three new networks to replace the Inner and Eastern Health Care Network.

In his letter to the Minister for Health at the front of his report, Professor Stephen Duckett states:

In the terms of reference you asked us to find savings of \$18 million per annum. We have achieved that, although the savings will not be achieved immediately because of the need to absorb staff through attrition and redeployment, or make redundancy payouts.

Professor Duckett goes on to say:

... we argue... the existing health care network system is not financially sustainable and additional expenditure is needed to put the system right.

That extract highlights how on the ball the honourable member for Malvern was on both 11 May and in his contribution today when he asked the Minister for Health, the cost of implementing the report. Clearly, there will be no savings, merely more expenditure for little or no reason, something at which the Bracks government unfortunately is quickly becoming expert. Health services are all about treating patients in a timely and quality manner. While I am critical of the Duckett review in many respects, I was delighted to note that at page 98 it states that for the four selected procedures all urgency category 1 patients were treated within the ideal period of 30 days. That goes to the core of what was delivered by the former coalition government — that is, quality, timely public health care.

Under the network disaggregation as proposed in the report and the subsequent bill a new eastern metropolitan health service is to be established comprising Box Hill and Maroondah hospitals, the Angliss and Yarra Ranges health services and the Peter James Centre. As the member for the electorate of Bennettswood, I am looking at how that will benefit my constituents. An article in the *Monash Journal* of 9 May states that the chief executive officer of Box Hill Hospital, Associate Professor John Rasa, agreed that the hospital would not receive any new major funding from the government's 2000–01 budget but added that some budget initiatives would impact on the hospital. However, he agreed he would not know the extent of any additional funding for several weeks.

The Duckett report claims that disaggregation of the Inner and Eastern Health Care Network will have a positive impact on the ability of the services to serve their local communities, including my electorate of Bennettswood. An examination of a network map shows that, apart from the old network extending down to Bethlehem Hospital in Caulfield and to the city

fringes, the two networks are similar. The only distant health service on the map, Yarra Ranges, is in both the old and the new networks. The great omission for the new eastern health service is a new hospital at Knox, ditched by the government, which is a great shame.

The disaggregation of the existing health care networks will be expensive. The report makes no provision — not a single cent — for funding the set up of the 12 new networks or metropolitan health services as the Minister for Health chooses to call them. I have little confidence that the Box Hill Hospital will be any better off for the government's bureaucratic paper shuffling.

At page 4 the review panel makes the extraordinary claim that savings from centralised purchasing management and improved supply chain management and logistics could be of the order of \$20 million, but goes on to say it is adopting a conservative approach and has identified only \$5 or \$6 million in savings from that area. How can Professor Duckett and subsequently the government on one hand seek to expand the number of governing bodies from 7 to 12 because of claimed diseconomies of scale, then on the other hand imply that purchasing must be further centralised to save money?

At page 7 the report identifies what it calls savings strategies, including \$2 million in claimed savings from fewer consultancies. The report notes that those savings are dependent on the actions of the new chief executive officers. Good luck to the minister and the government on that! As the minister does not claim that individual hospitals will shrink in size, why would there be any less need to engage outside experts from time to time to advise on important or specialised matters? Savings of \$1 million are claimed from the restructure of regional offices and \$2 million from head office costs. How can that be so when the government is creating 12 networks from the current 7? The report claims that \$3.1 million will be saved from the elimination of network overheads in the Inner and Eastern Health Care Network. As three new networks will replace the existing one, will that really lead to cost savings? The opposition will be monitoring the progress of that promise.

The report states that boundary changes are still to be made to the proposed new City of Monash networks. This enabling legislation provides that any changes to existing networks will be made within 12 months. However, recommendation 15 of the Duckett report states that those new boundaries will not be implemented until June 2002, a full two years away. Uncertainty will reign in the eastern and southern networks for a long time.

Recommendation 22 of the Duckett report suggests that chairmen of the new networks will receive \$10 000 and directors \$5000. As the shadow Minister for Health pointed out, the current Inner and Eastern Health Care Network is a \$640 million business. The government risks obtaining poor quality chairpersons if it offers only tokenism for what will be demanding roles.

Recommendation 35 suggests that the department should review the international and Australian experiences with setting explicit waiting list criteria and evaluate the effects of these initiatives on resource use and allocation. Is this shorthand or Thwaites-speak for major changes to the previous coalition government's publicly available performance results and indicators?

The ministerial review confirms that, excluding capital items, the Inner and Eastern Health Care Network recorded a cumulative surplus of \$38.4 million between June 1994 and January 2000. Net current assets of the network, which includes Box Hill, were \$51.5 million in December 1999. That indicates to opposition members that there is a strong financial position despite the report's claim that that is due merely to the inclusion of the Peter MacCallum and Royal Victorian Eye and Ear hospitals.

On page 38 the report is forced to concede that:

Victorian hospitals are now the lowest cost in the country ... This represents a saving of over \$50 million per annum in comparison to the next cheapest state.

The current Minister for Health cannot claim that patient satisfaction under a coalition government in Victoria was any lower than in any other state. I hope the Labor government will not blow this cost advantage away, because it is thanks to the previous coalition government that the system was able to provide so many patients with good quality care.

Although the opposition will not oppose the bill, there are many glaring deficiencies in the ministerial review and the resultant legislation. The eastern suburbs I represent deserve to continue to receive the good health care they received from the previous coalition government. This bill does not advance that cause.

Mr LEIGHTON (Preston) — This enabling bill provides for the disaggregation of the existing health care networks and their replacement by smaller health services, which will be far less bureaucratic and much more responsive to local communities. One cannot enter into the debate without having regard to Professor Duckett's report, the Ministerial Review of Health Care Networks. I congratulate Professor Duckett on both the process he followed and the quality of his

work in the consultation process, the interim report and now the final report.

The honourable member for Malvern was sceptical about the claim that some hospitals are technically insolvent. The honourable member for Bennettswood went even further. He crowed about the networks and referred to some of the newer hospitals, such as the Northern Hospital. I am happy to take the Northern Hospital as a case study because it was built, commissioned and operated under the last Kennett coalition government, and it certainly is technically insolvent. It was under-resourced in part because the previous government committed to continuing health services on the old PANCH site and then reneged. The hospital was therefore unfunded for theatres and beds. It is not surprising that there has been a blow-out in the waiting lists, especially for category 2 and 3 patients and for accident and emergency services. The hospital is running a \$1 million a year deficit because the former government based its funding on the privatised Latrobe hospital. The Northern Hospital was required to provide a \$1 million a year dividend to the government, a requirement that even the Latrobe hospital cannot meet.

The Kennett government locked the Northern Hospital into what I believe was a scandalous maintenance contract for an extra \$250 000 a year as part of the construction contract. The former North Western Health Care Network could not be responsive to the area I represent, and I welcome the new Northern Health service, which will comprise the Broadmeadows Health Service, the Northern Hospital and Bundoora Extended Care.

I particularly welcome the recommendation on page 47 of Professor Duckett's report that the Preston Integrated Care Centre should be part of the Northern Health service. The Bracks government will build the centre promised by the Kennett government as part of the PANCH closure, a promise it reneged on. It was promised under the Bracks government, and work is currently under way. The budget papers refer to a \$5 million commitment for the integrated care centre. The area I represent will have a far more responsive health structure matched by new services on the ground. On that basis I am happy to support the bill.

Sitting suspended 6.31 p.m. until 8.02 p.m.

Ms McCALL (Frankston) — I begin my speech by commending the honourable members for Malvern and Bennettswood on their contributions. As the shadow Minister for Health, the honourable member for Malvern always demonstrates a great deal of

knowledge and understanding, and the honourable member for Bennettswood was the chief of staff of the former health minister.

It is easy to criticise either a report or the performance of previous health care networks. I place on record that, whatever the outcome of the debate, I offer my full support for the current health care networks, and in particular my thanks go to those chief executive officers for the excellent work they have done, for the massive increase in the number of patients that have been treated throughout Victoria and for the high degree of customer satisfaction. I commend the chief executive officers of the networks who have done an outstanding job and I commend the members of the hospital boards who have served the networks well.

Turning to the Duckett report, I thank Ella Lowe, the Director of Nursing at the Peninsula Health Care Network, for her contribution to what in the main appears to be an extraordinarily political document.

The document contains some overtly political statements, including in the covering letter from Professor Duckett which forms his introduction to the report. He says the panel was asked to find \$18 million worth of savings before it had carried out an independent review or met with the communities most affected and the individuals with most influence. I am disturbed that the panel was told what the outcome should or should not be.

I am also disturbed that the word 'patient' has only once been mentioned in the 24 recommendations in the Duckett report. The first and foremost priority of any health care system, whether it be in this state or anywhere else in the world, must be the patient and his or her care. It is easy to talk about saving dollars here and saving jobs there, evicting someone from a position and setting up boards in different shapes and sizes. Fundamentally, hospitals exist to treat patients, and patient outcomes and satisfaction must and should remain the highest priority.

One of the reasons for my making a speech today is the Peninsula Health Care Network. The Duckett report has tagged that network, set up by the previous coalition government in 1995, as the flagship and benchmark by which other networks have been judged. I commend Graeme Weideman, the former member for Frankston, who fought for the Peninsula Health Care Network to remain a small, locally focused network. He was supported by members of the community and honourable members representing the peninsula who sit around me today as well as Tony Hyams, the former

member for Dromana, who fought so valiantly for the Rosebud Hospital.

The Peninsula Health Care Network works fundamentally for patient care. One of the most important patients — to me at least — at the Frankston Hospital in the last three years was my father, who was treated by a first-class staff, in a first-class manner at high speed. Last Friday he and my mother became Australian citizens and he is proud to say that he has positive memories of the Frankston Hospital as part of the Peninsula Health Care Network.

Over the past four years, as a demonstration of the commitment by the previous government the Peninsula Health Care Clinic at Frankston Hospital received in excess of \$30 million. As a result of the support in the recent budget from the current government the Frankston Hospital site has resembled a building site over the past four years, and long may that continue. I pay tribute to the staff on behalf of all those who value their excellent work.

I am also grateful to the support of others in the network, particularly the Mount Eliza Aged Care and Rehabilitation Service. As the Minister for Aged Care is aware, the service has supported the local community for many years and is currently going through a major restructure with the Carinya Centre off Golf Links Road and other developments of aged care facilities further down the Mornington Peninsula. The success of the Peninsula Health Care Network is a credit to members. If there is any positive outcome of the Duckett report it is in its acknowledgment of the excellent work by the Peninsula Health Care Network.

I also note within the report the push towards the use of community advisory boards — in other words, the use of the community or the potential patient base to provide direct input into the hospital networks. I am delighted to see the Peninsula Health Care Network has two such community boards — one, established in 1997, for the southern part of the network and managed out of the Rosebud hospital; the other established in the middle of 1999 and managed out of the Frankston Hospital. I am a member of the community advisory board for the northern part of the health care network. It provides a valuable means of understanding the needs of consumer and user groups of the health care network and the issues that are most important to them. It also provides an excellent opportunity for the community to inform senior management of the most important issues.

The Duckett report and the legislation give support to the move from one-year to three-year funding contracts.

I have no hesitation in supporting the provision, given issues related to endoscopy, colonoscopy and other areas that create difficulties in the financial management of Frankston hospital, particularly with the demand by older members of the community. The provision is a positive move as the community is encouraged to undertake major testing and treatment on a regular basis, particularly older members of the community.

However, I share the reservations of the honourable members for Malvern and Bennettswood: it is easy to say \$18 million will be saved. Neither the Duckett report nor the legislation details the costs involved in winding up the currently existing networks; setting up a smaller but new bureaucracy; and paying out redundancies, including superannuation payments, for staff.

The opposition does not oppose the legislation because it recognises that the people of Victoria must receive the best medical and hospital attention. However, a worldwide phenomenon exists and it is increasingly difficult for governments to provide effective health support. Health care networks must learn to change and adapt; the community has to learn to accept and adapt in order to secure quality of health care through the current structures. I am delighted the Duckett report endorsed the excellent work currently being done by the Peninsula Health Care Network.

Mr SEITZ (Keilor) — I congratulate the Minister for Health on taking immediate and swift action to return sanity to health services, in particular in developing regional councils that will make hospital networks more responsive to community and neighbourhood needs. It will be a plus if the \$11 million salary components can be reduced and the money used for patient services.

It is the lot of members of the opposition to criticise the government and to defend what they believed in and established when in government. The shadow Minister for Health is defending the past.

Nothing in the debate criticises the legislation put forward. The government is aware that the cost is high — that is why the report was undertaken under the existing structure. The high cost of hospital overheads was raised by the Australian Labor Party in opposition at the time the networks were being developed and the consultants originally reported.

It is a tradition to gravitate to a familiar environment, so each neighbourhood and region has depended on its own hospital and medical services. Within my

electorate, people in the northern suburbs gravitated to the Preston and Northcote Community Hospital — PANCH — or the Austin hospital; they did not come to the Western General Hospital in Footscray. I am pleased that again a western suburbs complex including the Sunshine Hospital, the Western Hospital and the Williamstown Hospital will be available. Local residents feel comfortable when they have access to the service and can visit friends in the hospital. It has to do with many things but mainly the people who work in those areas.

That complex will care for the needs of people living in and employed in the region. The restructuring of the 12 smaller systems will lead to savings that will fund services to cater for patients' needs. I will not even touch on the dental needs in my area. At the Sunshine complex we had a good dental service, which I hope will be returned under funding provided by the government so that it can provide a service to low-income earners in my electorate. I wish the bill a speedy passage.

Mr THOMPSON (Sandringham) — In addressing the Health Services (Governance) Bill I champion the cause of the Sandringham and District Memorial Hospital, a community hospital built through the contributions of its surgical, medical, nursing and administrative staff over 60 years. The first 20 years or so was spent in the planning stages and the past 36 years have seen the hospital develop to the point where at 30 June it will have a record level of throughput in general surgery and obstetrics. The hospital has an active and proud record and tradition of serving the local community.

One of its most important facilities, the accident emergency service, is underpinned by the excellent work of its support staff, Marianne Parrot, the chief administrator of the hospital, Ron Brownlees, the senior radiographer, and a range of other senior and administrative support staff.

Why is the hospital being regrouped into the Bayside Health service network? In the context of its record performance over the past three years since the former coalition government's reforms were implemented, the Sandringham hospital arguably has never worked and served its local community better. More than \$3 million has been invested in new operating theatres; it has served its local community through its casualty unit to an unprecedented level; and through the ongoing provision of its obstetrics unit it has fulfilled the constructive role of a viable and valuable local community hospital.

Essentially, its realignment with the Alfred group is change for the sake of change rather than anything that will serve the Sandringham hospital and the interests of the local community. The Alfred is a leading world hospital with an outstanding research record and a range of pioneering developments in different methods of medical treatment, in ophthalmology and heart surgery to name just two.

I am pleased that the Duckett review mentioned a number of issues about the Sandringham hospital. The first point made in the report at page 47 notes that:

This alignment of a tertiary hospital and a community hospital will allow for improved access and management of elective and emergency patients and increased continuity of care.

I question that statement in that Sandringham hospital in its present alignment in the Southern Health Care Network stands as an excellent outpost for a range of medical and surgical procedures. It already is a community hospital with tertiary hospital alignment. The Duckett review notes that:

The current activity levels and the existing emergency service at Sandringham and District Memorial Hospital should be maintained.

I seek the assurance of the minister that in the days ahead this recommendation will be upheld by him and his government. I note that during the last parliamentary sitting Sandringham hospital was one of the first issues raised in the chamber by me when I sought an assurance from the Minister for Health that the network review would not detract from the services provided through the Sandringham hospital. He gave an assurance that the services at the Sandringham hospital and in the wider district would not only be maintained but would be improved. Benchmarked against its current level of service provision, it remains to be seen and to be measured whether there will be an improvement in the level of service delivery through the Sandringham hospital.

The next issue on which I seek an assurance from the minister relates to the comment in the Duckett report at page 47 that:

The potential of telemedicine links between the Alfred hospital emergency department and the emergency service at the Sandringham and District Memorial Hospital should be investigated.

Sandringham hospital has a great capacity to expand its emergency department to reduce the demand at the Commercial Road site of the Alfred and to develop a range of support staff and personnel, which is so important in the pre-emptive stabilising strategies that

hospitals are able to use today. During the various debates on the Sandringham hospital, going back to 1993, then 1995 under the network review, and in more recent times under the Duckett review, the comments from my community are that it would be outrageous if there was interference in the service level at the Sandringham hospital. I have received letter after letter from people and many comments have been made about the importance of the ongoing viability of a community hospital which was established through the vision, commitment, perseverance and constructive work contribution of its professional and support staff.

This evening at the 52nd anniversary of the establishment of Israel as a modern state I spoke with Hass Dellal, a constituent of mine who is the executive officer of the Australian Multicultural Foundation, a man who for many years has served multicultural Australia through a range of enterprising and visionary projects. I mentioned to him that this bill was being debated today. He emphasised the importance of the Sandringham hospital's continuing role in serving the local community. His young son Adam was born at the hospital some six months ago.

Family after family, residents in street after street — not just in the Sandringham area, but in Brighton, Mordialloc and in the fine electorate of Bentleigh — have been treated for orthopaedic or general surgery elective work or have accessed the lifesaving intervention in the accident and emergency department.

The next issue raised in the Duckett report following the recommendation about the potential of telemedicine links being developed and investigated is that the role of staff rotations between the Alfred and the Sandringham hospitals should be encouraged. I see that as a positive aspect in terms of the expertise of the Alfred staff as well, not to underestimate the outstanding work undertaken by specialists such as Dr Robert Eaves and Dr John Griffiths, who at different stages have worked within the Southern Health Care Network.

A further recommendation in the report is that the obstetric service currently provided at Sandringham should be continued. The review panel recommended that this service be auspiced by a metropolitan health service with a strong tertiary obstetrics role. There are some complications in this process in that the Sandringham hospital already has this alignment. The Alfred does not provide tertiary obstetrics. That has baffled keen former administrators who have served the hospital over many years. They are trying to understand why change simply for the sake of change is leading the Sandringham hospital to be realigned.

A further aspect refers to the recommendation that the renal service currently provided at Sandringham be continued from its current location and be supported and enhanced by the Alfred hospital renal service. I have a constituent who, following two failed kidney transplant operations, partly through the connection with the Alfred and under specialists with a level of expertise with whom she was not initially relaxed about or comfortable with, has now found her oasis after having been on an 18-year odyssey through the public health system. She is now at a place where she appreciates the contribution of her doctor, Mr Peter Kerr. She values the outstanding service at the Sandringham hospital and its renal dialysis unit, and wishes to maintain her access to that level of skill and service.

In addition, it has been recommended that there be a further review regarding the delivery of aged care and mental health care services within that precinct.

The Sandringham hospital has played a vital role in health service delivery to the Sandringham community; over generations it has been well patronised and supported, jam jar by jam jar and brick by brick. The test is whether the Minister for Health will honour the assurance and commitment he made in this chamber, that as a result of the network review and realignment, services at the Sandringham hospital will be not only maintained but improved. The Minister for Health will be judged accordingly against that benchmark in the days ahead.

Ms DUNCAN (Gisborne) — I am pleased to speak this evening on the Health Services (Governance) Bill, which meets another Bracks government election commitment.

I was pleased to hear the honourable member for Frankston say that she also supports the bill because we need to provide the very best health services to the people of Victoria. I am happy that she shares the government's sentiments.

I comment briefly on the contribution made by the honourable member for Malvern who spent most of his very long discussion talking about where the so-called savings of \$18 million will come from. That was basically the only point he made. The entire point of the exercise was an attempt to argue that there would not be savings of \$18 million. That is a fairly typical response because many services in Victoria, including health services, just had a dollar value put on them and all government business was considered in that light. I remind the honourable member for Malvern that hospitals were going broke. In 1992–93 hospitals had

net current assets of \$76 million, and in December 1999 they were \$12.5 million in the red. So even under the opposition's own criteria — that is, the basic dollars-and-cents criteria — the previous government was failing miserably.

A Government Member — We are fixing up their mess.

Ms DUNCAN — We are again fixing up their mess. I agree with the honourable member for Malvern — it is probably the only area on which we agree on this bill — that there is never enough money for hospitals. All governments, state and federal, acknowledge that they will never be able to provide all the money they would like to provide for hospitals — but that problem is not assisted by cutting more money from hospital budgets.

The honourable member for Malvern also made a big thing of the joint supply arrangements and centralised purchasing. He was suggesting that centralised purchasing is somehow inconsistent with the idea of decentralisation and making the unruly health networks a lot smaller; that amalgamation for purchasing is inconsistent with wanting smaller networks that are closer to their communities.

Those things are not mutually exclusive. I am a bit puzzled about why the honourable member for Malvern is not able to acknowledge that smaller networks that are better able to represent the needs of their communities can be established at the same time as a central purchasing agent, with the benefits that flow from that. Sadly, he had much difficulty in understanding that concept.

There is a huge difference between taking advantage of bulk purchasing and having smaller networks. Victoria had huge networks, CEOs on huge salaries, hospitals going broke and people believing their local hospitals were not meeting their needs. I am pleased the government will put an end to all that and will meet another election commitment, yet again. I commend the bill to the house.

Mrs PEULICH (Bentleigh) — I must confess that while listening to the contributions to the debate on the Health Services (Governance) Bill I got into the mood. I feel quite unwell, and I hope the medical system will not be put to the test during my brief contribution to the debate.

I would like to commend the shadow Minister for Health, the honourable member for Malvern, for his comprehensive and insightful contribution to the debate. Given that the Minister for Health has

campaigned on the many issues the honourable member for Malvern canvassed, it is disappointing that the minister was not even in the house during the honourable member's contribution. I imagine he was either in his room with the microphone in his ear or poring over every word in *Hansard*, because he certainly has a lot to learn.

Mr Nardella interjected.

Mrs PEULICH — Yes, the speaker was in his earhole. I can imagine the honourable member for Albert Park doing that because he has a lot to learn.

I am not surprised that he is lying low after all his whingeing, carping and carrying on during the seven and a half years of the former government. He is lying low because he has earned three big Fs — he has failed on the three key criteria set out in the Labor Party policy he has been trumpeting. The first big F is the commitment to abolish health care networks. That commitment is absolute baloney. There are now more networks — they have increased from 7 to 12.

Ms Duncan interjected.

Mrs PEULICH — He did give a commitment to abolish health care networks. I guess, like members of the Labor Party and other aspects of Labor policy, that commitment will change and evolve substantially now the Labor Party is in government.

The minister and other members of the Labor Party said much about the need for community participation in the development of policy. I quote from the Labor health policy:

Labor Victoria will also ensure community participation in health policy, planning and delivery. In particular Labor will:

...

Support local area planning and input by the local community in preparing local health plans.

That has not been achieved given the effects of the health care network reviews flagged by Professor Duckett, and it has not been achieved from the perspective of the Bentleigh electorate.

The third key criterion on which the Minister for Health scores a big F is his promise that Labor Party reforms will deliver better health outcomes for the community. From the perspective of the Bentleigh electorate, that will not happen.

First and foremost I express my dismay at the Minister for Health's response when I have previously raised this issue in Parliament, particularly in relation to my

concerns about the Sandringham accident and emergency service and what will happen to the 600 orthopaedic patients who are on waiting lists, many of whom are constituents of the Bentleigh electorate, given that it has the third-highest number of people aged 65 and over. He rebuked me because he thought I should write a submission to Professor Duckett rather than raise the issue at the highest level of decision making in Victoria. I was smart not to have done that; none of the submissions supported the excision of the Sandringham hospital from the Southern Health Care Network. The local community and the local members oppose the proposal, because it will mean that access to health services by the local constituency will diminish.

In addition, the Minister for Health admonished me for not expressing similar outrage about the Mordialloc–Chelsea Community Hospital. Obviously, he does not own a *Melway*, because Sandringham hospital is only 6 kilometres from the Bentleigh electorate, but the Mordialloc–Chelsea Community Hospital is four times that distance away. Clearly, he does not really know what the issue is all about. The people of Bentleigh are concerned that the promised \$18 million of savings will not be achieved by the disassembling and re-configuring of the health system. That is what the chief executive officers say.

Members of the opposition have been given briefings by the CEOs. They told us that the cost of unpicking the networks and putting them back together, especially with information technology, communications and the transfer and handling of medical records, will mean that those savings will not be achieved. We will see valuable health dollars exit our health networks as a result of the review. It is change for change's sake. The political beast created by the honourable member for Albert Park needs to be fed.

The disassembly of networks is unsettling. Bureaucracy will not be minimised because there will be more chief executive officers, senior executives and advisory committees, and I cannot for the life of me see how those savings can be made.

I have a number of concerns about the clinical implications for the Bentleigh electorate. As I asked earlier, what will happen to the 600 orthopaedic patients who are currently on the waiting list? Nothing has been said about them. Approximately 25 per cent of the people on those waiting lists are currently catered for through Sandringham hospital. Excising that hospital from the network will mean that access for the local community to medical and other health services in the Bentleigh electorate will diminish.

Furthermore, performing fewer elective surgeries from Monash Medical Centre at Sandringham hospital will mean that waiting lists in electorates such as Oakleigh, Clayton, Bentleigh and surrounding areas serviced by the Monash Medical Centre will increase by a further 10 to 20 per cent, according to the hospitals. There will be a blowout, a further worsening of hospital waiting lists.

Elective surgery categories 1 and 2 are broad.
Category 3 — —

Honourable members interjecting.

The ACTING SPEAKER (Mr Lupton) — Order! There is too much audible conversation.

Mrs PEULICH — An important question, already flagged by the honourable member for Sandringham and very close to his heart, as it is to the hearts of many in surrounding electorates, is the continuation of accident and emergency services at Sandringham and District Memorial Hospital. About 12 000 people attend Sandringham's accident and emergency department every year. If it no longer provides services for the local community, the Monash Medical Centre will not be able to cope. Waiting times in the accident and emergency department of that hospital will go sky high.

Mr Cameron interjected.

Mrs PEULICH — There is no doubt about it. Waiting times at Monash will go up by 20 per cent. The honourable member for Oakleigh, who is in a marginal seat, the honourable member for Clayton and honourable members in surrounding electorates will have to answer to their local communities.

Mr Cameron interjected.

Mrs PEULICH — We will see about that!

The Minister for Health will be rated with three big Fs, because the proposed reforms will fail politically, medically and financially. The opposition cannot see where the savings will take place or how the reforms could possibly benefit our local communities. Sandringham hospital is the sacrificial lamb. The Labor government has created a beast and needs to feed it. The decision makes no sense. I urge the Minister for Health to make sure that all the services being accessed by local communities at Sandringham hospital are maintained.

Mr Cameron interjected.

Mrs PEULICH — Mr Acting Speaker, I have serious concerns about the bill. Honourable members now interjecting campaigned on it, and the opposition is allowing them to proceed with it, but I alert the Parliament, ministers and honourable members present to the diminution in access to health services by local communities that will result and to the lack of participation and involvement of local people in the proposed reforms. Waiting lists will progressively increase, and the accident and emergency capacity of Monash Medical Centre will reduce as a result of this bill.

Mr HARDMAN (Seymour) — It is with great pleasure that I rise to speak on the Health Services (Governance) Bill. It delivers on one of the six key pledges the Bracks government took into the 1999 election: to abolish the health care networks and find \$18 million in savings as a result, money that would instead be employed to improve infection control and the cleanliness of hospitals. With this bill the government has delivered on that pledge.

It is important to note — —

Mr McIntosh interjected.

Mr HARDMAN — I will come to that later. The honourable member for Bentleigh will vote on the bill tonight. After what she has said, her vote should be noted for the record. Professor Stephen Duckett, I am sure, is far more knowledgeable than the honourable member for Bentleigh about what savings can be made, and I would prefer to believe him on the matter.

The government undertook wide consultation about health care networks through the ministerial review headed by Professor Duckett. That review found that two of the health care networks were technically insolvent. They would have had to sell all their investment assets to provide ongoing operating funds and to find money for capital expenditure and other items such as information technology equipment. That is unbelievable stuff! The situation was also due, in part, to the continued underfunding provided by the former Kennett government.

The health care networks are too big and, further, were encouraged by the former Kennett government to compete with each other. The new arrangements proposed by the bill will encourage health care agencies to adopt a collaborative approach.

Mr Leigh — On a point of order, Mr Acting Speaker, the honourable member appears to be reading a speech given to him by the media unit. Perhaps he could make it available to the house.

The ACTING SPEAKER (Mr Lupton) — Order! Is the honourable member reading from his notes?

Mr HARDMAN — I have some notes here, but the media unit has nothing to do with them. I am happy to hand them over, as I will after my speech anyway for Hansard to use. Anyone is welcome to peruse my notes.

The ACTING SPEAKER (Mr Lupton) — Order! There is no point of order.

Mr HARDMAN — Many of us were appalled by the salary packages received by the health care network chiefs. Some packages were reported to be more than \$350 000 per year. That kind of waste, along with unnecessary levels of bureaucracy, detracted from the services the networks could provide.

The object of the bill is to make the health care agencies in the metropolitan area more focused on and responsive to the needs of the users of those services. The bill also will benefit the constituents of the Seymour electorate, especially those living on the rural fringes of Melbourne, who have been suffering from a lack of quality services due to the policies of the former Kennett government.

In his report Professor Duckett has tipped a bucket on the previous government. He sets out the mismanagement of health care that occurred in our state. I commend to the house both the bill and the recommendations of the report.

Mr LEIGH (Mordialloc) — Mr Acting Speaker, I wish — —

Mr Nardella interjected.

Mr LEIGH — That is very interesting. I will come to that in a minute.

The ACTING SPEAKER (Mr Lupton) — Order! The honourable member for Mordialloc will ignore interjections.

Mr LEIGH — I am happy to ignore the honourable member for Melton.

I will say a couple of things about the bill on behalf of my community. Firstly, the Sandringham and District Memorial Hospital has a significant part to play in the provision of medical facilities in the south-east.

Mr Cameron — Are you planning to close the hospital?

Mr LEIGH — How many people in the south-east would ever think of going to the Alfred for hospital

services? The answer is, not too many from the Cheltenham, Mordialloc, Parkdale and Dingley areas.

A government member interjected.

Mr LEIGH — I survived! The people of my region have been able to use the combined services of the Monash Medical Centre and the Sandringham hospital. For example, when the Monash casualty department was in trouble, people went to Sandringham — —

Mr Nardella interjected.

Mr LEIGH — Without taking up his interjection, I note that the honourable member for Melton made an interesting comment about what happened to the Mordialloc–Cheltenham Community Hospital. I will outline the history of the matter. In 1987 the then Labor government tried to close the Mordialloc hospital. During the course of the 1980s the Labor government persistently sought — —

Mr Viney interjected.

Mr LEIGH — You should move away if you think that is a disgrace!

Mr Wilson interjected.

The ACTING SPEAKER (Mr Lupton) — Order! The honourable member for Bennettswood is interjecting and out of his place.

Mr LEIGH — I wonder how many of the Labor members who claim Mordialloc was a great hospital used the facility. What happened to the women who used its maternity services, for example? In 1991, during the Labor government's time in office, a baby died at Mordialloc hospital because there was no doctor on call — —

A government member interjected.

Mr LEIGH — No, there was not. During Labor's time in government the only course open to anybody whose wife or baby was in trouble at that hospital was to ring for an ambulance and have either or both taken to the Sandringham hospital or the Monash Medical Centre. As much as the honourable member for Frankston East likes to carry on about it, the hospital was not up to scratch during the Labor years. In the 10 years it was in government, Labor ran the hospital down to such a point that it needed millions of dollars spent on it.

Mr Viney interjected.

Mr LEIGH — You, you goose, ran it down! You were part of the — —

The ACTING SPEAKER (Mr Lupton) — Order! The honourable member for Mordialloc will not use unparliamentary language.

Mr LEIGH — I am delighted not to. I will never refer to anybody as a goose again, Sir. The Labor government of that era ran the facility down. It was an old hospital, and the honourable member for Frankston East ran it down. Let's get that right from the start.

Then we had to put up with the former shadow health minister, the current Minister for Health, and the hypocrisy of the Labor Party during its years in opposition. If the honourable member for Frankston East ever bothers to leave his salubrious surroundings on the peninsula to drive back up along the Nepean Highway, he will find a \$5 million facility — —

Mr Cameron — Have you seen the opinion polls in your electorate?

Mr LEIGH — Don't worry about it. I was here before you were!

The ACTING SPEAKER (Mr Lupton) — Order! The honourable member for Mordialloc will resist responding to interjections. I have been very patient with the Minister for Local Government tonight; I ask him to refrain from interjecting.

Mr Viney — Do you live in your electorate?

Mr LEIGH — Half a kilometre out — not 10 — in part of the old City of Mordialloc. I still live and participate in my community, don't you worry about that!

The Labor government wrecked the Mordialloc hospital, and members opposite know it. Former Labor ministers and members tried to close it and failed. Anyone who visits the hospital these days will find a state government dental care service, a community health centre and City of Kingston health care facilities. It is a hive of activity with facilities that far surpass those that were available in the past.

Along with my mother, in 1952 I attended the opening of the hospital as a seven-month-old baby, and I have been part of that community for most of my life. Mordialloc is no longer in the sticks; it is part of the suburban network. Sandringham hospital has become a significant part of the lives of the people who live in my neck of the woods, whether because of the births of their babies in the maternity department or because of

their emergency visits to the casualty department. It must be put on the record that the Labor government's long-term proposal is to have neither a casualty department nor a maternity department at that hospital.

Professor Duckett and the apparatchiks of his who work in the network are about to make sure that, as part of the Alfred hospital group, Sandringham hospital will no longer be a hospital for the people in the south-east of Melbourne. The government ought to be ashamed of itself. Its members keep saying that they consult and talk to everybody, but who the hell have they talked to about that? They have not talked to the locals. The City of Kingston does not agree with what is going on, and even some of their mates oppose it. A lot of people are opposed to what the minister is proposing.

The minister says he will make \$18 million worth of savings, but there is a computer facility at Sandringham hospital that does not interface with the Alfred hospital.

Mrs Peulich — That will be costly.

Mr LEIGH — The government will have to meet the cost of reorganising those computer facilities. Honourable members should be mindful of the fact that Sandringham hospital was used as a backup facility when the Monash Medical Centre's casualty department was overflowing. What will happen now? Our community will suffer.

The Labor government has deserted the residents of the south-east of Melbourne because not enough of them voted Labor. The honourable member for Carrum got a few titbits in the budget, but other than that nobody in the south-east got anything. The Labor Party has sold the residents of the south-east down the drain.

From my perspective the bill is based on a terrible decision. It is a good example of the approach of the Minister for Health and Minister for Planning, who spends too much time running between various offices rather than focusing on his portfolios and being accountable to the Parliament and the people of Victoria. Might I be so bold as to suggest that one minister cannot cope with running departments of the size he has to run and coping with the information he has to cope with. Nobody can, it is a simple as that.

Mr Nardella interjected.

Mr LEIGH — You say that, but the health department is a huge conglomerate, and the planning department is also huge. The honourable member for Albert Park is no more of a superman than any other member of this place.

Mr Nardella interjected.

The ACTING SPEAKER (Mr Lupton) — Order! The honourable member for Melton has been consistently interjecting. He was extended the courtesy of being heard in silence, and I would ask him to respect the rights of other speakers.

Mr LEIGH — The minister has been sold a dead pup. His bureaucracy, which is running the ship, has told him what he should do — and that is what he is doing. He thinks he can save \$18 million. Over the course of the next year I look forward to seeing the same smiling expression on the face of the honourable member for Frankston East! I have seen a few of the same smiling characters before, laughing because they think they have fooled the people. Well, Sir, they have not. The government will not save \$18 million. It is a dumb idea that will not advantage my community.

Mr Viney interjected.

Mr LEIGH — I know the honourable member for Frankston East is a powerful player behind the scenes, and I know he appears to have been one of the three who had the former Leader of the Opposition dumped.

Mrs Peulich — He is no friend of Brumby's.

Mr LEIGH — He is no friend of the honourable member for Broadmeadows.

The ACTING SPEAKER (Mr Lupton) — Order! I ask the honourable member to come back to the bill.

Mr LEIGH — I point out to the honourable member for Frankston East, who wants to interject all the time, that, as I said at the outset, this is a dumb idea. The outcome will be reduced services for the people of the south-east.

The government has said that it will ensure donations will go to the right areas. I hope the minister will give that assurance today. Parliament should ensure that the people of the south-eastern suburbs get a fair share of the taxpayers' dollars and are not discriminated against as is presently the case under this government. The proposed legislation will make it harder to access health services and is not a good idea for the south-eastern suburbs.

Ms BEATTIE (Tullamarine) — I was about to open my remarks by saying it gives me great pleasure to participate in the debate on the Health Services (Governance) Bill, but after what I have just heard I cannot say I am pleased. The honourable member for Mordialloc had to apologise to the family of a person

who was unfortunately killed in the Domain Tunnel and he should also apologise to the family of the dead child to whom he referred. As one who is closely associated — —

Mr Leigh — On a point of order, Mr Acting Speaker, I was referring to a coroner's report in 1991 and not about — —

Mr Nardella — No you weren't.

Mr Leigh — I was; you don't know what you're talking about.

The ACTING SPEAKER (Mr Lupton) — Order! There is no point of order. I ask the honourable member for Tullamarine to come back to the bill.

Ms BEATTIE — I will come back to the bill, but as the relative of somebody whose child died when she was very young I consider it abhorrent that the death of a child should be used as a cheap political stunt in this debate.

The bill is designed to improve the effectiveness of Victoria's metropolitan hospital system and to bring health care agencies and their staffs closer to the community they serve. The introduction of the bill delivers on one of the key commitments of the Bracks government. It is a comprehensive bill and the Minister for Health is to be commended for delivering it to the house so soon after being elected.

Health was one of the policy areas that Victoria found wanting under the previous government. The community judged the Bracks government, with the current health minister at the helm, best able to deliver a quality, caring service. The bill will not only place health care agencies closer to the community, it will make them more focused and responsive to the needs of the users and patients. Is that not what health care should be about? Victorians wanted care for patients without the creation of unwieldy bureaucracies, and that is what in September they judged the government could do best.

Although the Bracks Labor government may agree with the thrust of networking, contrary to the vision of the planning board some networks have become too large — they have become bloated and unmanageable. Health professionals have expressed dissatisfaction with the way in which they have operated. The government commissioned a review that was chaired by one of the country's foremost health policy experts, Professor Stephen Duckett. More than 160 written submissions were received in response to initial advertisements placed in newspapers, the large number

indicating dissatisfaction with the previous system. An interim report was published in February and the report was made available on the Internet. Some 8000 people downloaded copies of the report.

I am fortunate in my electorate of Tullamarine to have quality community-based health care provided by the Sunbury integrated health centre. The centre will shortly be relocated and expanded to provide more health services in the electorate following an election promise made by me and the Bracks Labor government. However, praise must go to the person who is described as the doyenne of community-based health care in Victoria, the chief executive officer of the Sunbury service, Ms Ros Stephens. Together with her dedicated staff, Ros has been determined to provide and promote community-based health care.

I invite honourable members to the Tullamarine electorate to see what can be achieved in community-based health care. The community of Sunbury has nothing but praise and affection for the service that Ros and her staff have provided to the community, as the former honourable member for Melbourne North Province in the other place, the honourable member for Melton, would know. Even the previous government could not silence Ros Stephens in her determination to provide quality health care to the community.

Although the bill is complex in its detail its thrust and vision are simple — it seeks to provide quality health care service to all Victorians and to make the newly created agencies delivering metropolitan health services open and accountable. It seeks to return to health care professionals pride in the service they deliver and to restore faith in the system.

As a by-product of the bill's introduction the Minister for Health will be remembered as the minister who put the heart back into the Victorian health care system; unlike others who will be remembered only for using cheap stunts to draw attention to themselves in the house.

I commend the bill to the house. I reiterate that the honourable member for Mordialloc should apologise for his outburst.

Mrs SHARDEY (Caulfield) — The Health Services (Governance) Bill amends the Health Services Act to allow the disaggregation of the health care networks and the reorganisation of public health agencies in metropolitan Melbourne.

By way of background, the metropolitan health services plan of 1995–96 was created to provide a framework

for meeting the challenges of health care in Victoria into the 21st century. The plan aimed to enhance health services in the outer areas of Melbourne and provide a more even distribution of health care facilities around the city, particularly among the aged. There was recognition that although there had been significant growth in Melbourne's population in the outer suburbs, health care services were largely concentrated in inner city areas.

It was also recognised that Victoria's population is ageing, and the demands for health services by older people, who are the predominant users, will increase and put pressure on the system. Victorians in the 80-plus age group form a large proportion of frail aged people in the community.

Recognition was also given to the advance in technology and health care practice, bringing with it more efficient and effective health care services. Because of the increased level of technology in the health care system the length of stay of a patient in the hospital system has reduced and the procedures are able to be delivered in a wide range of settings from outpatient clinics to home settings. I congratulate the previous government on its hospital-to-the-home service enabling people to receive treatment in their homes. More sophisticated models of home care will enable people to remain at home with higher levels of dependence, which is important for the aged in our community.

A legacy of the former Labor government in the Cain and Kirner years was that many of Melbourne's hospitals concentrated in city centres were in need of great improvement. In 1996 the former Kennett government committed more than \$900 million to the refurbishment of Melbourne's public health care facilities. In further recognition of the need for more community-based services, stand-alone integrated care centres providing a broad range of day-stay services across outer Melbourne and at the Royal Women's Hospital were developed as part of the broad plan.

Some existing hospital sites were closed while others were redeveloped. New hospitals were planned at Epping, Berwick and Knox, and I hope the current government pursues that plan to provide a ring of hospitals in the outer part of Melbourne where they are most needed.

It was planned that the outcome would lead to improved linkages between hospitals and other providers to ensure continuity of care. Compared with 1992, the number of patients able to be treated under the former government in 1999 improved by some

300 000 patients a year. If one looks at the Duckett report one sees that the increase in the number of separations for treatment in the outer areas increased by 36 per cent compared with 5.2 per cent in the inner areas, showing that the former government's policy was successful.

My particular interest in speaking to the bill is to examine some of the effects of the disaggregation of metropolitan networks on the provision of aged care services. I predicate my remarks on the supposition that the government will implement the Duckett report. The report relating to the structure of the new metropolitan health services recommends the replacement of the existing 7 health care networks with 12.

The major projected change is that the inner and eastern health care network and the north-west health care network be disaggregated to four and three metropolitan health services respectively. Almost all of the new metropolitan health services focus around one or more acute services. Such a structure is therefore likely to focus primarily on acute health services rather than the needs of the elderly through aged care services which, while they may involve acute care, importantly involve non-acute care.

In some environments aged care and acute care are interrelated with elderly patients moving from acute to sub-acute care, rehabilitation or post-acute care and sometimes back to acute care. Such environments need the capacity to provide acute and sub-acute care within the one environment and under single management capable of allocating resources based on changing needs.

A wide variety of aged care programs exist, many of which are community based or provided through sub-acute facilities which I believe will be disadvantaged if integrated into acute care medical services. Examples of services within the new structure are Bayside Health where one sees the Alfred combined with Caulfield General Medical Centre and Sandringham and District Hospital, the Royal Melbourne group and the northern group to name just three.

I believe there are significant risks to aged care under that system. Aged care services dependent on acute care facilities by virtue of being within the same medical health service may find that they become the poor cousins with regard to the allocation of resources. I am concerned that unless sub-acute care is fire walled, beds will be consumed by acute-care facilities, particularly because of the pressure of waiting lists plus the advantage of the higher level of funding received from

government for the services provided. In other words, it is more profitable for a hospital to utilise acute care rather than sub-acute care. The disaggregation of larger networks may put at risk aged care programs that previously benefited from the critical mass created by the large catchment areas they service, such as Caulfield General Medical Centre.

Because time does not permit me to go into detail, I will summarise some suggestions for the Minister for Health. The government should consider the establishment of aged care programs which involve more than one of the new metropolitan health services. Larger programs such as existed at the Melbourne health and extended care services with a base of some 800 patients should be provided. Enlarged programs have the advantage of providing a critical mass of specialist treatment, well-resourced programs with specialist equipment and the clinical and academic rigour that comes with the bringing together of a large number of specialist providers. Finally, such programs provide the environment for research and development along with the number of patients or residents required for clinical assessment of new innovations and treatments.

Finally, I believe residential care or nursing and hostel accommodation should be treated as a totally separate area of administration, management and planning from the medical health service system.

These suggestions are, I know, by way of policy direction. As yet I have not seen policy direction coming from this government. I would be more than happy to pass on my ideas to the current Minister for Aged Care because I believe the provision of health care services is an important element in an ageing community. I do not believe that in the current system as prescribed by the Duckett review the provision of aged care services has been uppermost in the minds of the panel members. It is an area that requires a great deal more thought and consideration.

Mr THWAITES (Minister for Health) — I thank the various honourable members for their contributions to what has been a mixed debate: we heard some very good contributions and others that were quite appalling.

The honourable member for Bentleigh said the Mordialloc hospital is 24 kilometres from her electorate; a quick perusal of *Melway* shows how often she is in her electorate! She obviously has no idea. The honourable member for Mordialloc claimed the Labor government tried to close the Mordialloc hospital and failed. It appears that the only success the previous government had in health was to close the Mordialloc

hospital. Mr Acting Speaker, if the honourable member for Mordialloc thinks closing a hospital is a success, that is obviously one of the reasons for their being on that side of the chamber and our being on this side.

The previous government closed 12 country and 5 city hospitals. It left the hospital system in a shocking state. The Duckett report found that the Kennett government had pushed the hospital system in Melbourne to the brink of bankruptcy. The opposition is trying to raise furphies in the debate because it wants to avoid the fundamental criticism made by the report — that is, that the previous government mismanaged the health system. The report found that two of Victoria's metropolitan networks are technically bankrupt. It found that there were severe financial problems throughout all metropolitan hospitals, and it made it quite clear that those financial stresses are:

... a result of the last seven years of funding policy and the substantial program of cost savings introduced by the previous government through reduced payments to hospitals.

Mr Wilson interjected.

Mr THWAITES — The honourable member for Bennettswood attacks Professor Duckett. I find that quite extraordinary because he was the chief of staff who appointed Professor Duckett to be head of the Australian Quality Council across the entire hospital system. A former Minister for Health and honourable member for Seymour appointed Professor Duckett as the head of casemix.

At this juncture I pay tribute to and on behalf of the Parliament thank the review panel, which included not only Professor Duckett but also Mr Stan Capp, who was appointed by the previous government as chief executive of Barwon Health. He was an excellent member of the panel. Ms Ella Lowe is the network director of nursing services at the Peninsula Health Care Network, once again a highly regarded person; Dr Allan Zimet is head of oncology at John Fawkner Oncology; Meredith Carter, who was supported by the previous government through her very good work at the Health Issues Centre, was also on the panel.

The most ironic thing about the whole process is this: there has been a great amount of wind, noise and anger about these proposals, but essentially what is proposed in the report is that the Women's and Children's Health Care Network will not change; the Peninsula Health Care Network will not change; and the Southern Health Care Network will change only marginally. The two networks that will undergo major change are the North Western Health Care Network and the Inner and Eastern Health Care Network. Those networks must

change because they are so large that there is no way they can relate to their communities, and beyond that they are so large that they require their own independent bureaucracy to manage them.

If the government's actions were governed solely by Professor Duckett's recommendations opposition members may have a political point to make. They may try to make it anyway, although they would be wrong. The irony is that the people the opposition commissioned to do the report and advise on the networks in 1995, Professor Ian Harper and Professor Peter Phelan, have endorsed exactly what the government has done. Professors Harper and Phelan put in a submission to the Duckett review saying that the North Western and Inner and Eastern health care networks are much larger than was intended by the Metropolitan Hospitals Planning Board and that they 'do not cover a geographic area that lends itself to a community focus'.

The government has now provided the opportunity for Melbourne to have a hospital structure that is more in touch with the local community. The government is giving communities a say in the running of their hospitals. It will be a major improvement in the way health care is delivered in the state because the size of the hospital network under the previous government made it impossible. The Inner and Eastern Health Care Network stretched from Healesville to Prahran. It was an impossible situation. Had by some chance the previous Minister for Health won the seat of Gisborne and had by some chance the other side won the election, they would have reduced the size of the Inner and Eastern Health Care Network because it is too large and too cumbersome.

Honourable members interjecting.

Mr THWAITES — Why has the honourable member for Bentleigh invested more energy in the debate in the past couple of hours than I have seen from her for some time? She is totally animated by this issue. When we peel away all the political positioning the opposition really agrees with what the government is doing. Opposition members know the government is doing the right thing because not only is it setting up hospitals with better management, it is also giving them the resources they need.

In the last state budget the government provided an additional \$176 million, and it is now putting an extra \$53 million into hospital funding to try to fix up the shocking financial situation our hospitals are in.

It had to do that because the previous government bankrupted our hospitals. It forced them not only to the brink of bankruptcy but to the stage where hospitals were forced to pilfer money from one account to fund deficits in other hospitals. The Duckett report is a damning indictment of the previous government, and the Bracks government is following its recommendations.

Some opposition members have attempted to make a contribution on behalf — —

Mr Hulls — Name them!

Mr THWAITES — The honourable member for Sandringham, who unlike the honourable members for Mordialloc and Bentleigh has at least tried to have a productive input to the debate, raised concerns about the Sandringham hospital. The government is committed to the continuation of Sandringham hospital and its services as outlined in the report. I want to work with all the local members, including the honourable member for Bentleigh, if she can find the hospital — —

Mrs Peulich — I know where it is!

Mr THWAITES — I want to work with the local honourable members to ensure that services are maintained. I believe the Duckett report provides a good road map for the future to build up our hospital system with the resources needed, allowing the hospitals to remain in touch with their communities.

The ACTING SPEAKER (Mr Phillips) — Order! As the required statement of intention has been made pursuant to section 85(5)(c) of the Constitution Act and there are less than 45 members present in the chamber I ask the Clerk to ring the bells.

Bells rung.

Motion agreed to by absolute majority.

Read second time; by leave, proceeded to third reading.

Third reading

Motion agreed to by absolute majority.

Read third time.

Remaining stages

Passed remaining stages.

SUPERANNUATION ACTS (AMENDMENT) BILL

Second reading

Debate resumed from 4 May; motion of Mr BRUMBY (then Minister for Finance).

Ms ASHER (Brighton) — It falls on me to speak on the Superannuation Acts (Amendment) Bill, and I am pleased to advise the house that the opposition supports it.

The bill amends a number of superannuation schemes in the state: the Emergency Services Superannuation Act; the Government Superannuation Act; the Parliamentary Salaries and Superannuation Act on which most interest from the media and in the chamber is focused; the State Employees Retirement Benefits Act; the State Superannuation Act; the Superannuation (Portability) Act and the Transport Superannuation Act.

Honourable members will recall that the commonwealth government imposed a 15 per cent surcharge on the employer's contribution to superannuation entitlements effective from 20 August 1996. The bill enacts the state's responsibilities to adhere to the surcharge for these schemes. The surcharge is payable by employees whose taxable income is higher than a designated threshold, and it is at this point the legislation becomes complex. In 1996–97, when the bill was enacted, a 1 per cent surcharge commenced at the threshold of \$70 000; the full impact of the 15 per cent surcharge applied at \$85 000.

This financial year, 1999–2000, the surcharge, which grows over time, commences with the 1 per cent surcharge at \$78 208 and finishes with the full 15 per cent at \$94 966. The introduction of the bill has been delayed because the type of scheme state workers are under is different from the accumulation schemes. Under such schemes it is easy to define an employer, and most have adapted to the commonwealth surcharge. However, honourable members and others covered by the state superannuation schemes are covered by a defined benefit scheme where the employer contribution is not so easily identified.

The employer contribution is an actuarial assessment derived from a notional exit entitlement. State and commonwealth officers have had a range of discussions over many years to determine a fair allocation of a notional benefit rather than a benefit under an accumulation scheme. The bill allows the trustee of the scheme to pass the surcharge on to individual members. As I indicated earlier, it is a complex tax with a surcharge on an employer's contribution paid by

employees. The bill will enable the charge to be passed on to members of the superannuation scheme.

I will comment briefly on the application of the surcharge to the Victorian schemes. Much has been said and written about who is paying what. The key point is that others' taxable income is not easily known: for example, looking at the current range of the surcharge one sees that a backbencher's salary falls in the middle. However, a backbencher's salary is not necessarily the backbencher's taxable income. In many instances there are alternative or additional sources of income, and in some cases there are losses such as business losses and negative gearing — legitimate losses under a taxation system.

A further key point is the uninformed comment on the application of the surcharge. If honourable members are under the commonwealth scheme — they have that option — there is no employer contribution over 18 years of service. Much discussion has related to the previous Premier, who had over 18 years of service. The employer contribution is not applicable to him; I set the record straight on that. There have been many false claims about the superannuation surcharge, some made because of a lack of knowledge and some because of a desire for mischief.

For possibly the only time in my political career I shall refer briefly to Mr Kelvin Thomson, Labor member of Parliament for the federal electorate of Wills. Mr Thomson revved up a lot of interest in the superannuation entitlements of state members of Parliament. On 13 August 1999 Mr Thomson was reported as saying, either because of ignorance or for mischief — he can take the call on his motivation — that retiring members of Parliament would escape the superannuation surcharge being passed on if legislation was not passed before the 1999 election. That is completely and utterly false. Firstly, he did not and does not know the details of individual taxable income arrangements for members of Parliament. Secondly, exited members, Labor or Liberal, are treated in exactly the same way.

The key point Mr Thomson omitted to mention is that assessments will be forwarded to members of Parliament who are retired — that is, members of Parliament who have exited the scheme. Some may have rolled those finances over and possibly other funds will be involved. However, based on advice I have received from departmental officers, if members of Parliament, Labor or Liberal, have exited the scheme they will receive individual assessments at their home addresses.

The trustee paid the 1996–97 assessment on behalf of all members of Parliament — that is, that 10-month period was paid on behalf of members of Parliament. I am also advised by departmental officers that for members who have retired and have exited that scheme, notification will be passed on to the Australian Taxation Office, which will deal with that as it deals with all employer contributions. Again, there is no evidence at all of benefit.

As I indicated earlier, the assessments for retired members of Parliament from both sides of politics will be forwarded to them. I am more than happy to place on record that the benefits that will accrue to current members of Parliament — for example, the 15 per cent cap, the ability to commute on retirement, to have liabilities to the ATO paid by future benefits or offset against future pension or lump sum entitlements — will not be available to members of Parliament who have retired. I wish to set the record straight on behalf of both Liberal and Labor members of Parliament who have exited the fund.

Ms Beattie interjected.

Ms ASHER — Indeed, also National Party members who have exited the fund, as the honourable member for Tullamarine corrects me. A lot of mischief has been written. Nothing excites the media more than the superannuation of members of Parliament. It is more likely than not that members of Parliament who have exited this scheme — again, I do not know their incomes or their arrangements — will receive their assessments in the mail. It is false to claim that they have received some sort of benefit from this circumstance. The opposition supports the bill.

Mr LENDERS (Dandenong North) — The Superannuation Acts (Amendment) Bill is an important measure that cannot be dismissed too lightly. I totally concur with the honourable member for Brighton's comments that it is complicated legislation. The federal surcharge levy that was introduced on 20 August 1996, in a vain endeavour by the Howard government to be populist at the time, has probably caused more confusion in the superannuation industry than most things I have known. It has caused much grief among middle management in corporate Australia and has set this Parliament up for a fair amount of publicly scrutiny.

My constituents in Dandenong North, Dandenong, Springvale North, Noble Park North and Mulgrave will be watching the passage of this legislation with some interest, because until it was introduced honourable members were considered to have double standards. In

some ways members of this chamber and the Legislative Council are looked at in the same light as members of the International Olympic Committee. Until we took the courageous action to address the situation we could properly be judged as having double standards — one standard for ourselves that was different from the standard for the rest of the community.

The legislation will save Victorian taxpayers, including the residents of my electorate, \$3 million a year. Members of Parliament and a number of other people under the defined benefit schemes will be treated in the same way as the rest of the community. Since the 1996–97 tax year, when the state of Victoria paid the surcharge for members of Parliament, we have set double standards that mean we have been treated differently from people such my constituents.

It is critical that the bill be debated and passed by the house. It should have been introduced a long time ago. The bill goes beyond the superannuation of members of Parliament. It also deals with a number of defined benefit schemes in the state sector. In the future they will be treated in the same way.

The proposed legislation includes many complicated features concerning the setting up of debt accounts, the way interest is charged on debt accounts, prepayments, the 15 per cent employer contribution, and deferred benefits. It presents an interesting set of figures for someone who follows superannuation. As I said, it is long past time that members of Parliament and members of other defined benefit schemes should be treated in the same way as the rest of the community.

Finally, if a complicated system such as the surcharge that was introduced by the Howard government in August 1996 had not been put in place a lot of the difficulties that honourable members are facing today would not have arisen. Administration of the superannuation industry across the country would have been much simpler. There are far more equitable and less administratively complex ways of dealing with this issue. I commend the bill to the house.

Ms KOSKY (Minister for Finance) — I am pleased the opposition supports the Superannuation Acts (Amendment) Bill. I thank the honourable members for Brighton and Dandenong North for their contributions to the debate. I wish the bill a speedy passage through the upper house.

Motion agreed to.

Read second time.

Remaining stages

Passed remaining stages.

APPROPRIATION (2000/2001) BILL

Second reading

Debate resumed from 11 May; motion of Mr BRACKS (then Treasurer).

Mr KILGOUR (Shepparton) — I am pleased to contribute to debate on the budget that was presented in the house on 2 May. It was not surprising that the budget was well received around Victoria because this is probably the first time a government has come into office and received the sort of windfall the current government received. Normally governments are looking at black holes, as the former coalition government did in 1992 when it was handed the black hole legacy of the Cain–Kirner government. The former government had to work extremely hard over seven years to get Victoria back on an even keel.

The windfall gain and the AAA credit rating left by the previous government enabled the current government to do a number of the things it had promised in the election campaign. On coming into office in 1992 the previous government inherited a \$32 billion debt and a \$2 billion deficit, but when it left office there was well over \$1 million in the kitty. That certainly provided an opportunity for the current government to honour many of the promises it made during the election campaign.

It has been interesting to listen to the contributions to debates since the budget was brought down. As a country member, I was interested to see what the budget was worth to country Victorians and what might be expected in country electorates.

My electorate of Shepparton, which is in the heart of the Goulburn Valley fruit-growing and dairy area — the food bowl of Australia that provides food for not only our country but the rest of the world — relies very much on irrigated agriculture. It needs infrastructure, such as roads, to get various goods to market. When I looked through the budget papers to see what might have been provided in my electorate I was surprised — I probably should not have been — to see that not very much was provided.

It has been interesting to listen to the honourable members for Bendigo and Ballarat saying what a magnificent budget it is for their constituents and talking about the things that will be done in their electorates as the payback to those areas of country

Victoria represented by Labor members. There was certainly no opportunity for a payback in Shepparton or any of the towns near my electorate. Ballarat, Bendigo and Geelong have done particularly well as a result of the payback for returning Labor members!

However, I am very pleased that \$3 million is allocated in the budget for the Shepparton Civic Centre project which was promised by the previous Premier prior to the election. Although it took about seven months to come through, the allocation was eventually announced in the budget so the Shepparton Civic Centre will be able to be refurbished. That will enable the city to invite groups or companies to come to Shepparton to conduct their conferences and will also make provision for the arts as has never been done before in the City of Shepparton.

I also looked at the budget to see how much had been provided in the areas of health, education and law and order. I did not find anything because the previous government had provided extremely well for my electorate.

It is interesting that honourable members opposite talk about the dark days of the Kennett government and say that it left country Victoria behind. That was not so in my electorate and particularly now so for Goulburn Valley Health. At the Goulburn Valley Base Hospital the previous government spent \$12 million on a new hospital wing and new psychiatric and psychogeriatric services.

The town of Tatura received health funding of \$2 million. We hope to be able to invite the Minister for Health to open the refurbished Tatura Hospital some time in July. It will be magnificent for the town of Tatura, which is one of the great small towns in country Victoria with facilities and industries such as the milk industries, Rosella Foods, the Tatura Institute of Sustainable Irrigated Agriculture and Goulburn–Murray Water which are all centralised in that town. Tatura will enjoy the benefits of the \$2 million promised by the previous government for its hospital.

When one considers expenditure on health, one might have expected Goulburn Valley Health to have been a recipient of some extra beds. It is not surprising to learn that the country hospitals that received extra beds are represented by Labor members of parliament. For example, hospitals in Ballarat, Barwon and Bendigo received five additional beds each, but Goulburn Valley Health got none. The area is desperate to get extra money to provide the services needed. Three beds will be provided after the winter peak, but when one

compares that with what has been provided to some of the other hospitals, one must ask what is going on in health funding.

When the former government came to power education was a tremendous black hole. Buildings in my electorate do not need a lot of work done on them because, once again, that area was well taken care of by the previous government. For example, \$3 million was provided for the food technology centre at the Goulburn Ovens Institute of TAFE which was opened not long ago by the current Minister for Post Compulsory Education, Training and Employment who has now become the Minister for Finance. I congratulate her on her elevation to that position, in which she will do a very good job. She came to Shepparton to open the \$3 million food technology centre and gave credit where it was due — that is, to the previous government and to the members of Parliament who had worked so hard to get that facility.

The science and technology centre at Maguire College is a fantastic teaching facility in my electorate. It provides the opportunity for other students throughout the Goulburn Valley to come to Shepparton to learn about the latest in science and technology. That centre was provided by the previous government, and I am extremely pleased about the way it is working.

A new \$2.2 million technical and arts centre was recently opened at Wanganui Park Secondary College. Once again, it was provided by the previous government. According to government members the previous government did nothing for country Victoria! The previous government did a tremendous amount of work for my electorate, and I am particularly thankful for the work it did in the field of education.

When one drives through country Victoria one can see the standard of the schools and recognise that the Kennett government left a tremendous legacy for Victoria. I first became aware of the dilapidated state of Victorian schools when I became a member of Parliament in 1991. A number of schools asked me to visit them and said, 'Have a look at this'. I saw walls with paint peeling off, works that had not been completed and spouting that was falling off.

Mr Smith interjected.

Mr KILGOUR — As the honourable member for Glen Waverley rightly says, Victorian schools were 14 years behind in cyclic maintenance. The maintenance works program for those schools has now been caught up with. If one drives around my electorate one sees fantastic schools. School communities have

pride in their schools and are absolutely rapt that the previous government came on board and provided the grants. The school councils got behind the previous government and made those schools look an absolute picture. All that was done despite the claims of the other side of the house that the education system was in a desperate state under the previous government.

The honourable member for Footscray talked about the dark years of the Kennett government. The honourable member must have walked around with sunglasses on for the past seven years. I suggest he should come to country Victoria and open his eyes to see what was done to support country schools.

An honourable member interjected.

Mr KILGOUR — If he cannot see what was done in country Victoria he is either blind or does not bother to go beyond the tram tracks! The refurbishment of those schools has meant they are now in a very good condition, and the government will not need to spend much money in my electorate.

It was only the other day that the former Minister for Police and Emergency Services came to Shepparton to open a new \$6 million police complex. That complex was desperately needed during the Cain–Kirner years, but it was not provided. The former Minister for Police and Emergency Services, Bill McGrath, came to Shepparton, recognised the bad condition of the police accommodation and provided \$6.2 million for a new complex. The Shepparton police service formerly operated from seven buildings throughout Shepparton and Mooroopna. The former minister brought them together, and Shepparton now has a magnificent police complex, which I know the former minister was pleased to open not so long ago.

Mr Hulls interjected.

Mr KILGOUR — I pick up the interjection of the Attorney-General. I was pleased to see the opening of the new Katamatite police station provided by the previous government and opened by the new minister. Katamatite, the town I grew up in — —

Mr Hulls interjected.

Mr KILGOUR — Yes, the O'Kanes were also there to see the opening of the new police station provided by the Kennett government.

I refer to agriculture. The National Party played a tremendous role in ensuring that education and research in agriculture were continued under the coalition government. I remember the desperate plight of the

Institute of Sustainable Agriculture at Tatura and, as the honourable member for Rodney knows, its sister institute at Kyabram, when I first became a member of Parliament in 1991. The Labor government was talking about closing them down. Those two magnificent enterprises now enable agricultural research to take place across Victoria. They ensure that the future of agriculture is in safe hands and that the right research is being carried out so that agriculture in the Goulburn Valley continues to feed the rest of the world.

An honourable member interjected.

Mr KILGOUR — Absolutely! The people of my electorate realise what has happened with agriculture, particularly agricultural research.

Some \$39 million was provided by the previous government for water and sewerage works to ensure that new treatment plants were set up, pipelines were put in place to service small country towns and the treatment of waste was seen as a priority. The town of Tatura was virtually swimming in waste because the pipes under the town had collapsed. The pipes were repaired through funding provided by the previous government, and new treatment works were opened. That will ensure that food treatment plants can be set up in Tatura so that the town remains at the forefront of agriculture.

The resheeting and construction of roads is also taking place. Not as much of that work is being done as we would like, but I was pleased that the federal budget provided the much-needed funds to continue the duplication of the Goulburn Valley Highway beyond Nagambie. I look forward to seeing the extension of that highway to the north around Nagambie. The upgrade will ensure that travelling is safer and enable produce grown and processed in the Goulburn Valley to be transported to its markets.

I am pleased the government has provided money to address road accident black spots. The budget papers, however, lack detail on which black spots in which areas will be dealt with. Many of them in or near my electorate desperately need solutions so that the number of deaths and injuries can be reduced.

The Living Regions Living Suburbs support fund has been granted \$35 million but, once again, there is no detail about where that money might go, so no-one can be sure how it will affect any particular electorate. Statewide tourism funding will amount to \$22 million over four years, but that suffers from the same problem. I hope some of that money comes to country electorates.

It is pleasing to see that the government will provide \$9 million to boost public Internet access, but once again there is no detail about where that will happen. Better Internet access is badly needed in country Victoria.

Disability services, which cover a wide range of different needs, are supported in the budget. One area that needs particular attention is the group of disabled people who are reaching an age where their parents can no longer look after them. That happens everywhere, of course, not only in country Victoria. All honourable members will understand that that must be watched closely to ensure that those people can be cared for.

The proposed increase of 800 in the number of operational police officers will be regarded fondly in country Victoria — provided some of those additional officers go to country areas. No-one seems to know if that will happen.

I welcome the budget news and hope we are looking towards a prosperous Victoria in the future.

Debate interrupted pursuant to sessional orders.

ADJOURNMENT

The SPEAKER — Order! Under sessional orders the time for the adjournment of the house has arrived.

Airconditioning: cooling tower maintenance

Mr SMITH (Glen Waverley) — I ask the Minister for Health to take action on airconditioning units. Honourable members are aware of the continuing tragic legionnaire's disease saga at the Melbourne Aquarium, and many questions are being raised by members of the community.

My local electrician, David Fisher of Coniston Drive, Wheelers Hill, has brought something quite extraordinary to my attention.

Honourable members interjecting.

Mr SMITH — Honourable members would do well to listen. David said contractors working with airconditioning units are not specially licensed to do so. I therefore suggest that the minister institute a system for licensing contractors who service cooling towers in the same way that electricians and plumbers can be specially licensed.

Electricians, for example, complete a certificate of electrical safety. That certificate includes mention of a certificate of compliance that ensures the work is done

regularly and satisfactorily. If that system were applied to airconditioning services, after the customer or lessee of an airconditioning unit had the cooling towers serviced the qualified and regulated tradesman would provide a certificate — costing between \$5 and \$20 — and would then pass it on to an interactive voice-response system. In the case of electricians that system is based in the Office of the Chief Electrical Inspector and, in the case of plumbers, the Plumbing Industry Board. It ensures that the call is acknowledged by the relevant government authority and would, in the case of airconditioning, serve to ensure that cooling towers were regularly visited and serviced.

In addition, the owner or lessee of a cooling tower should be required to keep on site a log book that would be completed by the tradesman at the time of the service. The log would then provide the broad details of the work that was done.

My information is that at present cooling towers are not monitored at all. Airconditioning is just as liable to have dangerous faults as electrical wiring and gas fittings. The cost of the certificate would cover the cost of the independent cooling tower inspection service. David Fisher is on to something.

Residential tenancies: universities

Ms ALLAN (Bendigo East) — I raise for the Minister for Housing the rights of student tenants in university-administered accommodation.

An honourable member interjected.

Ms ALLAN — No, I will save City Link for another day.

I ask the minister to advise the house what action she will take in response to the concerns raised with me by the student association of La Trobe University, Bendigo campus. Recently I met with Gareth Jones, the student president at the Bendigo campus, and Graeme Castleman, a representative of the student body, who told me about a number of issues of concern to students at that campus. I was more than pleased to meet with them because I am a former member of that student association and I am their local member of Parliament.

The student association of La Trobe University, Bendigo campus, is concerned with the rights of tenants in university accommodation. A large number of students are accommodated in student housing in Bendigo that is administered by La Trobe University. The accommodation takes a wide variety of forms, including large halls for communal meals and

self-contained accommodation units housing between four and eight students.

It is important for students from rural and regional Victoria, and in particular from the north-west of the state, to have access to that sort of accommodation at a regional university so they do not have to travel to Melbourne. That of course means families do not have to send their children to Melbourne, which has a much higher cost of living and is much further away. The spin-off for Bendigo is that many students find accommodation in the town.

The Bendigo Student Association is specifically concerned about the rights of the tenants. Under the Residential Tenancies Act universities have the power to set the conditions that tenants must adhere to. That is compounded by the fact that when conflicts arise between tenants and the university there is no clearly defined appeals process under which tenants can appeal.

Furthermore, the Bendigo Student Association has expressed its concern that students are required to pay a full semester's rent up front to secure a place in a university residence. All honourable members would know that students do not have loads of money at the start of the school year and that that is the hardest time to be paying fees up front. It should be noted that that sort of payment is not required in the private housing market.

The Bendigo Student Association and I would appreciate the minister's comments on the student tenant issues the association has raised.

Food: regulation

Mr PHILLIPS (Eltham) — In the absence of the Minister for Health I refer the Minister for State and Regional Development to the renewal of registration of class B2 food premises, which I believe falls under the Health Act. I have been approached by two local business people, both of whom are concerned about the cost of registering their food premises. The letter I received from the proprietor of the Hurstbridge Organic Fruit Shop refers to a 350 per cent increase from \$120 to \$420. The other business person, who by coincidence also happens to be a fruit shop proprietor, has raised similar concerns and quoted similar figures.

Since the transfer to local government of the responsibility for food premises, it appears local councils have been passing on the administrative costs of inspections and registrations. My concern is not the transferring of those responsibilities to local government but the cost of the increase in inspections

and registrations, which councils are passing on to small business.

Honourable members know that the small business sector is important to the community. It employs a lot of people — it is certainly the largest employer in Victoria and Australia — so it is essential that governments try to keep small business costs to a minimum. I ask the responsible minister whether there is an opportunity for the government to make a one-off contribution to local government to reduce the cost to small business of local councils inspecting and registering food handling businesses.

It is appropriate that as the third tier of government local councils are responsible for the inspections. It is also appropriate that small businesses have to pay something for the registering of their premises. However, the person who wrote to me said that in her case the cost has increased from \$120 to \$420, which is a 350 per cent increase in one year. She says she cannot and will not pay it. I am not sure about the 'will not pay', but certainly the 'cannot pay' could be a problem.

I ask the minister to have a serious look at the situation to see whether he can make a one-off contribution to local government to help ease the cost of the new regulations, which I understand are being introduced this year.

Bayside Trains: cancellations

Mrs MADDIGAN (Essendon) — I ask the Minister for Transport to discuss with Bayside Trains its morning service from Broadmeadows. The 7.18 a.m. train in particular is causing my residents a great deal of concern, mainly because it does not run very often! Those residents who get up to catch the 7.18 are not enthralled to find that after dashing down to the station they have to wait for the 7.46 because the earlier train has been cancelled — and it is a regular occurrence.

Some of the residents of Moonee Ponds are beginning to think it is a plot by Bayside Trains to get rid of the 7.18 a.m. train from Broadmeadows. As honourable members probably know, 3LO has a segment every morning when the presenter announces which trains have been cancelled, but oddly enough the 7.18 Broadmeadows train never gets a mention. For some reason it is never reported as having been cancelled. Residents have either rung me or sent me emails about the matter, and I have a list of the dates on which the train has been cancelled.

The number of passengers on the 7.18 train is diminishing because people are sick of getting out of

bed and getting ready in time to catch a train that rarely turns up.

Ms Garbutt interjected.

Mrs MADDIGAN — The Minister for Environment and Conservation says she would not be so silly as to get up early for a train that does not run. The suspicions of the residents were further aroused by the fact that on 10 May one of the railway staff at Kensington station walked through the train counting how many people were on it — that was one of the rare mornings on which the 7.18 ran! They were concerned because they believed that was further evidence of Bayside Trains trying to substantiate a case that there was no need for the 7.18 train. However, the diminishing passenger numbers are entirely due to the fact that the train is regularly cancelled. Prior to its sudden disappearance the 7.18 was heavily patronised. Many people would still like the opportunity to catch the 7.18 train from Broadmeadows — it is the 7.37 train by the time it gets to Moonee Ponds station — so they can get to work early.

I ask the minister to investigate what has happened to the 7.18 train with a view to ensuring that it runs regularly so those of my constituents who get up early to catch it are not left standing in the freezing cold on Moonee Ponds station.

CFA: community support facilitators

Mrs FYFFE (Evelyn) — I refer the Minister for Police and Emergency Services to a matter concerning the Country Fire Authority (CFA) and community support facilitators (CSFs), which has been raised by other members without result.

I have been inundated with letters from local fire brigades about Labor government attempts not only to ban community support facilitators from working in a volunteer firefighting capacity but also to sack CSFs from locations in which career firefighters are employed. Some fire brigades were even misled into believing they could accept career daytime firefighters and keep their CSFs, but now the government has changed its position.

Community support facilitators who are allocated to volunteer fire brigades play a vital part in providing fire protection services to our community. They were appointed to carry out education programs to schools, give presentations to high-risk groups, assist in emergency planning, answer inquiries and compile risk profiles of their areas. They have done an excellent job, but they are now in a ludicrous situation. The roles of CSFs and firefighters are not mutually exclusive, but

the work that community support facilitators do should not be added to the already heavy load of firefighters. Fire brigades are concerned that the continued existence of their CSFs is under threat from the United Firefighters Union due to a dispute with CFA management. Many fire brigades suggest that the government supports the possible trade-off of CSF positions as part of a deal between CFA management and the UFU.

I have received letters on behalf of the Lilydale, Mount Evelyn, Warburton, Bayswater, Ferntree Gully, Montrose, Mooroolbark, Rowville, South Warrandyte, The Basin, Upper Ferntree Gully, Warrandyte and Wonga Park fire brigades. I have also received letters from fire brigades located all over Victoria, including those at Langwarrin, Tyabb, Rye, Berwick, Dromana, Cranbourne, Carrum, Narre Warren and Mornington. The Mount Evelyn Fire Brigade said:

Commonsense would suggest to even the least intellectually gifted that a firefighter's first duty is to promptly respond to emergencies whereas the CSF's prime responsibility is to the community.

A letter from the Lilydale Urban Fire Brigade captain, Frank Whelan, says that to deny CSFs:

... the right to volunteer their services as a volunteer firefighter in the first instance, then to turn around and fire them or deny them employment at a particular station because career staff are also employed in that station, is discrimination.

I urge the minister to listen to what CFA members are saying and to reconsider removing community support facilitators from fire brigades where career firefighters are employed.

Respite care: Ballarat

Ms OVERINGTON (Ballarat West) — I ask the Minister for Community Services to inquire into the number of people who require residential respite care, the number of positions currently available within Ballarat and whether those positions are adequate.

I was recently visited by a number of parents who live with their intellectually disabled adult children. As can be imagined, their role as parents is very demanding and extremely tiring. Most of the parents I met are aged in their 50s and their children are aged in their 30s. One particular family whom I have met on a number of occasions has two boys, one aged 32 and the other aged 34. There is an enormous strain on that family. The only time the parents have off to spend time alone together is when their children enter residential respite care. At the moment there is a roster system and they

may be able to access care each fortnight or every three weeks for a two-day break.

Unfortunately, the requirement for residential respite care is growing because some parents are ageing and their own health is starting to fail. In turn that extends the roster system and some families wait six to seven weeks for a placement. The parents of disabled adult children have enormous responsibilities and I have nothing but admiration for them for taking on tasks of which most of us have no understanding.

As I said earlier, one of the families has two adult children living at home and its problem with respite care is made more difficult by the fact that for the parents to obtain any time to themselves the boys need to be placed into care together. Because of the demand for respite care that is becoming increasingly difficult. If it were not for parents, in Ballarat as well as in Victoria generally, deciding to keep their children at home, providing in most cases full-time care and love, the financial burden on the state would be enormous.

The government must recognise and appreciate the hard work of these parents and provide them with the necessary respite they and their children need. Sometimes it is the children who need respite from their parents. Again, I ask the minister to look into this important issue and make sure that Ballarat and the rest of Victoria have the appropriate number of respite care places available. The parents are saints —

The SPEAKER — Order! The honourable member's time has expired.

Rail: fare infringement

Mr SPRY (Bellarine) — I refer the Minister for Transport to an issue involving country users of the metropolitan public transport system, where unfamiliarity with the procedure can sometimes prove very expensive.

A typical example concerns a young university student from my electorate who is struggling to put his case to the authorities after receiving an infringement notice for travelling on public transport without a ticket. Anthony Favaloro boarded a train at Gardenvale without a ticket after waiting a considerable time in a queue and noticing that his train was about to depart. When he alighted at the Melbourne Central railway station he immediately approached a customer service officer with money in hand, explained the situation and asked if he could pay the fare. He was unaware that there was a ticket booth to which he could have gone, which was across another barrier.

After listening to Anthony the customer service officer asked him for his name and address and issued an infringement notice. Anthony wrote to the manager of the infringement section of the Department of Infrastructure appealing against the notice, but his appeal was rejected. His next course of action is to appeal to the Magistrates Court as a last resort.

The customer service officers employed by the public transport franchisees do a good job, both in assisting the travelling public and ensuring that patrons pay the appropriate fares and observe reasonable standards of behaviour. However, I suspect they may be unable to exercise discretion in cases like this.

I have written to the minister about this case. However, there is some urgency in the matter, with a potential for accrued penalties, and I ask the minister to investigate the case not only for the benefit of my constituent but equally, and perhaps more importantly, for the benefit of all country public transport users, some of whom use the system infrequently or are still in the process of learning the intricacies of how to use it in accordance with the applicable rules and regulations.

National regional development summit

Mr ROBINSON (Mitcham) — I raise an important matter for the attention of the Minister for State and Regional Development concerning the ongoing discussions between the state of Victoria and the federal government over vital regional development issues. I seek the minister's assurance that he will take every step at his disposal to encourage the federal government to treat these discussions with the seriousness they deserve and to accelerate the ongoing dialogue with Victoria.

On 29 March I had the privilege of representing Victoria at a meeting of regional development ministers meeting in Canberra that had been called by the Deputy Prime Minister.

Mr Brumby — Hear, hear!

Mr ROBINSON — I did a fine job. Thank you, Minister. It was nice of you to say so.

The significance of the meeting was that it had taken seven months following a national summit held by the federal government last October for the first follow-up meeting to be held. That in itself was the source of some discontent around the discussion table that day. The states and territories want to move quickly on regional development issues but all came away from that meeting with a strong impression that the federal government's agenda is not moving nearly as quickly.

Although the Deputy Prime Minister expressed an interest in the policies and the progress of the new Victorian government and in some of the things it is doing in regional areas, the response was not nearly as favourable when it came to putting the question to the federal government about meeting again in a timely manner.

All honourable members will recall the Prime Minister's disastrous tour of regional Australia earlier this year, particularly his visit to New South Wales. Honourable members understand from what they see and hear daily the lack of appreciation by the federal government of community feelings in regional Australia on the sale of Telstra. Sadly, that indifference to the challenge of understanding regional Australia and its particular issues seems to be beyond the federal government at the moment.

I ask the minister to encourage the federal government to deal with the issues more urgently than it appears to be doing. On my return from the meeting I persuaded the minister to explore the possibility of Victoria hosting the next round of regional summits to encourage the federal government to return to the discussion table with the states more quickly than it otherwise might. I ask the minister to advise on the progress of the issue.

Schools: LOTE and ESL

Mr KOTSIRAS (Bulleen) — I refer the Minister for Education to the teaching of languages other than English (LOTE) and English as a second language (ESL) in government schools. Many of the people from around the world who reside in Victoria speak languages other than English. Because of the hard work and commitment of the members of the Ministerial Advisory Council on the Teaching of Languages other than English, the former government gave a high priority to the teaching of languages in schools and provided additional funding for the purpose. I pay tribute to the honourable member for Warrandyte, who chaired the ministerial council for many years.

Under the former government it was compulsory for all students from prep to year 10 to learn a second language, and the aim was to have at least 25 per cent of students in years 11 and 12 learning a second language by 2000.

Although I support the LOTE awareness program that has been promoted as part of Education Week, I believe the government has shown no commitment to the teaching of languages other than English. Parents fear

that the teaching of languages will be given a lower priority and that funding will be reduced.

The discussion paper entitled 'The public education — the next generation', put out by the government, rarely mentions LOTE and the fact that Victoria was once a leader in LOTE education.

On page 3 the paper states:

These include programs to lift literacy and numeracy standards; to raise interest and achievement in science; to teach civics and an understanding of the values and practices of active citizenship; to ensure confidence and competence in the use of new and emerging technologies ...

Nowhere is there a reference to LOTE or ESL.

I ask the minister to confirm that the government will not cut funding for the teaching of languages other than English and that it will take appropriate action to ensure that the teaching of languages continues to be a priority in government schools, as was the case under the former government.

Housing: Geelong East

Mr TREZISE (Geelong) — I refer the Minister for Housing to the redevelopment of the Thomson public housing estate in East Geelong. The estate, which is located 2 kilometres east of the Geelong city centre, consists of 120 public houses constructed after World War II. The houses are therefore 50 or more years old and, to be fair, are pretty much at the end of their lives.

In February 1991 it was proposed that the estate be considered for redevelopment. Subsequent to that, in June 1999, a ministerial advisory group presented a redevelopment strategy report. The report called for a \$5.5 million redevelopment that involved the construction of 73 public sector dwellings and 53 private sector dwellings and the upgrading of 5 public sector houses. Demolition has now commenced, as has the relocation of residents. I ask the Minister for Housing to report on the current status of the Thomson housing development.

All honourable members will appreciate that in many cases each of the 50-year-old houses that are being demolished has been a family's home for the entire period. When we are talking about the demolition of those houses, we are also talking about the basic fabric of the community being disrupted. It is natural that that causes anxiety, especially among elderly or long-time residents. The minister will appreciate that to minimise concerns it is important to consult with the residents of the estate. I seek her action on this important matter.

Port Phillip Bay: Ricketts Point sanctuary

Mr THOMPSON (Sandringham) — Port Phillip Bay is one of the great recreational resources in Victoria. It is a pity that not many people have had the benefit of observing the coastline as part of the Bringing the Bay to Life program set up by the former government. Several projects were initiated as part of the coordinated management of Victoria's coastline, and of Port Phillip Bay in particular. Previously, the coast was administered by 168 different authorities under 30 different acts. The former government endeavoured to coordinate the bay's management to bring consistency to a range of areas.

I refer the Minister for Environment and Conservation to the pending Environment Conservation Council report on the establishment of marine parks in Port Phillip Bay. Recreational angling is one of the many activities conducted in the bay, and recreational anglers have some concerns about the proposed boundaries of the parks. The judicious scientific work carried out by several keen environmentalists has led to a proposal to have Ricketts Point, which is in my electorate, delineated as a marine sanctuary.

However, one slight issue of concern relates to the seaward boundary of the marine park. At this stage it may be that the sentinel markers will constitute a boundary, which may preclude anglers enjoying fishing opportunities at a range of water holes and rockeries that enable good catches to be taken without that impacting on the sea life and marine biota within the intertidal zone. From my point of view, that is one of the principal reasons for protecting the area.

The SPEAKER — Order! The honourable member's time has expired.

Responses

Ms PIKE (Minister for Housing) — The honourable member for Bendigo East raised the concerns of the student association of La Trobe University, Bendigo campus, about the rights of student tenants in university accommodation. The students told the honourable member they were concerned about the university's control over tenancy conditions, in particular the lack of an appeal process to provide a clear resolution mechanism in the event of a dispute between students as tenants and the university. Concern was also raised about the requirement that a full semester's rent be paid up front.

It is true that residential premises that provide accommodation for students and staff, if they are

attached to educational facilities, are currently exempt from the 1997 Residential Tenancies Act. I understand the exemption existed in the 1980 act, but it must be remembered that that act was drafted to cover facilities such as university colleges and halls of residence, teaching and nursing training colleges and boarding houses attached to schools. When the bill was drafted the need for flexibility for people running those facilities was built in, and the exemption was put in place.

I am advised that the basis for that was that the legal requirements contained in residential tenancies legislation were not consistent with the type of accommodation provided by educational institutions. Although halls of residence and those kinds of facilities were originally envisaged, many universities have now moved to providing accommodation in independent or self-contained properties that are rented to groups of students. This new type of accommodation was not envisaged when the Residential Tenancies Act was drafted.

As the honourable member would be aware, the government is concerned that certain academic institutions appear to be carrying over to other kinds of student accommodation, such as stand-alone houses, self-contained apartments, and so on, the exemption they currently have under the Residential Tenancies Act. I am concerned that students are not being afforded the same rights as other members of the community have under the Residential Tenancies Act. Students from the Melbourne University Student Union have also raised concerns with me about inappropriate evictions and unfair treatment by the university.

The government is committed to a review of the Victorian residential tenancies legislation, and I undertake to the honourable member that the review will include an examination of the exemption granted to educational institutions. Certainly the scene has changed, and it is important to look at what is now appropriate legislation given the configuration of housing options available for students in educational institutions.

I am also concerned about existing dispute resolution and appeal mechanisms. Clearly students have rights and must be able to exercise those rights. I look forward to a detailed submission from the student association of La Trobe University, Bendigo campus, as I do from other student associations on this and other issues.

The honourable member for Geelong raised the issue of the redevelopment of the Thomson public housing estate at East Geelong. Since becoming the honourable

member for Geelong he has made a significant contribution to the needs of low-income people in the area. He is very concerned about the future of the housing estate, which comprises more than 100 Victorian households. As the honourable member said, it plays a significant role not just in accommodating those people and providing roofs over their heads, but also in contributing to the life of the Geelong community. However, as was stated the majority of the estate was constructed 50 years ago. Much of the housing is tired and worn out, and it no longer meets the needs of many people in that community. It is in need of redevelopment.

In December last year I endorsed the recommendations of the redevelopment advisory group, and subject to further consultation with the local community and affected tenants the government is now proceeding with a redevelopment of the estate. A development plan has been lodged with the Greater Geelong City Council. It is expected that the redevelopment will take two to three years to complete. In the course of the redevelopment I am determined to ensure that the residents of the East Geelong estate are kept closely informed of the progress of the project, and I have therefore requested that a community liaison committee be convened to fulfil that purpose.

As the honourable member for Geelong said, people have lived in those homes for many years. They are not just bricks and mortar; people are greatly concerned about being relocated close to their community of interest. In acknowledgment of the committed role the honourable member for Geelong has played in the public tenant community in Geelong, only yesterday I wrote to the honourable member formally inviting him to chair the liaison committee to be known as the East Geelong Redevelopment Community Liaison Committee. I have every confidence that he will fulfil that task with great expertise.

Draft terms of reference have been prepared by the Office of Housing to ensure the committee is able to function as both a resource for information on the redevelopment and a forum for community feedback. The committee will also include representatives from the Barwon South Western regional housing office, local government and other interested community groups. The Office of Housing will provide a project liaison officer.

I am pleased to inform the house that this is the kind of model the government intends to use in all its major redevelopments. It believes the aspirations and needs of people in regional Victoria, their commitment to community involvement and their desire to be

consulted in community-based projects is absolutely paramount, and it is committed to ensuring that its processes are open and accountable and the community is brought along.

The government believes the community liaison committee will have a positive effect on the progress of this important initiative.

Mr BATCHELOR (Minister for Transport) — The honourable member for Essendon raised the problem of the 7.18 a.m. train service from Broadmeadows to the city, which has a sad history of being cancelled, if the reports being forwarded to the honourable member for Essendon are correct — and I am sure they are.

The honourable member for Essendon has a well-known history of concern about public transport issues in her electorate, and I am not surprised that she has raised the matter of the 7.18 a.m. train from Broadmeadows, which runs through her electorate and passes Moonee Ponds at 7.37 a.m.

I will ask the Department of Infrastructure to examine the problem to see if there is any pattern emerging to explain why this service has not been provided on every occasion in accordance with the published timetable. It is entirely inappropriate for services to be continually cancelled. One of the most important characteristics of a public transport system that works well is the reliability of the timetable. When services are included in a timetable members of the travelling public expect that on more occasions than not the service will actually be provided.

If this service has a history of failing to arrive on a frequent or even an infrequent basis, I want Bayside Trains to explain the circumstances surrounding that. If this service or other services are not operating in accordance with the published timetable, it means Bayside Trains is not providing the service required under its contract with the government and the government will require it to make amends. I will ask the department to follow the matter through, and I will get back to the honourable member for Essendon.

The honourable member for Bellarine raised the problem of difficulties encountered by some country Victorians in using the Met services when they come into the city. They have trouble understanding the change of requirements from V/Line to the Met. In particular the honourable member raised with me an incident involving Anthony Favaloro, a constituent of his, who contacted him about an experience in using trains within the metropolitan system that resulted in Mr Favaloro being issued with an infringement notice.

The honourable member for Bellarine said Mr Favaloro had boarded a train at a metropolitan station without a ticket, intending to buy one when he reached Melbourne Central. The honourable member has outlined to the Department of Infrastructure the circumstances that preceded the issuing of the infringement notice and sought a review of the case, but that initial appeal has been rejected.

I will ask the department to have a look at the case in the light of the information made available by the honourable member. However, I point out that the Department of Infrastructure traditionally takes into account all of the circumstances before it but if there are any new facts that have been provided tonight or can subsequently be provided, I will pass them on.

As the honourable member for Bellarine said, the customer service officers do a good job. There is a chronic problem on the public transport system of people travelling without purchasing tickets in the first instance. There is a legal requirement for people to buy tickets before they travel. Notwithstanding that, the department will look at the circumstances surrounding Mr Favaloro's case and will take up the broader issue raised about policy and the attitude of some customer service officers in dealing with people, particularly from country Victoria, who may be unfamiliar with the system.

I must say to the honourable member for Bellarine and to anybody who thinks he or she can travel on our public transport system without a ticket that it is not appropriate. Anyone who does that faces the real risk of copping an infringement notice if he or she runs into a customer service officer — or ticket inspector as they are more frequently called in the vernacular. I will take the matter up and get back to the honourable member for Bellarine in due course.

Ms CAMPBELL (Minister for Community Services) — It is a pleasure to follow up the matter raised by the honourable member for Ballarat West in relation to residential respite care facilities for families with sons and daughters with disabilities. I particularly wish to place on record the state's appreciation for the wonderful contribution these families make to both their children's lives and the state by continuing to provide love, care and accommodation for their adult sons and daughters.

The honourable member raised the issue of parents who are 50 to 60 years old and in many cases have cared for their disabled children for over 30 years. She referred in particular to the dilemma faced by many parents as they

age and look towards some enjoyment in their own retirement years free of children living with them.

I am pleased to inform the honourable member for Ballarat West that the Bracks government has provided record growth in disability funding — an increase of \$96.6 million in the coming financial year. That is a 16.9 per cent increase compared with the amount provided by the previous government — the largest single increase in the human services area. Among the new allocations, \$16.4 million is to fulfil government election commitments, and \$1 million of the election commitment funds relate to respite care to enable people with disabilities and their carers to have a break.

I will be happy to instruct the Grampians regional office to conduct an analysis of the number of people requiring respite care, particularly in Ballarat. For my own purposes I will request an analysis beyond Ballarat to provide a picture across the region. The aim of the exercise will be to gain a clear picture of the respite care needs of families in the Grampians region to assist planning to ensure they are provided with the residential respite care they require.

The other important point raised by the honourable member for Ballarat West is that the health of many of the parents is failing and peace of mind comes when they know the department has a plan for the disabled son or daughter to ensure the provision of full-time, long-term accommodation. Part of the role of respite care is to allow such adult sons or daughters to begin to live independently of parents. The department can plan carefully with family members so parents can look forward to their retirement years with some indication of when they will be able to enjoy their retirement together.

I place on record my admiration for parents caring over many years for their sons and daughters with disabilities. I look forward to providing the information required to the honourable member for Ballarat West and the families that have come to her; and to ensuring the department moves towards long-term planning for the adults requiring long-term accommodation as well as respite care.

Mr THWAITES (Minister for Health) — The honourable member for Eltham raised a matter concerning food premises and the increase in fees charged by local government for registration under the Food Act. The government continues to consult with small business and various representative bodies about the operation of the act. The increase in fees occurred as a result of changes to the Food Act under the previous government. The honourable member for Eltham seems

to suggest the government ought to fund the increase in fees introduced by the previous government, although it never offered to fund those changes. The government has concerns about the absence of consultation with small business and the consequential concern of a number of organisations including the Restaurant Caterers Association. The honourable member might take the government's concern back to his constituents and indicate that the reason for the increase was the legislation of the previous government. The government will also continue to work with local government to ensure the fees charged reflect a real increase in work and are not being used just to raise revenue.

I will continue to work closely with the Municipal Association of Victoria, which has taken a proactive role in ensuring a better system of food regulation.

The SPEAKER — Order! The honourable member for Glen Waverley also raised a matter with the Minister for Health. I will call the Treasurer at a later stage.

Ms DELAHUNTY (Minister for Education) — The honourable member for Bulleen raised the matter of languages other than English (LOTE); English as a second language (ESL); and the work of the Ministerial Advisory Committee for languages other than English, known as MACLOTE, which he claimed had been going from strength to strength under the chair of the former higher education minister, the honourable member for Warrandyte.

Victoria has an enviable record over the past generations in supporting the teaching of LOTE. However, I do not share the sentiments in the herograms showered upon the previous government by the honourable member for Bulleen. If it was such a leader in the teaching of LOTE I am puzzled by the black hole left by the previous government in the number of trained LOTE teachers.

If the honourable member for Bulleen looks closely, he will find a number of teachers employed to teach LOTE had no training in the area. The government believes that quality education means providing fully trained teachers in relevant areas.

I was delighted to see the honourable member for Bulleen knew about the government discussion paper — an invitation to a discussion about shaping the next generation of public schools. However, the honourable member obviously did not read it as closely as he might have, or has not read it at all. If he had read

the discussion paper closely he would have seen on page 4, under the heading 'The challenge for Victoria':

Discussions about these key questions need to be informed by an understanding of school characteristics in Victoria and the circumstances in which schools are operating.

The second dot point states:

The cultural and linguistic diversity of Victorian public schools provides a rich and complex resource for teaching and learning. Public schools are well placed to provide the necessary conditions for their students to develop the communication and intercultural skills needed to live and work confidently in local and global contexts. Over 50 languages are spoken and taught in Victorian government schools.

Further, if the honourable member for Bulleen had continued with this excellent discussion paper he would have seen listed the curriculum areas the government believes all students should both learn and be proficient in. Listed are the arts, English, health and physical education and — there it is — languages other than English. I recommend the document, entitled 'Public education: the next generation, first discussion paper.

I also invite the honourable member for Bulleen to look at the first Bracks Labor government budget. Budget paper no. 3 states on page 29:

Services to students from language backgrounds other than English — Provision of English as a second language (ESL) services to students from backgrounds of language other than English.

A number of services are set out. The honourable member would see that the number of students receiving ESL support in regular schools has jumped from 39 363 in 1998–99 up to our target figure for the year 2000–01 of 40 343. The honourable member would see that eligible students receiving ESL support has jumped from 90 per cent in 1998–99 to a target of 91.3 per cent in 2000–01. He would note that the total output cost for this provision of services to students from language backgrounds other than English is targeted in the year 2000–01 at \$43.8 million.

There should be no confusion about the government's commitment to LOTE and ESL. It is clear in the budget; it is clear in the discussion paper; and the difference remains that we will put resources behind the rhetoric so we will have suitably qualified teachers to provide instruction in LOTE.

Ms GARBUTT (Minister for Environment and Conservation) — The honourable member for Sandringham raised with me an issue about Ricketts Point and recommendations under the draft proposals by the Environment Conservation Council. The matter

was raised with him by the Beaumaris Motor Yacht Squadron, which has made submissions to the ECC about appropriate markers for any area protecting the Ricketts Point intertidal reef.

I assure the honourable member for Sandringham that the ECC is still considering the submissions it received and the comments from public meetings it held. It has not yet provided me with a final report encompassing all its recommendations for Victorian coastal and marine areas. I assure the honourable member that the government will take into account the needs and interests of recreational fishers in any recommendations.

Mr BRUMBY (Minister for State and Regional Development) — Most of the matters raised by honourable members tonight have been addressed. The honourable member for Glen Waverley raised with the Minister for Health and me the regulation of the maintenance of cooling towers. The honourable member referred to a letter he received containing suggestions from Mr David Fisher of Fisher Electrics. This is obviously an important area for government to examine at the moment. All honourable members are aware of recent issues regarding cooling towers and legionnaire's disease. The point made by the honourable member for Glen Waverley is that at the moment there appears to be little or no regulation in place for maintenance work on cooling towers.

The suggestion from Mr Fisher is to examine a system based on the practices followed by plumbers, for example, through the Plumbing Industry Board or electricians through the Office of the Chief Electrical Inspector. The suggestions raised by the honourable member are sensible and the government will examine them in the context of both my portfolio — I am presently responsible for the Office of the Chief Electrical Inspector — and that of the Minister for Health, who has broader responsibilities.

The honourable member for Evelyn referred to community support facilitators. I will refer that matter to the Minister for Police and Emergency Services. Other issues that have been raised tonight have been addressed by other ministers.

The honourable member for Mitcham, who is the Parliamentary Secretary for State and Regional Development including Information Technology, raised a matter with me in my capacity as Minister for State and Regional Development concerning the regional summit convened last year by the Deputy Prime Minister, John Anderson, and the follow-up to that summit. Unfortunately it was seven months before the

follow-up occurred. The honourable member for Mitcham represented the government at the follow-up meeting this year. He did an admirable job of representing Victoria's interests, particularly our concerns about regional Victoria.

The honourable member asked me whether the government will pressure the federal government to take more action to cut red tape for people in country areas of Australia, particularly in country Victoria, and made the valuable suggestion that the next meeting of the task force to examine those issues should be held in Victoria. I am pleased to advise the house that I have written to the Deputy Prime Minister suggesting that the next meeting should be held in Victoria and should take place as early as possible.

The government thinks the seven-month gap between the original summit and the follow-up was about six months too long. It wants to see the next meeting occurring as quickly as possible. We have a view in this state about growing the whole of the state and about investing in regional Victoria. It is true that in the last budget the Bracks government committed more to infrastructure in Victoria than the federal government committed to new programs for the whole of Australia. We are leading the way and ensuring that all of Victoria is a great place to be.

In a totally non-political, non-partisan way we extend this invitation to the Deputy Prime Minister: if you want some action on regional development, Victoria is the place to be. The next meeting should be in Victoria and if the Deputy Prime Minister accedes to that request we will make him and the task force welcome and will be prepared to contribute our knowledge and experience about how best to support initiatives and opportunities in regional Victoria.

The SPEAKER — Order! The house stands adjourned until next day.

House adjourned 11.04 p.m.