

**PARLIAMENT OF VICTORIA**

**PARLIAMENTARY DEBATES  
(HANSARD)**

**LEGISLATIVE ASSEMBLY**

**FIFTY-FOURTH PARLIAMENT**

**FIRST SESSION**

**2 December 1999**

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Languiller, Telmo	Sunshine	ALP	Wilson, Ronald Charles	Bennettswood	LP
Leigh, Geoffrey Graeme	Mordialloc	LP	Wynne, Richard William	Richmond	ALP

<sup>1</sup> Resigned 3 November 1999



# CONTENTS

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## THURSDAY, 2 DECEMBER 1999

PAPERS .....	785
AUDIT (AMENDMENT) BILL	
<i>Clerk's amendment</i> .....	785
MEMBERS STATEMENTS	
<i>Goulburn Valley Water</i> .....	785
<i>Eureka Stockade</i> .....	785
<i>Veneto Social Club</i> .....	785
<i>Australian Visayan Association of Victoria</i> .....	786
<i>Road safety: national rules</i> .....	786
<i>CFA: Geelong West firefighters</i> .....	786
<i>Waverley Park</i> .....	787
<i>Kyneton hospital</i> .....	787
<i>Snowy River</i> .....	787
<i>Alannah and Madeline Foundation</i> .....	787
<i>Walwa and Chiltern bush nursing hospitals</i> .....	788
POLICE REGULATION (AMENDMENT) BILL	
<i>Second reading</i> .....	788
DOMESTIC BUILDING CONTRACTS (AMENDMENT) BILL	
<i>Second reading</i> .....	789
REGIONAL INFRASTRUCTURE DEVELOPMENT FUND BILL	
<i>Second reading</i> .....	790, 829
<i>Remaining stages</i> .....	839
DISTINGUISHED VISITOR .....	821
QUESTIONS WITHOUT NOTICE	
<i>Unions: membership</i> .....	822
<i>Bushfires: firefighter safety</i> .....	822
<i>Schools: class sizes</i> .....	823
<i>Hospitals: cleanliness</i> .....	824
<i>Human Services: focus</i> .....	824
<i>Y2K: government compliance</i> .....	826
<i>Member for Chelsea Province: discrimination</i> .....	827
<i>Disability services: commonwealth–state     agreement</i> .....	827
<i>Vocational education and training: registered     organisations</i> .....	828
<i>Manufacturing: leather chairs</i> .....	828

## ADJOURNMENT

<i>Knox hospital</i> .....	839
<i>Western Highway: Ballarat route options</i> .....	840
<i>Port Campbell National Park</i> .....	840
<i>GST: consumer education</i> .....	840
<i>Vocational education and training: registered     organisations</i> .....	841
<i>TAFE: teachers</i> .....	841
<i>Whealers Hill Primary School</i> .....	842
<i>Greyhound racing: Melbourne Cup</i> .....	842
<i>Moorabbin Primary School</i> .....	842
<i>Child care: fees</i> .....	843
<i>Kerang: County Court</i> .....	843
<i>Francis Street, Yarraville: trucks</i> .....	843
<i>Responses</i> .....	844



## Thursday, 2 December 1999

**The SPEAKER (Hon. Alex Andrianopoulos) took the chair at 9.35 a.m. and read the prayer.**

### PAPERS

#### Laid on table by Clerk:

National Gallery of Victoria — Report of the Council of Trustees for the year 1998–99.

Parliamentary Committees Act 1968 — Response of the Minister for Environment and Conservation to the Public Accounts and Estimates Committees Interim Report of the Inquiry into Environmental Accounting and Reporting.

Police Board — Report for the year 1998–99.

Treasury and Finance Department — Report for the year 1998–99.

Victorian Institute of Forensic Medicine — Report for the year 1998–99.

### AUDIT (AMENDMENT) BILL

#### *Clerk's amendment*

**The SPEAKER — Order!** Pursuant to standing order 166, I have received a report from the Clerk that he has made the following correction in the Audit (Amendment) Bill:

In Clause 9, new Division 2, new clause 7B(2)(e) has been corrected to read 7B(2)(d).

### MEMBERS STATEMENTS

#### Goulburn Valley Water

**Mr KILGOUR (Shepparton) —** I pay tribute to the water authority in my area — Goulburn Valley Water — on using the latest technology to provide waste water treatment for Tatura, a town of 3000 people. The food industries in the area produce enough waste for a town of approximately 200 000 people!

I visited the plant the other day and examined the new anaerobic ponds, where they were extracting the gas, piping it from the ponds and burning it off. At the moment they are able to burn the gas but in the future they will use the gas to produce the electricity needed to run the whole sewerage system. It is a construction of three covered high-rate anaerobic lagoon reactors and an integrated biogas extraction system.

What is happening at Tatura will be seen around the rest of Australia, and Goulburn Valley Water should be complimented on using the technology. It sent its senior officers overseas to examine what had been done in the United States and in Europe, and they have come back with a good understanding of what we should do in Australia to ensure we can treat the waste put out by our industries and major towns.

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

#### Eureka Stockade

**Ms OVERINGTON (Ballarat West) —** Tomorrow, 3 December, is the 145th anniversary of the Eureka Stockade rebellion in Ballarat in 1854, one of the most significant events in Australia's history.

The diggers had begun to rebel against the unfair and exorbitant cost of licences they were compelled to buy from the Crown and the ruthless hunting down by soldiers of those who were unable either to produce a licence or to pay. That injustice set the diggers on the path to a revolt and, on 29 November 1854, 16 000 diggers from many nationalities gathered at Bakery Hill, Ballarat, to raise the Eureka flag and swear the oath:

We swear by the Southern Cross to stand truly by each other and fight to defend our rights and liberties.

Then they burnt their licences in protest.

The revolt against officialdom was a short-lived affair. On 3 December the diggers were defeated in battle. Their stand, however, led to political reforms that were the basis for the introduction of representative government in Australia.

Ballarat, the home of the Eureka rebellion, is truly the birthplace of Australian democracy and the Australian spirit.

#### Veneto Social Club

**Mr KOTSIRAS (Bulleen) —** On Friday, 10 December, the Veneto club in Bulleen will celebrate its 26th anniversary.

The Veneto Social Club, founded in 1967 by a group of Italians originating from the Veneto region of north-eastern Italy and now numbering approximately 1900 members, is said to be the largest Italian club in Australia. It is on a property of more than 15 acres that was purchased in 1969, with buildings constructed in 1973. In 1997, due to hard work by the honourable member for Warrandyte, the club opened its indoor

multipurpose centre to complement the existing outdoor facilities.

The aims of the Veneto Social Club include providing a meeting place for the Veneti of Melbourne, offering facilities for all age groups, and maintaining a means whereby the Veneto culture and heritage can be expressed and appreciated not only by first-generation arrivals but also by all Australians. That is what multiculturalism is all about.

The club, of which I am a member, has served the electorate of Bulleen well. I wish Cavaliere Agostini Martini and all the members of the club the best, and I thank the committee for ensuring that the needs of their members are met.

**The SPEAKER** — Order! Before calling the next speaker, I ask the Minister for Police and Emergency Services to observe the forms of the house.

### **Australian Visayan Association of Victoria**

**Mr LANGUILLER** (Sunshine) — Recently I represented Premier Bracks at the annual event of the Filipino Visayan association.

The organisation is well known in Victoria. It was formed in 1986 and among its major aims and objectives is the raising of funds to help homeless children in both the Philippines and Australia. I commend the efforts of association members.

There are many organisations of this type, and not all of them get the recognition they deserve. In the words of His Excellency the Ambassador for the Philippines, the Filipino community has a dual role to play in this community. On the one hand it represents the Philippines in Australia, and on the other it represents Australia in the Philippines. It performs both tasks well, raising funds for charitable organisations including the Royal Children's Hospital. I commend members for those efforts.

On behalf of the Premier I conveyed to the Australian Visayan Association of Victoria the hope that the government will continue to work in partnership with that community. I indicate also that the opposition was represented at the event by the honourable member for Berwick.

### **Road safety: national rules**

**Mr MULDER** (Polwarth) — On 18 November the Minister for Transport released a media kit for a campaign called 'Safer and Simpler Road Rules for Victoria'. The kit outlines changes in road rules for all

Victorians and includes a statement by the Minister for Transport and examples of advertisements that will run during the campaign. One can only conclude that the advertising program is designed to update information for all Victorians on an ongoing basis.

It seems, however, that rural Victoria has been excluded from the advertising program. The city-centrics are moving in already. In fact, rural newspapers and the people of rural Victoria have been described by the minister's own department as 'not a viable option'. When did the road safety of the 28 000 people of the south-west of Victoria, to name but one group, become not viable for this government? As I understand it, rural newspapers throughout Victoria have been excluded from the information campaign.

When did the people of rural communities become not viable for the new Labor government? That government has been in power for only a couple of months and has already forgotten about rural Victoria and the safety of rural Victorians. One need only look at the statistics concerning road accidents and road deaths in rural Victoria to know that any information strategy must include rural Victoria.

I, along with other country Victorians, take offence at being described as 'not viable' by the new Labor government.

### **CFA: Geelong West firefighters**

**Mr TREZISE** (Geelong) — Many members in this house will not immediately recognise the names Mathew Armstrong, Stuart Davidson, Chris Evans, Jason Thomas and Gary Vredeveltdt. They are not household names, but they are the names of men who will be eternally remembered by the people of Geelong as the five Geelong West firefighters who tragically lost their lives at Linton on 2 December 1998, 12 months ago today.

Geelong is not special when it comes to the binding together and mutual support of a community in times of tragedy. Such activities are very Australian, and they have been proudly exemplified by the community of Geelong over the past 12 months. Firefighters Armstrong, Davidson, Evans, Thomas and Vredeveltdt are true heroes. They put their lives on the line to protect a community they did not belong to. To them, that was inconsequential. It is fitting that tonight Geelong will unveil a fountain next to the Geelong West fire brigade premises in tribute to firefighters Armstrong, Davidson, Evans, Thomas and Vredeveltdt.

I take this opportunity to pay tribute to those five men and to forward my condolences and thoughts, and those of this house, to their families and colleagues.

### **Waverley Park**

**Mr WELLS** (Wantirna) — My statement relates to the efforts of the minority Labor government to maintain Waverley Park. The opposition has grave concerns about the viability of the national football tipping competition and, in particular, the level of income that may come from the additional gambling it plans to introduce, yet the minority Labor government has no other plans for raising the \$80 million required by the AFL as a purchase price.

I note that no home-and-away games have been allocated to Waverley Park for next year. It appears, at this stage, that the minority Labor government's election promise to maintain Waverley Park is failing.

### **Kyneton hospital**

**Ms DUNCAN** (Gisborne) — I announce to the house with great pleasure the development of a new hospital at Kyneton. Last Monday night I attended the Kyneton hospital's annual general meeting, at which I announced that \$11 million will be provided for a new hospital on a greenfield site. That is fantastic news for the people of Kyneton, who have feared for the future of their hospital for some time.

The existing building is beautiful but very old, and the nursing home would not have met commonwealth accreditation standards. The hospital's chief executive officer said in his announcement that the news was welcome and that this year had been the most tumultuous of recent times and included battles to increase service targets and funding commensurate with increases in demand.

There have been grave fears for the future of the hospital. The \$11 million upgrade will deliver a facility of 32 acute beds and 20 nursing home beds. The new hospital will provide three dialysis chairs and maternity and childbirth services, as well as palliative care services and six beds for day procedures.

The commitment by the Bracks Labor government fulfils its promise made prior to the election and delivers on two of its commitments — to health services as a priority, and to health services in rural areas as part of its commitment to rural and regional Victoria.

The future of the Kyneton hospital is now secure, illustrating yet again that the Bracks Labor government is getting on with the job.

### **Snowy River**

**Mr MAUGHAN** (Rodney) — I advise the house of feelings in northern Victoria, and the Rodney electorate in particular, about diverting water from the north of the state to increase flows in the Snowy River. Irrigation is the lifeblood of northern Victoria, supporting as it does a range of agricultural and horticultural industries of which dairying is by far the most important, with horticultural and viticultural industries expanding rapidly.

In the Rodney electorate alone the farm gate value of agricultural production is estimated at in excess of \$1.4 billion. In addition to that, and even more importantly from an employment point of view, is the food processing industry and the ancillary industries that flow from it. Kraft, Heinz, Simplot, Henry Jones (IXL), Bonlac, Murray–Goulburn Cooperative and Cedenco Foods are all major employers.

People in northern Victoria accept that environmental flows from the Snowy must be increased, and they support the Webster committee's recommendation of a 15 per cent diversion, which can be provided without affecting the existing entitlements of northern Victorian irrigators. Given that there is enormous potential through the more efficient use of water to dramatically expand the production of food products generally, and horticultural and viticultural products in particular, and to generate a significant number of new jobs in the food processing sector — —

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

### **Alannah and Madeline Foundation**

**Mr ROBINSON** (Mitcham) — Last Saturday evening the well-known and widely respected Alannah and Madeline Foundation held its second annual Starry, Starry Night celebration. I attended the successful function, together with more than 900 others. It was compered by Steve Vizard and great entertainment was provided by a number of performers, including Julia Morris, who sang a magnificent series of Aretha Franklin songs.

I acknowledge the support given to the function by the Victorian Trades Hall Council. It took what I believe to be the unprecedented step of sponsoring through the Melbourne Citymission four disadvantaged teenagers to attend the night. The teenagers were absolutely thrilled

to be part of the evening and to meet a number of well-known celebrities. The Trades Hall Council initiative was fantastic and there is a need to place on the public record the commendation of the house. Particular congratulations should go to the assistant secretary, Natalie Sykes, for her initiative in that regard.

I also wish to acknowledge the role played in the establishment of the Alannah and Madeline Foundation by Mr Phil West of Mitcham, whom I have come to know over the past couple of years. He has been a great advocate of the work done by the foundation.

### **Walwa and Chiltern bush nursing hospitals**

**Mr PLOWMAN** (Benambra) — I pay a tribute to the Walwa and Chiltern bush nursing hospitals, both of which are battling against the odds in dealing with a government that is unsympathetic to their needs and will not provide them with recurrent funding. It is difficult to understand how a government that says it will do everything for country people and country communities can deny that bush nursing hospitals are the lifeblood of the smaller communities and need to be funded.

The previous government had a needs analysis conducted. The result was the Kerr report's recommendation that the Department of Human Services provide a recurrent grant for emergency stabilisation to enable — —

**The SPEAKER** — Order! The honourable member's time has expired, and the time for the debate has also expired.

## **POLICE REGULATION (AMENDMENT) BILL**

### *Second reading*

**Mr HAERMEYER** (Minister for Police and Emergency Services) — I move:

That this bill be now read a second time.

This bill will amend the Police Regulation Act 1958 and deliver on a number of the government's key policy commitments on policing. These measures are designed to build confidence within Victoria Police and also the community's confidence in Victoria Police.

The bill will abolish the Police Review Commission and replace it with a Police Appeals Board. The key change is that the new appeals board will have a binding determinative power on not only promotion

and transfer appeals, but also applications for review of police disciplinary and other staffing decisions.

The reinstatement of a binding power for an external review body is an important reform. The current arrangements under which the chief commissioner has the final decision-making power is unique in Australia. The dismissal decisions of all other employers and police commissioners are subject to review and determination by an independent tribunal. The International Labor Organisation's Convention on Termination of Employment requires that all dismissed workers should be able to appeal to an impartial body. In addition, the provisions give protection to the chief commissioner from suggestions of bias or favouritism.

The new appeals board will be able to:

affirm the original decision;

set aside the original decision and substitute any other decision available to the original decision maker;

set aside the original decision and refer it back to the chief commissioner for determination in accordance with its recommendations or directions; or

in cases involving termination or dismissal, order the reinstatement of the member or, where it considers reinstatement to be impracticable, order a compensation payment of up to one year's remuneration in lieu of reinstatement. (It should be noted that these remedies will not be available where a member has been dismissed following a criminal offence punishable by imprisonment being found proven against them).

In conducting a review, the appeals board is required to have regard to both the public interest and the applicant's interests. Importantly, the public interest is defined to include maintaining the integrity of, and community confidence in, Victoria Police.

Promotion and transfer appeals will be conducted by way of a complete rehearing. By contrast, reviews will involve a process of oversight — a checking of what has taken place to ensure the issues have been considered in a careful and proper fashion and there has been no denial of natural justice. However, should it consider it necessary, the appeals board will have the discretion to conduct a review as a complete rehearing.

The bill will also abolish the Police Board of Victoria, whose current functions the government considers are better undertaken within Victoria Police and the Department of Justice. The new appeals board will

assume responsibility for conducting reviews of unsuitability dismissal decisions, which are currently conducted by the Police Board.

The bill also provides immunity to police officers from personal liability for civil action arising from any act or omission undertaken in good faith while on duty. This measure will free responsible police members from the worry of legal proceedings while performing their duties and is consistent with the protection already afforded police officers in New South Wales and South Australia.

The bill also imposes an obligation on the chief commissioner to consult with the Director of Public Prosecutions before laying any discipline charges against a police member in circumstances where the disciplinary investigation has revealed a possible criminal offence. This provision formalises current administrative practice and is designed to avoid any community perception that police officers may be dealt with under the softer discipline regime rather than through the criminal law when appropriate.

I commend the bill to the house.

**Debate adjourned on motion of Mr RYAN (Gippsland South).**

**Debate adjourned until Thursday, 16 December.**

## DOMESTIC BUILDING CONTRACTS (AMENDMENT) BILL

*Second reading*

**Mr HAERMEYER** (Minister for Police and Emergency Services) — I move:

That this bill be now read a second time.

The bill before the house seeks to deal with the effects of the introduction of the goods and services tax on domestic building contracts that are entered into before the introduction of GST on 1 July 2000, under which work will or may be performed after that date.

The bill deals with some technical and timing issues that arise due to features of the Domestic Building Contracts Act 1995 and the commencement of GST on 1 July 2000.

The bill provides assurance that consumers can have certainty in relation to contracts spanning the introduction of GST; and builders can be confident that these contracts are consistent with legal requirements and therefore enforceable.

The work performed under these contracts after 1 July 2000 will attract GST. Although builders have the primary responsibility to pay GST, they will want to recover it from building owners, consistent with the principles underpinning the GST legislation.

Similarly, building owners need to be provided with certainty as to their rights under domestic building contracts.

At the time of entering into these contracts, the amount of GST payable cannot be ascertained, which has had unforeseen repercussions for the Domestic Building Contracts Act 1995.

First, GST-recovery clauses in these contracts would, under the Domestic Building Contracts Act 1995, either be cost escalation clauses or price variation clauses. These clauses are unenforceable unless they have been the subject of approval processes by the Director of Fair Trading. Their use may also make the builder liable to prosecution.

Second, the use of GST-recovery clauses, even approved clauses, may cause these contracts to become cost plus contracts under the Domestic Building Contracts Act 1995, because, at the time of entering into the contract, the amount the builder is to receive cannot be determined.

Unless the act allows, cost plus contracts are unenforceable and the builder may be prosecuted by the Director of Fair Trading.

The Director of Fair Trading has approved clauses and notices to allow the recovery of GST in domestic building contracts. Regulations have been made providing that the use of these approved clauses and notices will not make the whole contract unenforceable as a cost plus contract.

These amendments will cover contracts made before the regulations and will also ensure that the whole contract is not unenforceable, even though the individual GST-recovery clauses may be.

The measures taken to deal with the effects of the introduction of GST on domestic building contracts are aimed at:

- protecting consumers, by ensuring that builders use the approved GST-recovery clauses and warning notices, which inform consumers of their rights and of the possible effect of the GST-recovery clauses on the contract price, before they enter into their contracts;

protecting domestic builders by enabling them to recover GST without jeopardising their contracts. Many domestic builders are small businesses and not in a position to absorb GST.

I commend the bill to the house.

**Debate adjourned on motion of Dr NAPTHINE (Leader of the Opposition).**

**Debate adjourned until Thursday, 16 December.**

## REGIONAL INFRASTRUCTURE DEVELOPMENT FUND BILL

**Opposition amendments circulated by Mr RYAN (Gippsland South) pursuant to sessional orders.**

*Second reading*

**Debate resumed from 1 December; motion of Mr BRUMBY (Minister for State and Regional Development).**

**Mr RYAN** (Gippsland South) — Last evening when my contribution to the debate was interrupted I was examining two amendments proposed to be moved in my name. The first is an amendment to clause 5(2). As I said, that provides that the minister must not authorise payment of an amount of \$2 million or more from the fund except with the approval of the Treasurer. The purpose of the first amendment is to delete reference to the sum of \$2 million or more so that, in effect, the minister will need the approval of the Treasurer to make any payment from the fund.

The amendment is necessary because the regional infrastructure development fund is to be established to facilitate infrastructure initiatives in country and regional Victoria. When one examines the commitments in the Labor Party policy document that I read out last night one finds that the major commitment is \$40 million and the smallest is \$150 000. Nothing less than \$150 000 appears amongst the whole range of policy propositions.

A fair reading of the policy position published by the Labor Party indicates that it is intended that the regional infrastructure development fund will be used for major infrastructure projects, separate from the many initiatives for which it might otherwise be used, as reflected in the annual report of the former Department of State Development. That report contains pages of much smaller grants of financial assistance to a range of recipients to be used for a variety of disparate initiatives.

As I said in my contribution last night, the initiatives include all manner and means of things. Last Friday the Minister for State and Regional Development was in Corinella, where he announced a grant of \$40 000 to the Shire of Bass Coast. That grant, which was considered and approved by the former government, was made under a range of programs separate from those that were in place previously. The visit by the Premier and the minister to Leongatha on that same day was for a similar reason: they announced a grant of \$25 000 to promote the development of the Shire of South Gippsland.

The opposition anticipates that the government will develop a range of mechanisms that will accommodate grants of smaller dimensions in a separate category.

The bill concerns regional infrastructure development in country Victoria. Its nature denotes that it is intended to deal with major project work that cannot be accommodated by smaller grants. It is a big-ticket item. The concept of any minister wandering the state with the capacity to spend \$2 million without consent or approval should not be contemplated in legislation.

**An honourable member** interjected.

**Mr RYAN** — The honourable member for Footscray makes the point that a minister can do these things, which is why he is a minister. I agree: if a minister wishes to conduct a department in that manner, the minister is entitled to do that. Asking Parliament through legislation to provide the imprimatur to the minister is different. If the minister wants to adopt an executive management approach in his department, that is one thing, but it is different for the Parliament to give approval to a minister to spend up to \$2 million without reference to anybody.

*Honourable members interjecting.*

**Mr RYAN** — Further, what is the logic of involving the Treasurer for amounts of more than \$2 million? Why have the Treasurer involved at all?

**Mr Mildenhall** interjected.

**Mr RYAN** — A reasonable limit of \$2 million is where you involve the Treasurer! Madam Deputy Speaker, the Treasurer should have to approve all payments from the fund.

For the above reasons the provisions should be amended to ensure we achieve the outcomes I have outlined.

A further issue in relation to the second proposed opposition amendment concerns the question of accountability to Parliament for the way the money is expended. The amendment relates to the reporting mechanisms which now apply under the Financial Management Act. Under section 45 of the act a minister is obliged to report to the Parliament in relation to the operations of his department. Section 45 states:

- (1) As soon as practicable after the end of each financial year —
  - (a) the relevant Minister of a department must cause to be prepared, in accordance with this Part, a report of the operations of the department during the financial year;

Section 45(1)(b) does not matter for the purposes of the discussion, but section 45(1)(c) is relevant because it says:

- (c) the accountable officer of each department and public body must cause to be prepared, in accordance with this Part, financial statements of the department or public body for the financial year.

Section 45(2) states:

The accountable officer of each department and public body must submit the financial statements of the department or public body to the Auditor-General within 8 weeks of the end of the financial year.

By a combination of processes, the minister and the accountable officer within his department must within eight weeks of the end of the financial year prepare a report on the operations and financial statements of the department. That is fine so far as it goes.

The next stage in the process is that section 46(1) states:

... the relevant Minister of a department or public body must cause the report of operations and audited financial statements of the department or public body for a financial year to be laid before each House of the Parliament after the end of the financial year ...

The nub of the amendment — what constitutes the report of operations — is defined in section 48 in this manner:

- A report of operations referred to in section 45 —
- (a) must be in a form and contain information determined by the accountable officer to be appropriate; and
  - (b) must contain any other information required by the Minister.

The accountable officer and the minister have discretion as to the form the report of operations should take.

Section 49 headed 'Financial statements' states:

The financial statements referred to in section 45 —

- (a) must contain such information as is required by the Minister; and
- (b) must be prepared in a manner and form approved by the Minister;

The balance of the section talks about what other provisions ought to contain.

The net effect is that there is no provision within the Financial Management Act that requires specific accounting in the manner the opposition parties believe to be appropriate concerning the use of the fund, so we have moved the second amendment. We believe the report should demonstrate, as set out in proposed new clause 2(1):

- (b) details of all applications for financial assistance from the Fund received by the Minister whether the application resulted in any payment from the Fund or not; and
- (c) an assessment of the relative effectiveness of each payment from the Fund for the purposes of section 5(1)(a) —

of the Financial Management Act.

By that mechanism the Parliament would have a detailed report through the minister on how the money is accounted for: who has applied for it; who has received it; in what manner it has been allocated; and the relative effectiveness of the grants. It is pertinent to major payments, as the bill proposes, and to the policy that underpins it — for example, payment of up to \$40 million for a single item relating, in this instance, to the standardisation of the rail gauge in Victoria, an issue that I will return to.

Further, the amendment proposes that, under section 9 of the Audit Act, in its amended form, each audit of the nature I have been referring to be reported on by the Auditor-General within three weeks of being completed. Under the provisions of the Financial Management Act the financial statements have to be prepared and audited and presented by the Auditor-General within three weeks of completion.

The opposition maintains that the Auditor-General should be required to report on the general audit of the departmental operations. Subclause (2) of the proposed new clause provides:

The Auditor-General must include in a report under section 9 of the Audit Act 1994 on the audit of the financial statements of the Department administered by the Minister a special report on the matters referred to in sub-section (1)(b) and (c).

Not only are the issues that have been the subject of payments from the fund to be reported upon by the minister in the normal course of events, but the Auditor-General is being asked to provide a special report on those payments and their applications that have occurred through the fund. In essence, that is the content of the proposed amendments.

The honourable member for Footscray says, by interjection, 'It's a bit rich!' I do not agree. The concept that is a bit rich is that payments are made from the fund in the manner presently contemplated in a circumstance which does not do Parliament justice.

I shall deal with some of the concerns which give rise to the opposition wanting to move amendments to this flawed legislation. As I said last evening, for a start, there is a \$170 million fund in name only — it does not have any money and will not have any money until July next year. Some \$100 million has been committed, and that is increasing as various policy commitments are made by the Labor government. It is proposed that the major payment from the fund will probably be \$40 million for the standardisation of the rail gauge. This is an interesting concept from a variety of perspectives. If one looks at page 6 of Labor's industry plan one sees the following comment:

Labor will provide \$40 million from the Regional Infrastructure Development Fund as a contribution to a partnership with the federal government and Freight Victoria to convert all broad gauge Victorian rail freight lines to standard gauge.

The government has committed \$40 million to that laudable aim. That is a particularly interesting issue in the context of the bill and what is driving it. I would have thought that the government would regard what is contemplated as a very significant aspect of its policy plank — namely, a contribution of \$40 million from the fund in partnership with the federal government and Freight Victoria. I am not sure about the scale of the total project. I stand to be corrected, but I understand it is about \$300 million. Victorians are being told that the Labor government intends to contribute \$40 million of the total sum on the basis that it will form a partnership which will ultimately achieve the conversion of all the broad gauge rail freight lines in Victoria to standard gauge.

I am sorry the Minister for State and Regional Development has left the chamber at this pivotal moment because I would like his assistance on this. However, I will carry on. I am concerned about the extent to which the minister has commitments from the other two parties to the supposed partnership. The whole thing has been sold on the basis that there will be

a partnership between the three parties, with the state's contribution being \$40 million. Bearing in mind that the fund will have only \$170 million, one would think no more than \$40 million could be taken from the fund for that purpose given that around \$100 million has already been committed and that the total amount of \$170 million will not be in the fund until the conclusion of the next three financial years.

As I said, I am concerned about the extent to which the government has a commitment from the other two parties. The minister may be able to help on this, but I am gravely concerned that Victoria is being sold a pup. If the federal government has no intention of contributing any money to this process a huge hole would be put in it.

**Mr Brumby** — Do you think they should?

**Mr RYAN** — I hear the interjection from the Minister for State and Regional Development, who has returned to the chamber. This is a classic example of the fact that the minister has failed to make the transition from opposition to government. The house is debating his legislation, and part of that relates to a policy position he has published. That policy clearly states that there will be a partnership between the government, the federal government and Freight Victoria. In exploring this important issue and fundamental plank of the government's proposals, it is of no benefit to Victorians for the minister to ask me questions. The minister has the carriage of his policy position via this legislation.

**Mr Brumby** interjected.

**Mr RYAN** — He will publicise my view widely about no support from federal funds.

**The DEPUTY SPEAKER** — Order! The honourable member for Gippsland South will address his remarks through the Chair.

**Mr RYAN** — I apologise, Honourable Deputy Speaker. As I said yesterday, the bill is a sham. The key to it lies at the end of the second-reading speech, because the minister referred to the use of the word 'symbolic':

This bill embodies both a symbolic and practical commitment to regional Victoria.

That is a classic example of why I am gravely concerned about this flawed legislation. The fatal flaw is that the federal government has absolutely no intention of contributing any money to the proposal. I have before me a letter bearing yesterday's date

provided to me by the federal Minister for Transport and Regional Services, the Honourable John Anderson. I am happy to table the letter if so desired. It is important to include the letter in this debate. The response arises from correspondence I wrote to the federal member for Gippsland, the Honourable Peter McGauran, indicating this bill was before the house and asking that I be given some indication of the efficacy of the statement by the Labor Party of a partnership with the federal government and Freight Victoria on this initiative. The letter, which is addressed to me, reads:

Thank you for your letter of 29 November to the Hon. Peter McGauran, MP, member for Gippsland, about commonwealth funding for standardising the rail freight gauge across Victoria. Your letter has been referred to me for a direct response.

Responsibility for standardising the Victorian intrastate track rests solely with the state government and the private leaseholders of the intrastate track, V/Line Freight.

For its part the federal government is undertaking a four-year \$250 million rail investment program for the upgrade of the interstate rail network, of which around \$50.7 million will be spent on improvements to the Victorian interstate system. The upgrade of the interstate track between Purra Purra to Maroona was completed in September this year as a matter of priority and has resulted in a substantial reduction in transit times between Melbourne and Adelaide.

Further works on the Victorian interstate track are already under way or will commence shortly. For your information I have attached a copy of my letter of 5 November 1999 to the Honourable Peter Batchelor, MP, Minister for Transport, which outlines the schedule of works in Victoria.

The federal government is committed to the upgrade of the interstate rail track in order to meet performance targets agreed to by the Australian Transport Council at the 1997 Rail Summit. It would not be appropriate therefore to divert funding to the Victorian intrastate track, which is a state government responsibility.

Thank you for your correspondence on this matter.

What is the net result of that? The Labor government has been trotting out a policy — —

**Mr Brumby** interjected.

**The DEPUTY SPEAKER** — Order! The minister is interjecting far too much.

**Mr RYAN** — The minister has been party to a policy that on the face of it raises again the expectations of country Victorians about a project on which he cannot deliver. It would not matter if it were not another example of the sort of problem the opposition has with the way the government conducts its affairs. The minister knew there was no money available from the federal government for the initiative; he has been aware

of it for some time and he may have known it when the policy was written. Perhaps he can tell us in due course.

The minister visited country Victoria flaunting his proposal as a central plank of the operation of the infrastructure, knowing that the federal government position on the issue is that there is no funding available for the program.

*Government members interjecting.*

**Mr RYAN** — I will take up the interjections. I would support the government every day of the week if it were to go to the federal government in an open, honest and transparent manner and say, 'We know this is the policy and we understand that these days you are not going to commit to these projects. We want you to change your point of view for all the sorts of reasons we think are appropriate.' If the government were to pursue that course I would be the first to support it, no trouble at all, and it would be a legitimate way to approach the issue.

However, that is not the way the government chose to approach the issue. It has structured the central plank of its policy development in a manner that has misled country Victorians. I am sorry to see the minister leaving the chamber because there are other matters that I intend to raise. I suggest the amendments to which I referred are needed to make the government properly accountable for the way the fund is operated. What I have said about the government's policy position is a classic example of why they are needed.

There is no need for the bill. The issues it addresses could have been processed departmentally. The government introduced the bill because it wanted a flag bearer it could parade around regional Victoria in its role as a supposed great saviour. But the bill is a sham.

**Mr Bracks** interjected.

**Mr RYAN** — As he passes through the chamber, the Premier interjected, 'Vote against it'. He has not understood the distinction between being in opposition and being in government. It is his role as Premier and the role of the government to introduce legislation to further the government's program. That is not the role or function of the opposition. The government's role is to run a legislative program that is appropriate for the delivery of its policy. The opposition is obliged to keep the government up to the mark — and that is what it is doing. It is not the opposition's task to vote the government down. The opposition is not going to let the government out on that basis. Introducing the legislation was a completely political act.

The reason for the bill has nothing to do with the merits of the allocation of the money; it would be able to be allocated through the various departments without any problem. Government members chose to introduce the legislation, to make big men or big women of themselves on behalf of the government, so they could trot around country Victoria saying it was something that would benefit regional Victorians over and above the sorts of things they should be getting in any case. It is a sham.

**Mr Maxfield** interjected.

**Mr RYAN** — The honourable member for Narracan still has not got the point, so I will take him through it again. He is part of regional country Victoria — —

**Mr Hamilton** — An important part!

**Mr RYAN** — As are the honourable member for Morwell and I. We are unanimous in the view that spending \$170 million in our respective areas is a matter of absolutely noble intent. In a completely apolitical sense we agree it is a great thing to spend \$170 million, as is notionally contemplated by the legislation. Putting that aside for the moment, we are talking about the mechanics of how that is to be achieved.

The government says the bill is the proper mechanism but knows it is a sham, because it knows that the money can be spent through various types of departmental operations. The bill has been introduced because prior to the election the government wanted an idea which would be a mechanism for waving the banner in country areas and which would set it apart and make it different.

**Mr Hamilton** interjected.

**Mr RYAN** — To his eternal credit the Minister for Agriculture has hit the nail right on the head. He interjected and said, 'It got us a few seats'. There in one simple line is the whole issue; it is not about spending the money. All honourable members agree the money should be spent, but the bill is about the sheer politics of Labor trying to better place itself in the Victorian community. The government has brought in a bodgie piece of legislation to further its miserable political aims. Honourable members have just heard it from the Minister for Agriculture. His comment was the perfect summary of the reason for the legislation.

Another reason for grave concerns about the bill is one of smaller items — not a \$40 million item — that is also important to the ability to maintain efficiency in

country and regional Victoria. Last week during question time I asked the Minister for State and Regional Development to inform the house of the progress of feasibility studies of regional rail lines.

I asked the minister about Labor Party policy and the feasibility studies to be undertaken within 100 days of the government coming to office, and said, 'How's progress? How are things coming along? Have you got these things under way? Who is doing them? What are the terms of reference?'

**Mr Hamilton** interjected.

**Mr RYAN** — I did do it nicely, as is my wont. I am grateful for the observation of the Minister for Agriculture.

On his way to the table to answer my question, the Minister for State and Regional Development quickly consulted the Minister for Transport because — horror, fear and dread! — they realised that the position would be difficult to achieve. The tenor of the minister's response was that I had got it wrong and that the government said it would commence the studies within 100 days of coming to office. He bagged me for having the temerity to suggest that such an apparently complex undertaking could be completed within 100 days.

Turning to the \$40 million government initiative to standardise the rail gauge, I would have thought the minister would have been fully aware of the policy when I posed my question to him during question time the other day. After he had answered my question, I thought I may have been wrong, so I checked the documents.

**Mr Hamilton** — That is a big statement!

**Mr RYAN** — The Minister for Agriculture interjects and says that I may have been wrong, and that is a matter for his assessment. In this instance I read the Labor Party policy document 'Labor and Gippsland: A new partnership'. I am sure the honourable member for Narracan and the minister, who lives in Morwell, will be interested to hear what it says, although I am certain they have copies by their beds and give them a quick read before going bye-byes! I remind them of the Labor Party policy:

Within 100 days of attaining office, a Bracks Labor government will complete a feasibility study into the upgrade of the Traralgon–Melbourne rail line ...

I also read the Labor Party's policy document 'Labor And The North East: A new partnership'. The third paragraph states that Labor will:

Within 100 days of attaining government, complete a full feasibility study in conjunction with private sector operators into the reopening of the Benalla–Yarrowonga–Cobram rail line and the Benalla–Rutherglen rail line.'

Two out of three documents confirmed my understanding. The third, 'Labor and Bendigo: A new partnership', sets out the Labor government's policy position for the people of Bendigo. The lead item in the first paragraph states that Labor will:

Within 100 days of attaining government, complete a feasibility study into the upgrade of the Bendigo–Melbourne rail line with the objective of working with the private sector to achieve an 80-minute service to Melbourne as quickly as possible.

The amendments I propose to move reflect the need to have a level of accountability in relation to spending from the fund. Victorians have grave concerns about the government's accountability in its use of the fund.

I also refer to the government's current initiatives regarding the Snowy River. I refer to the letter of 17 November from the Premier of New South Wales, Bob Carr, to the Victorian Premier in which he sets out the conditions under which the New South Wales government is prepared to enter into negotiations to achieve agreement, if possible, by 30 November 1999. Even before Bob Carr comes to the negotiating table he states:

In particular New South Wales is prepared to match Victoria on an equal basis in providing water for increased flows of the Snowy River below Jindabyne.

All honourable members know it is an absolute fiction to impose those sorts of conditions upon the negotiations. The share of the water is three-quarters for New South Wales and one-quarter for Victoria. However, New South Wales wants to impose a fifty-fifty restriction. Without going into details during this debate, the cost of achieving the sorts of outcomes being spoken about is also a fiction. Rather, it is an example of the concerns of country Victorians about the efficacy of the government and its intentions. It comes back to the operation of the legislation.

If the government decided, for whatever purpose, that it would participate in works at Jindabyne to increase river flows, it is quite feasible that the legislation could be used to draw money from the fund. Clearly, the purpose and general tenor of the legislation is built around the notion of generally benefiting or supporting the development of regional Victoria. The legislation could be interpreted as enabling Victorian money from the fund to be spent on that sort of project. Victorians need to know the details. At the moment the details are

not available, which is why my amendments need to be moved to keep the government up to the task.

I make it perfectly clear that the opposition parties would love to achieve a 28 per cent flow in the Snowy River. The former coalition government achieved a 15 per cent flow proposal only after the Carr government had prevaricated about Victoria's two approaches. Now the Carr government is still talking about it and I do not believe it will ever deliver. It needs to be clearly understood, however, that if a 28 per cent flow is achieved the opposition will be delighted. It shares the aspirations of the honourable member for Gippsland East in that regard.

I had discussions with the honourable member and the former Minister for Agriculture and Resources, Mr Patrick McNamara, during which we took the honourable member for Gippsland East through the detail of how the former government would have contributed to resolving the problem. I make it clear that the opposition parties strongly support the proposition of getting as much flow as possible into the Snowy River. One must be practical about the situation and, in particular, the government must be straight-up with people. It cannot be selling proposals on a fallacious basis. This is another example where I fear Victorians are being misled, and we will see more of it.

Country Victorians are concerned about a range of other issues. The Minister for Education, who has just come to the table, is involved in the fiasco of capping class sizes. Is it an average? Is it a cap? Is it a ceiling? What exactly is it?

**Ms Delahunty** interjected.

**Mr RYAN** — Yesterday the minister referred to the famous Access Economics document. Now that the figures are available, honourable members have discovered they are based on an averaging arrangement.

I will leave people outside this place to find the appropriate term to describe the way she has conducted herself over that issue. The matter appears in the newspaper today, and I am sure we will hear more about it.

The matters underpinning the concerns of country Victorians about the bill include the proposed destruction of Parks Victoria and the proposal for the catchment management authorities to be reviewed and funded by Treasury. When Treasury gets hold of those sorts of things it has a good, close look at them. It will be interesting to see whether the catchment management authorities survive.

As the laws are being unravelled we are getting into such industrial relations nightmares as the fiasco surrounding the deregulation of the dairy industry and the Basslink proposal, which is so important in my electorate. When some people presented a petition to Parliament the other day, the Premier could not give 5 minutes of his time to talk to them because he was busy talking to the Geelong footy club.

All those things reflect the fact that people in country Victoria are concerned about the way the bill has been structured. The expenditure of money in country and regional Victoria is completely a bipartisan issue, and the basis on which the bill was introduced is misleading for country Victorians. I might say \$170 million is not nearly enough to fund the initiatives, but I have no doubt the government will respond by saying, 'More will be provided through all the departments'. But that is precisely my point — the money proposed to be spent from this so-called fund will be spent anyway in various ways, shapes and forms.

The government has brought this flawed bill before the house as a mechanism for creating a means of winning a few more seats, as the Minister for Agriculture has observed. That is the purpose underpinning the bill. It has nothing to do with the mechanics of good government or good legislative provision; it has everything to do with trying to put the government in a position it believes will best serve it in the electorate.

I will refer to employment in country Victoria because the second-reading speech contains assertions about that. When one looks across the span of the term of the former government one sees that employment levels increased. In October 1992 the employment level in regional and country Victoria was 519 700; by August 1999 it had increased to 553 900 — an increase of 34 000. If we were to look at those figures from a bipartisan point of view we would all applaud them as a great outcome for regional and country Victoria. Similarly, in October 1992 the unemployment figure was 70 000; in August 1999 it fell to 46 500. In country and regional Victoria in particular, the unemployment rate in October 1992 when the former Labor government's term came to an end was 11.9 per cent; in August 1999 it was 7.7 per cent — a reduction of 4.2 per cent! That is a remarkable achievement.

**Mr Maxfield** interjected.

**Mr RYAN** — The honourable member for Narracan says not in Moe. I readily accept that there is an ebb and flow in different parts of the state. I also accept that the Latrobe Valley has borne much of the brunt of the huge changes to the electricity industry and

that we are still coming to grips with the problems in that area.

However, in other parts of the state, such as the electorates of the honourable member for Rodney, the honourable member for Wimmera and the honourable member for Swan Hill, the rate of unemployment is nowhere near what it is in other parts of the state. Indeed in Swan Hill the current unemployment rate is — —

**Mr Steggall** — It is 6.5 per cent.

**Mr RYAN** — About 6.5 per cent I am reliably informed, and decreasing all the time.

I understand there are pockets and areas around regional and country Victoria where the unemployment figure is higher than it is in other places — that is how we find an average. I accept that, and I do not shy away from the situation at all, but by looking at the broad sweep of the issue we see that over that seven-year span the unemployment rate fell from 11.9 per cent to 7.7 per cent in regional and country Victoria. That is a magnificent achievement.

In conclusion, the bill is absolutely misconceived. It is intended to be a pea and thimble trick, because the money proposed to be spent from the fund would have been spent anyway in a variety of ways. The initiatives in the bill are palpably false. The government is pursuing initiatives in its policy documents that are palpably wrong. As I have demonstrated this morning, the government cannot implement them, and it should do the decent thing and tell the people what the reality is. It should tell them that despite its having maintained that the federal government would form a partnership with it to achieve those outcomes, the fact is that the federal government has no intention of doing that at all. As I said before, if the government takes the position of encouraging the federal government to do that, I will support its endeavours. But in the meantime it should not mislead the people of country and regional Victoria.

As the second-reading speech indicates, the purpose of the bill is symbolic. The government has brought this symbol into the house, but it is a sham. It is a reflection of what we saw when the Labor government was in office before and what we will inevitably see again.

It is interesting to reflect on the general media commentary on the Virgin Airlines issue in the past 48 hours. The government has been out there waving the flag, and in question time yesterday government members talked about initiatives being taken, but Terry McCrann gave a proper interpretation of those initiatives when he said it sounds dangerously like the

1980s all over again. That is what worries the opposition and the people of country and regional Victoria. Although I understand how embarrassing that sort of commentary is for the government, it does demonstrate that members of the government are making fools of themselves.

I make it clear that the opposition parties will support the government all the way in achieving the end result if it will mean that Victoria will benefit, particularly country and regional Victoria.

I conclude by pointing out with the best will in the world that in this cabinet of 18 members there are 6 former advisers to Labor ministers in various jurisdictions; 2 former electorate officers; 4 former union officials; 2 former ALP employees; and 4 others. Given the dimensions of the problems facing Victoria, particularly country and regional Victoria, I have grave concerns about the ability of the government to deliver. Those concerns are emphasised when I see the government pursuing policies that are on their face palpably false and underpinned by a piece of legislation that is fundamentally flawed and a sham.

**Mr LONEY** (Geelong North) — I am disappointed that the opposition is opposed to this great initiative for regional Victoria. I assume that is its position after having listened to most of the contribution of the honourable member for Gippsland South.

I find it strange that opposition members, particularly those who represent regional areas, would come into this place and argue against assistance for country Victoria, but that is what we have heard from the honourable member for Gippsland South.

The nub of the contribution by the honourable member for Gippsland South was that no assistance should be given to country Victoria. The opposition clearly does not like the proposal because it did not think of it first. If the former government had thought of it, it would have been the world's most wonderful idea. But it did not think of it, so it has opposed the bill. The opposition parties will be judged by that decision.

I will briefly deal with some of the honourable member's arguments. The honourable member spent some time discussing the upgrading and linking of many of Victoria's wheat rail lines to the standard gauge network. I am surprised that an opposition spokesman would undermine that initiative by writing letters designed to prevent that from happening. It is clear from his own description that that is what occurred. I do not know what support he had for his action, but I wonder whether his partnership colleagues

who represent western Victoria have been informed. It may not matter much in the east where the honourable member comes from, but in the west it is a major issue, particularly in seats such as Portland.

I wonder whether the Leader of the Opposition was consulted about or agrees with the undermining of that proposal. What does the Portland community think about the action taken by the honourable member for Gippsland South? Does the honourable member for Wimmera support the undermining of the proposal?

The provisions of the bill will be important to the Geelong region, the great bulk port of Geelong where the wheat cargoes are shipped. It is important to increase the state's drive for export dollars. Major infrastructure improvements are of great importance to western Victoria. Yet the honourable member for Gippsland South seeks to undermine them. I will be interested to hear the views of the honourable members for Wimmera, Bellarine and South Barwon. I challenge them to stand up in the house and support the bill, disassociate themselves from the statements made by their colleague today and do something constructive for their communities. I urge those honourable members not to follow the opposition line on this one. They have a chance to get up and do something for their communities.

**Mr Spry** interjected.

**Mr LONEY** — The honourable member for Bellarine has the chance to hop up today and do the right thing. I invite him to support his community and join government members in putting pressure on the federal government to ensure the proposal goes ahead. I am sure the honourable members for Wimmera and Portland will want to do that because they understand the importance of this bill to their communities. I borrow a phrase from a previous luminary in this place, whose light, fortunately, has faded: the act by the honourable member for Gippsland South of writing that letter was un-Victorian.

I cannot understand how a regional member, and one sitting on the opposition front bench, could have set out purposely to undermine a major infrastructure initiative for a large part of the state. His leader evidently either knew nothing about it or did nothing about it. There were no other choices. Government members are interested to hear from his leader which one of the two it was.

Some other comments were made by the honourable member for Gippsland South about releasing details of the grants. When the minister outlined the matter he

spoke about the transparency of the arrangement, and I will refer to that in a moment. The honourable member is not on the safest of ground when he raises such matters. The former government made state development grants to municipal councils — to local government — and always refused to release details of those grants on the grounds of commercial in confidence. It would not allow anyone to see them. Yet today the opposition comes into the chamber and says that the government's proposal, which has some parameters and accountability, is something it would not have undertaken. The record is different and the state development grants are the great indicators of that.

It is disappointing to see the opposition so implacably opposed to doing some good for country and regional Victoria. I do not think that way. I welcome the bill. It is a great bill for regional Victoria, and for Victoria generally. I am even more pleased that the minister has acted quickly to get the bill into the house as one of the first actions of the new government, demonstrating that while the other side seeks to undermine country Victoria the government is keen to get on with the job and build country and regional Victoria.

After seven years of the former government's abject neglect of any area outside Melbourne, it is tremendous to see a minister who understands regional areas and wants to do something to build them. Over the past seven years, country people — people living outside the city — would occasionally drive into Melbourne, reach the outskirts, get on to a nice new road, have a look at a new building or attend a sporting or cultural event, and then drive home and find the opposite happening in their communities. They would see closed schools, closed police stations and closed hospitals. They would see poorly maintained roads that local councils had to ignore because road funding could not be obtained under the previous government. During the reign of the Kennett government they saw roads torn up, and schools, railways, hospitals and hospital beds closed all over the place. Railway closures may be one of the reasons the honourable member for Mildura is representing that electorate today. The closure of the rail service was a big issue in the Mildura area. It was a complete turnaround of a direct promise from the previous government. The former government just turned its back on the area and closed down the services. The Kennett government approach was that if it was not in Melbourne, it was not on.

I welcome the Regional Infrastructure Development Fund Bill because it will ensure that development is spread across the state. It is a pity that the opposition is still mired in the same attitudes — if it is not in

Melbourne, it is not on! That is why members opposite oppose the provisions of the bill.

The Labor Party policy on development contained a specific Geelong policy document which was that the Labor Party would establish a regional infrastructure fund to ensure Geelong receives a fair share of infrastructure funding. It states in part:

We will ensure that capital expenditure will be spent in proportion to the population.

The bill delivers on that promise. The people of Geelong expected it and today it is delivered. The policy was considered so important that it was a priority of the government to be implemented in its first 100 days in office. The underlying objectives of the bill are unashamedly regional and are about supporting areas outside Melbourne. The fund will support industry development in regional areas, and improve critical transport linkages — an issue I will return to when referring to projects in the Geelong area. The bill will also improve tourism infrastructure. It will develop better linkages to regional Victoria and create new opportunities in education and information technology. Under the previous government regional Victoria missed out badly in those areas.

Over the term of the Labor government the Regional Infrastructure Development Fund will be allocated \$170 million to be spent in regional Victoria. The schedule to the bill lists the 47 municipalities involved, all of which are outside Melbourne. The focus is clear. I am sure the honourable member for Wimmera will actively encourage his municipality to participate in the project. I anticipate a number of honourable members opposite will take the niggardly approach and not do anything to assist their local municipalities.

**Mr Baillieu** interjected.

**Mr LONEY** — The honourable member for Hawthorn asks me to list the opposition members who will not participate in the program. I will not name them because I do not have sufficient time left in my contribution. Obviously the honourable member agrees with me that a large number of his colleagues will not do anything to assist their areas.

As I said earlier, as indicated in the schedule and the definitions clause, the bill is about assisting regional Victoria. I support the fund because it is a transparent and honest mechanism for implementing government policy. The honourable member for Gippsland South says the measure does not go far enough, but the former government was prepared to conceal state development support grants by using commercial-in-confidence

provisions. The bill will benefit country Victoria through the huge injection of money for capital works. The allocation is additional to the moneys already committed across a range of projects.

I refer to funding for two important projects in the Geelong area. The first is the provision of \$12 million from the fund to revitalise the Geelong central activities area. It is a huge investment for Geelong. The city centre has been run-down for some time, something the honourable member for Hawthorn should understand, because it has been affected by two policies of the former government.

Planning laws allowed the unrestricted expansion of retail space into industrial areas. I should sit down with the honourable member for Hawthorn and tell him the full story of how I had to speak to the former Minister for Planning and Local Government to get him to revise the planning scheme amendment because the then government did not understand it. The way the scheme was written it would have allowed retail areas being set up even in the Shell oil refinery — it was totally unrestricted. The second critical issue was the appointment of commissioners who had absolutely no appreciation of developing the area. They set about the process of asset-stripping Geelong.

The fund will also provide up to \$4.5 million to meet 50 per cent of the cost of linking key wharves at the port of Geelong to the national standard gauge rail network. Even the honourable members for Bellarine and South Barwon could not oppose that, but I will be interested to hear their contributions to the debate. That proposal will help Geelong become a transport hub through links to the standard gauge rail network. It will build export opportunities through the port.

I am delighted that the Minister for State and Regional Development has fulfilled an important Labor Party policy promise in the first 100 days of government. The developments will be great for country Victoria and for Geelong. It is a clear turnaround on the practices of the previous government and a strong indication that the Bracks government supports regional Victoria.

**Ms ASHER** (Brighton) — I am delighted to join the debate on the Regional Infrastructure Development Fund Bill. I note in the minister's second-reading speech a number of references to the bill's symbolism. I find the symbolism more attractive than following the honourable member for Geelong North, a regional member of Parliament and a former regional shadow minister who has been dumped from cabinet by the Premier. I suggest that reflects the focus of the government on something far more practical.

I would have expected honourable members who represented regional electorates to have been included in the Bracks shadow cabinet, not dumped, as they were. Geelong is not represented by a minister.

The opposition does not oppose the bill. It sets up a trust fund, the application of which will provide financial assistance for capital works relating to regional infrastructure. As has been stated, the schedule lists the regional councils to which the fund applies, and the minister has a discretion to spend up to \$2 million.

The opposition has grave concerns about the financial management of the fund. Although when in government it expended significant funds in regional Victoria for both capital works and recurrent funding, it has concerns about financial management of this fund, details of which need to be laid on the table in advance.

The first issue of concern is that the fund does not cover capital works alone. Clause 5(1)(a) states that the funds are:

- (a) to be used to provide financial assistance for or with respect to capital works —

relating to a range of matters that are set out. The opposition has a number of key questions about the provision. What constitutes financial assistance? Is it a grant or a loan?

**Mr Nardella** interjected.

**Ms ASHER** — The honourable member for Melton says it means financial assistance. He is confirming that the fund will cater for grants. Given his learned perspective he may be able to clarify whether the fund will cater for loans. The legislation is unclear on that aspect. Such issues are critical to the financial management of the fund, to which groups to which it will apply and to how it will be used. For example, a comparison can be made with the Community Support Fund. That fund is restricted to capital only, yet the fund provided for in the bill is vague and does not appear to be restricted to capital only.

**Mr Nardella** interjected.

**The ACTING SPEAKER (Mr Lupton)** — Order! The honourable member for Melton will please restrain himself.

**Ms ASHER** — It is very hard for him. The second issue of concern is whether the bill contains a requirement that there be matched funding for the grants, loans or capital grants — whatever they are. I again make a comparison with the Community Support Fund, where the community is required to match grants

to the extent of 50 per cent. Whether a local government body or some other authority is prepared to make a 50 per cent contribution is almost a test of the validity of a project. The bill contains no requirement for there to be any contribution other than the government contribution. There is no test.

I draw attention to the Australian Labor Party's policy document entitled 'Reviving Regional and Rural Victoria', in which the ALP when in opposition canvassed a number of criteria that would operate in relation to the fund. Interestingly the criteria are absent from the bill. It also contains no guidelines, and I will get to those in a moment. The criteria that are absent from the legislation are particularly interesting in terms of contributions from other entities.

Under the heading 'Regional Infrastructure Development Fund' the policy document outlines the criteria the ALP listed when in opposition. The last dot point states:

Projects will be assessed against a number of criteria, including whether: ...

it leverages funds from other sources and involves no recurrent expenditure commitment from the state government.

It is interesting that although in its policy document the ALP wanted to pay due regard to whether applicants leveraged funds from other sources, the point is absent from the wording in the bill.

The Minister for State and Regional Development tours country Victoria encouraging all sorts of groups to apply for funds under the regional infrastructure fund. He does not tell them about the criteria that were developed in the policy. He does not tell people they need to leverage funds from other sources — he forgets that completely. I seek clarification from the minister about whether the criterion concerning additional funding from other sources will apply in the guidelines for funding applications, or whether the criteria have been abandoned now that the ALP is in government.

The opposition directs attention to another aspect of the workings of the Regional Infrastructure Development Fund which it considers to be a critical issue — that is, the bill allows for taxpayers' money to be given to the private sector. All honourable members are familiar with taxpayers' funds for capital works being provided for the budget sector and for the non-budget sector. However, governments of all persuasions are generally cautious about granting or loaning money to the private sector.

When the opposition was in government it looked at incentives for investment; and incentives for big employment projects and capital investment are legitimate issues for governments to examine. However, the bill talks about the fund directing capital funding to the private sector in the form of either loans or grants. All honourable members would immediately think of the experiences of the Cain–Kirner government in the 1980s with the former Victorian Economic Development Corporation. The opposition cautions the government about advancing large grants of money. The bill provides for up to \$2 million to be handed over to the private sector at the minister's whim — without providing any guidelines.

The bill outlines the infrastructure areas to which the fund will be applied. They are: transport, not only in regional Victoria but connecting regional Victoria with other parts of the state, which presumably includes Melbourne; the development of industries in regional Victoria, and I refer to my earlier point about handing over taxpayers' funds to the private sector; the development of tourism facilities; providing education and information technology; and the broad catch-all:

- (v) generally benefiting or supporting the development of regional Victoria ...

I refer particularly to tourism facilities, because most tourism infrastructure is private.

**Mr Nardella** interjected.

**Ms ASHER** — As the former Minister for Tourism — as the honourable member for Melton observed — I can say that the best thing that could ever happen to regional tourism, other than the previous government's advertising campaign for the regions, is hotel development in regional Victoria. The former government was involved in some significant discussions about regional hotel development with private sector operators, who indicated an early willingness to invest in regional Victoria. In the opposition's view such facilities are completely in the domain of the private sector. I will therefore be interested to see whether those sorts of private sector investors in regional Victoria will be the beneficiaries of the fund and will receive taxpayers' money to invest in regional Victoria, as either incentives or capital grants.

One of the vital infrastructure components of the tourism industry is visitor information centres, which were previously funded in part from the Community Support Fund. Local government would contribute 50 per cent of the cost and the state government, through the Community Support Fund, would also

contribute 50 per cent. I think the system worked well. It included what the tourism industry believed was necessary — that is, financial commitment from local government to tourism infrastructure. However, under the Regional Infrastructure Development Fund the bill proposes to establish, presumably visitor information centres would be eligible for capital funding. It will be a great shame if local government is able to shirk its responsibilities because the tourism industry can go straight to the fund.

I am concerned about the level of ministerial discretion allowed by the bill. Clause 5(2) gives the minister complete and utter discretion to hand over to the budget, non-budget and the private sectors a loan or a grant of funds up to \$2 million. That is an enormous discretion for one minister to exercise without reference to anybody. I sound a note of caution about the proposed level of discretion and direct the attention of the house to the opposition amendment prepared in the interest of maintaining accountability. The amendment proposes that the minister will have reference to the Treasurer, which will involve some Department of Treasury and Finance evaluation of the projects at hand.

The bill allows significant transfers of public moneys from the fund to the private sector at ministerial discretion and makes no reference to the Department of Treasury and Finance analysing each case and providing a recommendation. No performance criteria is provided for in the bill. If one were uncharitable, one could say that it is proposed to set up a personal slush fund for the minister. If the opposition amendment is accepted there will be some Treasury constraint on recommendations.

The second-reading speech refers to processes and procedures but they do not constitute part of and are not enshrined in the bill. The second-reading speech refers to a departmental committee of the key departments — defined as State and Regional Development, Infrastructure and Premier and Cabinet — to provide recommendations on particular applications to the fund. It also says that guidelines, which are critical, are being prepared. I reiterate: I hope the ALP's policy document guidelines will be incorporated in the guidelines for the administration of the fund that are being put together by the Department of State and Regional Development. The guidelines in the ALP's policy are that an assessment will be made based on whether:

... the project is aimed at facilitating the integration of the region into global markets and will assist in attracting new investment;

the project involves value-adding and will build on a key regional strength (e.g. education);

the project enhances critical economic infrastructure (preference will be given to those projects which relate to the implementation of regional economic strategies and enjoy support from local industry and local authorities); and whether,

it leverages funds from other sources and involves no recurrent expenditure commitment from the state government.

None of those important criteria is reflected in the bill. I seek an assurance from the minister that the criteria will be picked up in the guidelines. The opposition has noted that the possibility exists of double dipping — for example, into the Community Support Fund, the Partnerships Fund and the fund proposed to be set up by the bill. I hope community groups do not waste time in preparing a whole series of applications. One must be conscious that many groups applying for funds are made up of volunteers. One would not wish to waste their time by encouraging them to apply for grants from a variety of funds. I hope the guidelines will provide some direction on such issues.

The opposition is concerned about the accountability of the fund on reporting requirements. Opposition amendment 2 provides for detailed reports and records so that people can see who has applied for and received funding and who has not. That commonsense amendment will provide feedback to a range of community groups and the private sector on why certain applications were funded and others were not.

The bill makes no reference to the quantum of money to be allocated to the fund, although the second-reading speech does. The quantum is up to \$170 million — not a commitment for \$170 million in the term of this government. Is this adequate funding, given the expectations that have been created in regional Victoria? One can compare the \$170 million over the one term of government with the capital infrastructure moneys put by the previous government in rail, water and education projects in regional Victoria. The previous government allocated \$1.2 billion for water projects alone. It is made clear in the bill and the Labor Party's policy that no money will be available for the fund until July 2000, but most importantly, as the honourable member for Gippsland South outlined, the Labor Party has already committed \$100 million of the up to \$170 million that is to be allocated to the fund.

The minister is swanning about regional Victoria encouraging people to apply for this fund, but he is not telling them that \$100 million is already committed and only \$70 million is left. I urge private sector and community groups to get in early for their chop because the fund is bound to be fully committed shortly.

In its plan for reviving regional and rural Victoria the Labor Party made a grand statement about the fund and said that it will:

Revive regional economies through our Regional Infrastructure Development Fund.

Grand expectations have been raised in rural and regional Victoria that the fund will revive the economies of regional Victoria and the Labor Party will have to manage those expectations. The regional sector faces a number of challenges in monitoring the fund. It will be important to distinguish the use of the fund from moneys previously committed.

I urge honourable members to check in Budget Information Paper No. 1, the 1998–99 Public Sector Asset Investment Program — previously known as the Capital Works Program — that the fund is not simply picking up moneys already committed by the previous government. I ask the minister in his capacity as Minister for Finance: where is the 1999–2000 public sector asset investment program? It is important to ensure that funds previously committed to capital works — —

**Mr Brumby** interjected.

**Ms ASHER** — It is your job to table it, Minister, in this session of Parliament. I seek your assurance that it will not be used to fund projects provided for under the previous government's capital works program.

In conclusion, I refer to the minister's second-reading speech where he said:

This bill embodies both a symbolic and practical commitment to regional Victoria.

Never a truer word was spoken. This is a symbolic commitment to regional Victoria and a small practical commitment, given the \$2 billion that was spent in regional infrastructure in the last term of the Kennett government.

**Mr HELPER** (Ripon) — It is a pleasure and honour to support the Regional Infrastructure Development Fund Bill because it reflects the commitment that the Labor Party made to the regional electorates of Victoria. The policies put to regional electorates played a significant role in the election campaign in general and in my election to this place.

It is interesting to note that the bill has been introduced within the first 40 days of the new Bracks Labor government.

**An Honourable Member** — Getting on with the job.

**Mr HELPER** — Exactly. In the preceding seven years not a single targeted initiative of this nature came from the previous government. It honours the commitment — —

**Mr Spry** interjected.

**Mr HELPER** — I said targeted initiative — not pork-barrelling all over the place!

The provisions of the bill reflect the commitments of the Labor Party in the election campaign as stated in its Reviving Regional and Rural Victoria policy — as against pork-barrelling. The bill establishes a dedicated fund of \$170 million to be allocated over the next three financial years.

Yesterday in his contribution to the debate the Deputy Leader of the National Party constantly harped about money not being in the fund at this stage and the fund not receiving a budget allocation until the 2000–01 financial year. The proposal is an obvious and reasonable arrangement because it is about funding for major and strategic infrastructure needs — it is not about running around with a wheelbarrow load of money, sloshing it here, there and everywhere.

The bill establishes a fund of which the Ripon electorate will be a beneficiary. I will spend a little of my time discussing the proposal put forward during the election campaign for the redevelopment and revitalisation of the Aradale site just outside Ararat. Honourable members may be aware of the former Aradale hospital which is an enormous building set in massive grounds of 100-odd hectares. Since the early 1990s the building has been abandoned but certainly not derelict. In the seven years of the previous government, nothing happened on the site — despite many promises and supposed backroom deals.

The building is falling into disrepair, and the longer the site it left unused the greater the disrepair will be. It is fair to say the building is an icon and its surroundings are the source of a feeling of pride in the Ararat community. The former Aradale psychiatric hospital had a long history in the community and a major economic impact on Ararat as a leading employer in the town.

The Labor Party's proposal for Aradale is to establish a wine centre of excellence on the site, which will be the core for the revitalisation, reuse and reoccupation of that site by worthwhile community activities. During the election campaign Labor was criticised by people

who said that the \$1.5 million committed to that project was nowhere near enough — that it would not even pay for the replacement of the spouting around the roof of the building. That may well be the case, but that criticism shows an absolute ignorance of what the proposal is about.

The proposal is to seed an activity that will attract other activities to it. Once a centre of wine excellence is established, including training and research activities focused on the wine industry, somebody else will come along with another proposed project. The proposal has wide-ranging support among people in the wine industry. The site lends itself to the provision of accommodation, further research activities, and hospitality training and facilities on the site. All those things are possible — it needs only a commitment by the government to get the ball rolling. Through its commitment Labor will get the ball rolling at Aradale and hence receive praise from the Ararat community.

*Honourable members interjecting.*

**Mr HELPER** — Exactly — getting on with the job!

It is important to note that the Minister for State and Regional Development will establish an infrastructure development council. As I said in response to a number of interjections earlier, the fund is not about pork-barrelling. It does not reflect an ad hoc approach to funding community-based activity or meeting infrastructure needs. The bill is about planning for regional Victoria to go forward — that is, considering what needs to be funded and planning for the best strategic outcome from the funds expended. That contrasts with the ad hoc approach of the previous government, which aimed at seeing how many photographs could be published in local papers of local members presenting cheques for whatnot projects.

The Community Support Fund has provided money for many good individual projects, but it is not strategically applied and was not strategically applied by the previous government. One example of the good projects financed by that fund is the relocation of the Ararat Visitor Information Centre, which was granted some \$160 000. I commend the previous government for receiving and progressing that submission. I commend the community for having developed the proposal and contributed to the implementation of that excellent project. I also commend the Minister for Major Projects and Tourism on having opened the information centre just the other day.

Another excellent project is the Community Resource and Exhibition Centre in Maryborough, which has

received funding of some \$975 000. Again it is a good individual project, but a strategy is not evident in the myriad projects funded across regional Victoria.

**Mr Baillieu** — Where is the strategy in the bill?

**Mr HELPER** — If I may respond to the interjection, the strategy arises — —

**The ACTING SPEAKER (Mr Lupton)** — Order! The honourable member will ignore interjections and direct his remarks through the Chair.

**Mr HELPER** — Thank you, Mr Acting Speaker. The proposed infrastructure development council will develop and maintain the focus and strategy of the fund in the expenditure of moneys allocated to it.

I invite the house to consider the result of the adhocery of the past seven years. In the past year country Victoria gained just 10 per cent of new commercial buildings, although regional Victoria has approximately 28 per cent of Victoria's population. It is missing out somewhere along the line. Other consequences of the adhocery include retail development in regional Victoria over the past 12 months at only 16 per cent of the retail development in metropolitan areas. Again I point out that the population of regional Victoria is approximately 28 per cent of the state. So proportionately a fraction more than half the development to which it was entitled has reached regional Victoria.

Probably the most disturbing figure — because of its implications for jobs — is that only 14 per cent of manufacturing investment is spent in regional Victoria, which, as I said, has 28 per cent of the state's population. That sick equation reflects the neglect of regional Victoria in the past seven years. Of the \$2.1 billion in projects facilitated in the previous year through the Office of Major Projects, not a single project has ended up in regional Victoria — that is, beyond the tram tracks. Perhaps if tram stoppers at the end of tram lines had been applied for they would have been funded!

The needs in regional Victoria are glaringly obvious. Closed shops can be seen in every country town. With the evolution of retailing, many businesses have moved away from the main streets, but that does not account for anywhere near the percentage of vacant shops in country towns — 50 per cent, 60 per cent and in some sad cases, 75 per cent.

Country areas are losing their young people. The most common concern expressed to me during the campaign period and since the election is that country areas are

losing young people to metropolitan areas and to the larger regional towns because there is no hope of finding a job or achieving appropriate educational outcomes in regional areas. That is the perception, and certainly with jobs that is the reality.

The economic decline of regional Victoria has led to an increase in health problems directly related to where people live. If you live beyond the tram tracks, in regional Victoria, you are more likely to suffer a range of health problems. That is a travesty of justice.

The regional decline can best be summed up by the employment statistics. Full-time employment in regional areas has declined by 0.2 per cent over the September 1999 quarter. The employment rate in metropolitan areas has increased during that time. The Australian Bureau of Statistics figures show that during the previous three years 92 700 jobs have been created in Melbourne and 1900 jobs have been created in country Victoria. They are shameful statistics that will hang around the necks of opposition members for many years to come.

I was bemused by the contribution to the debate of the Deputy Leader of the National Party, the honourable member for Gippsland South. He seemed to be perplexed, upset and confused by the fact that no funds are currently available under the funding arrangements and that no guidelines are in place. It is common for the legislative framework to establish funding programs and for the application and guideline processes to be developed thereafter. That is exactly what is happening now, and it is exactly what happened with the Community Support Fund. The situation has been mirrored in many pieces of legislation that have passed through the house.

I pose a partly rhetorical but practical question to the Deputy Leader of the National Party: where would the money be put if it were there? Which cookie jar would he have the government put the budget allocation for the fund into? Or did he want it syphoned off into the wheelbarrows National Party members have been pushing around the countryside while pork-barrelling? There is no legislative framework setting up a fund for it to be put into until the bill passes. We are talking about significant projects that will have an impact on Victoria's development and on the economic structure of regional Victoria. Such projects take time to plan and develop.

Previously I cited the example of the Aradale facility in Ararat. That will not happen overnight, but the process is continuing down the track without the adhocery I so much objected to under the previous government.

There is real and tangible support for the regional economic development that will result from the fund. The fund has been well received in regional Victoria because it shows a tangible commitment to community needs. However, it is only one part of the government's wide approach to supporting all Victorians, including regional Victorians.

It is not the only commitment the government has made to regional Victoria; it is part of the many commitments made. As such it will have its important part to play in revitalising regional Victoria. The introduction of the bill and the debate on it is a symbolic development, because for the first time in seven years it sends the message that Spring Street cares about regional Victoria.

The Aradale project will directly benefit my electorate, and I trust other worthy projects will be considered as the fund develops. I urge the honourable member for Gippsland South, if he is concerned about any delay or the fact that the money is not there at this stage, to wholeheartedly support the bill. I urge all opposition members to support the bill and give it a speedy passage through the Parliament.

**Mr STEGGALL** (Swan Hill) — I am pleased to join the debate. Perhaps we can now debate some of the real issues involved. The honourable member for Ripon is a government member, and the Minister for State and Regional Development, who has responsibility for the bill, is quite capable with the approval of his Treasurer and cabinet to obtain departmental funds for regional Victoria.

The legislation is not necessary for that to happen — there are eight major departments with large budgets and a Treasury overflowing with funds. The government can utilise that money, as it is doing in many other areas — we have heard the announcements made by the Premier. Funds can be directed into the Regional Infrastructure Development Fund just as soon as the government wishes them to be.

The supposed need for the legislation is interesting. I congratulate the Minister for State and Regional Development on his political acumen. Throughout the election campaign, particularly in regional and country areas, he presented himself as being the saviour who would solve many problems through the application of money from the Regional Infrastructure Development Fund.

I have one serious problem with that. All my life I have been strongly and closely involved with country areas, and that has been especially so in the time I have been

in this place, and I am worried that the minister has raised expectations in country Victoria — I make that distinction about it being country Victoria — so high that the situation is heading for a big let-down. The problem I have is that it is my people who will be let down. I do not like it.

*Honourable members interjecting.*

**Mr STEGGALL** — The honourable member for Ripon and some of his new colleagues do not understand the issues that have been worked through during the past seven years. The former government changed the face of country Victoria and its financial operations — I do not shy from that. Many of the steps we took have not been popular, but by crikey they were needed.

At the completion of the program the former government set in place, which I believe the present government will continue, some 270 small towns in country Victoria will have water and sewerage programs.

*Honourable members interjecting.*

**Mr STEGGALL** — Politically it was not a popular program. Earlier today someone told me it was like giving children medicine: it gets them fit and well but they do not enjoy it when it is on the way down.

That had to be done to attract teachers, doctors, nurses and anyone else who wished to participate and invest in the development of country Victoria. Honourable members on the other side of the house are lucky it was done. The former government felt the pain, and now those on the other side can take advantage of it.

I want that to happen. I do not want country Victoria to be left out of the benefits of the current development and investment program. However, one of the problems with the proposed legislation is connected to the fact that in the last election both sides of politics, with the exception of the National Party, which was a bit quiet, split Victoria into metropolitan and regional sectors — that is, Geelong, Ballarat and Bendigo — and the rest, which is the country.

Last night the honourable member for Gippsland South outlined where the commitment of \$90 million was to be spent. Most of the money went to Geelong, Ballarat and Bendigo. I am fearful that country areas will now have to divide themselves into those regions, which will make it all the more difficult for investment and development to grow following the changes that have already been made.

The structure of country Victoria did not change for 40 years because the country representatives in Parliament came from both the Liberal and National parties and they fought and scratched each other for the whole 40 years. They joined forces in 1989 with the intention, from the country point of view, of reforming and restructuring country Victoria to do the things that honourable members are now talking about doing. History will show it to be a successful operation.

Politics is paramount in the introduction of the bill. Let us accept that the bill is just a political carry-on. It addresses an important issue, but the government does not need the bill to address it. Please understand that. The ministers and cabinet are capable of allocating — and will allocate — funds outside of the proposed structure. Honourable members should remember that the tax funds of Victoria are distributed through eight major departments.

May I also point out that by taking in Geelong, Ballarat and Bendigo as part of the regions of country Victoria the government has raised expectations in the country. Some 35 per cent of the last budget was spent in that area, and income raised was 19 to 20 per cent of the state's income. Honourable members must therefore understand that the speeches of the Minister for State and Regional Development and the Premier and Treasurer will be listened to, valued and judged in the light of that situation.

I hope the proposal will be successful because the country wants that expenditure, and I will run through some of the areas where it is needed. The former government was in the process of revitalising the huge resource base in country Victoria, and I hope the present government will continue that process. The Minister for State and Regional Development is well aware that for two and a half years I have chaired the local base committee for an infrastructure project that will now go ahead given the press releases issued by the minister with the expectation that up to \$9 million will be made available in the next budget. Therefore Woorinen will become the top irrigation district, with the high levels of investment and growth that will go with that status.

I point out that Robinvale in northern Victoria has a similar problem, and in Merbein, Red Cliffs and Mildura the First Mildura Irrigation Trust (FMIT) structure is now approaching 100 years of age and government assistance is needed to fix it. I hope the proposed fund — but, more importantly, the government through the Department of Natural Resources and Environment — will provide it.

Transport infrastructure gets a big mention in the second-reading speech, and I note the allocation of \$40 million to upgrade rail lines in Victoria to standard gauge. I refer honourable members to a report, of which the government will have a copy, on a study based on linking northern Victoria to the port of Portland. The link is necessary to transport the area's production of fruit, vegetables, wine grapes, wine and mineral sands, a new industry which is just developing. In five or six years time, when it is fully developed, mineral sand production will be one of the biggest mining operations Australia will have seen, which is why the rail link from Mildura to Portland is so important. There are also plans to upgrade the new link between Hopetoun and Lascelles. The cost of the upgrade from Lascelles to Hopetoun is about \$27 million, so we are dealing with big figures. I do not expect to see that amount included in the infrastructure funds; I expect to see an allocation of government money, and I hope the government will provide it.

The development of the fruit, vegetable, horticulture and viticulture industries of northern Victoria needs the continued support of the programs that have already been put in place. Areas such as ours have a problem. In the city governments grant money to assist with the establishment of factories. However, development in the country is mainly in agriculture — fruit, vegetables, almonds, citrus, olives — a large-scale production now — the sunrise industries of aquaculture, and industries flowing from grain production. For example, I was delighted to see that the Labor Party policy deals with the movement away from bulk commodities into the product areas.

Australia is unique in that seven years ago the decision was made to get the infrastructure right so companies and investors would assist in turning commodity products into retail-ready products. Enormous gains have been made, and they should continue. Victoria faces the threat of challenge from other states in gaining investment funds for the development of the northern area. Governments have never been able to assist, so I hope that as the minister gets a hold of his portfolio he will be able to work something out. If he wants to know how to do it, he can let me know. The National Party put forward some propositions that never succeeded, but the incentive operation the minister mentioned might work.

For the past 40 to 50 years, under a variety of governments, northern Victoria has never been able to obtain gas. The gas supply went as far as Echuca and Bendigo, and that was the end of the ball game. The former government brought in new rules and laws to allow a different charging regime and interstate

arrangements, and gas now comes to Mildura. Talks are now being held with gas companies with a view to linking the lines between Echuca and Mildura or Bendigo and Mildura to supply gas to those areas. There are opportunities for government to assist in achieving this aim, particularly by supplying initial seed funding and working with those industries. It will not be a huge operation. Investing in companies to help in the start-up period would probably achieve three times as much as the investment of grant moneys later on.

On Tuesday of this week I attended in Kerang the launch of a saline water processing demonstration trial. In terms of investment opportunities, this is an exciting operation. For the first time in our lives we have the opportunity to use waste water from salinity — in this case it is water accumulated in Lake Tutchewop — as a feedstock for the development of extractions of magnesium hydroxide, gypsum, salt and calcium chloride. The Murray Darling Basin Commission and the other states have been part of the funding mechanism for a trial of our ground water. The object is to produce magnesium metal from ground water and for the first time export salt from the area. In the Swan Hill–Kerang area we accumulate about 64 000 tonnes of salt a year, but we have had no means of extracting it. As a result of the new technology and about eight or nine years of hard work the trial is in place.

I am sure the government will continue to monitor and support this investment because the new technology is being used in our environmental battle with salinity. We will work closely with the Murray Darling Basin Commission, the Department of Natural Resources and Environment and, I hope, the Department of State and Regional Development to ensure the future of that project.

I take up a point the honourable member for Ripon wanted to avoid in his contribution. One of the problems we have — not just in Victoria or Australia but worldwide — is to attract investment to country regions. Country regions need the confidence of the finance and investment community to attract business to their areas.

On previous occasions I have advised the house that in Swan Hill, which is the centre of my electorate, growth is occurring at a rate that is difficult for us to handle. We simply cannot get enough people to move into our area. We are setting up some of the best educational and training programs in Australia. Yesterday Murray Mallee Group Training arranged for BHP representatives from Newcastle to visit Swan Hill with a view to bringing metalworkers from the Newcastle

steelworks to Swan Hill, to fill the many positions we have in those industries. I hope that will be successful.

One of the biggest problems is that we do not have enough housing. All our builders are flat out, each with 10 to 12 houses on their books, but we need more housing to accommodate a greater population in the area. I am sick of hearing about Bendigo's unemployment problems when we cannot get them off their backsides to travel 2 hours up the road to participate in one of the most exciting parts of Victoria. This is not only a problem in Swan Hill. It happens also in Echuca, Shepparton, Wangaratta and Horsham. Country Victoria is a very lively part of the world at the moment, but the then coalition parties could not overcome the mantra during the election campaign that, 'You have ripped the guts out of the bush!'. We simply could not turn that mantra around.

Labor is now in government. All members of Parliament from Gippsland to Portland and from Mildura to Benambra will work with the government to develop and progress what is great about country Victoria. It is a very exciting place. Country members are big minority people in this place. We represent only 28 per cent of the population, and if you remove the Bendigo, Ballarat and Geelong regions from that statistic we probably represent about 12 or 14 per cent of Victorians. It is our intention to drive the development and advancements made in country Victoria over the past few years.

The infrastructure fund is a good move forward, but all government members should be aware that the high expectations they have put out in country areas will come back to bite them.

**Mr Viney** interjected.

**Mr STEGGALL** — No, I am talking about country areas. Government members may want to talk about regional areas, but those of us representing country Victoria will very quickly divide off from regional and metropolitan areas because we want Victorians to appreciate our natural resources and the opportunities technology gives us to invest and develop our electorates. Those factors make country Victoria one helluva good place to live.

The standard of living in country Victoria is miles ahead of the standard in Melbourne. Unfortunately, we do not have the culture and the education-university facilities enjoyed in the city. For that reason country Victoria has some big challenges, particularly in attracting investment to make us truly part of the global world. Cities like Swan Hill and Echuca have direct

links with overseas countries and organisations. Our schools in particular are linked. Although schools have lost the opportunity to participate in self-governance, they are still linked to overseas countries, and all Victorians can continue to be part of the global economy.

The partnership will not oppose the bill and wishes it well. The bill has created high expectations and has the potential to be a big problem for the government. But I hope the government's aims for the bill will be achieved.

**Mr HARDMAN** (Seymour) — I look forward to working with the honourable member for Swan Hill and other country members in ensuring that the Regional Infrastructure Development Fund Bill operates equitably in rural Victoria and the Bendigo, Geelong and Ballarat regions. That would be a great thing for country Victoria in general and for the Seymour electorate specifically.

At the last state election, as has been recognised in today's debate, the Labor Party hit a chord with the electorate, with a range of policies including the Regional Infrastructure Development Fund. During the campaign many people spoke to me about the need to retain and maintain local industries and encourage organisations and individuals to invest further. The Regional Infrastructure Development Fund will do that. It will provide transport links and it will be a great asset to country Victorians.

Many people also spoke to me about jobs and the need for employment, especially for our youth. The development of industry will obviously assist us in keeping young people in our communities, which is what this bill is all about. Fairness is a major aspect of the bill. Money needs to be spread around the whole of the state, not just in Melbourne. The Labor Party obviously picked up on that point prior to and during the election campaign.

There is a need for infrastructure and access to a range of educational institutions and services that people in the large centres enjoy. The bill seeks to redress what country people saw as neglect over the past seven years, with \$2.1 billion being spent on major projects within the tram tracks and nothing in rural and regional Victoria. The government has made a substantial promise of \$170 million. Those funds will help provide the infrastructure to create jobs, and allow country Victoria to grow and develop. By developing transport links we can attract industry to rural and regional areas, allowing us to take advantage of export and interstate markets, increasing production and economies of scale,

and allowing us to exploit our competitive advantages. Those advantages include the value-adding industries, which involve aspects of our primary industry, which will be a very important part of this policy.

Recently I had the pleasure of visiting Marbut and observing its operations. The company harvests timber in Toolangi and Murrindindi, which is part of the Central Highlands area, as well as other parts of the state.

A great many jobs have been provided in that way, and other transport jobs have been generated by the need to bring the logs over to Seymour, where they are graded into different types of wood for, for example, fine furniture or structural purposes. The industry in Seymour is doing some great things. Wood that would once have been thrown away is now being used for things like staircases and benchtops, thanks to processes that did not always exist.

The bill has already generated renewed interest in business in the Seymour electorate. People are considering investing in job-producing industries in the area. I have already been visited by a number of delegations from regional organisations, including local government, the private sector and individuals in general, all looking to see how they can apply for the funds. That activity is a consequence of the bill.

The bill gives substance to the Labor Party's election campaign commitment to provide decent and fair government for all Victorians. An example of the neglect clearly seen by country Victorians over the past seven years is the fact that only 2 per cent, or 1900, of the jobs created in Victoria were created in country areas, whereas 98 per cent, or 92 700, were created in Melbourne, yet a quarter of Victoria's population lives in country areas. Those figures in themselves tell the story of why the Labor Party is in government and why I am here today.

Country Victorians from all sides of politics have spoken to me about the need for policies that encourage decentralisation of industry. The legislation goes some way towards doing that in a financially responsible manner, as witnessed by the approval by Access Economics of the policy it encompasses, just as all Labor proposals have been approved by that group.

It is proper, given that Melbourne has grown and prospered over recent years, that the bill gives rural and regional Victoria a chance to share in the state's prosperity. It is still important that Melbourne goes on developing, however, because it is the hub of the state and must continue to thrive. But it is vitally important

that rural and regional Victoria share in that prosperity. Whether through seeding grants or through other strategies used to circulate the new development funds, the legislation will offer great new opportunities for all Victorians to step forward towards growth and prosperity.

Many businesses in the Seymour electorate have either closed their doors or cut back their production, and the effects on employment have been dramatic. Most honourable members will remember the closure of the APM mill at Broadford, a sad day for that community. The Minister for State and Regional Development was there on the day and addressed a rally organised to try to save the industry. The people had little success, although a small segment of the plant does remain there producing high quality cardboard, mostly for the bookbinding industry.

Despite incidents of that kind, country Victorians are resilient. They can get back to their feet and get on with the job. Despite the hundreds of jobs lost, Broadford is still a dynamic community and is looking for opportunities to encourage more industry. It is currently promoting itself as a place that is not too far from Melbourne, being only an hour or so away by train.

The bill allows for businesses such as the paper mill or the dye works — which were also closed recently — to maintain and grow their investment in country towns and to continue the employment that keeps people there.

I do not know if it is noticeable in all country areas, but in towns in the electorate of Seymour there is high welfare dependency. Perhaps that is partly because the area can offer cheap accommodation and partly because the jobs are not there in sufficient numbers. It will be great for all of us if we can grow our local industries, and even better if we can establish some new ones.

The bill allows for open, transparent and accountable decision making by establishing a trust fund in the public account to enable the moneys to be used in the way intended, and it will help to ensure that the Labor Party's promise of decency and fairness in government is carried out.

I look forward with great anticipation to the safe passage of the bill. The Regional Infrastructure Development Fund will be a great asset and is already a source of ideas and creativity in country areas. Expectations are high, and already a lot of interest has been expressed in the creation of new industries.

I look forward to living in a state that provides opportunities for all its citizens, whether city people or

country people, and to encouraging local shires, regional organisations and educational institutions to come along and see me so that I can help them comply with selection criteria so that their needs can be addressed.

The policies implicit in the bill complement all the Labor policies announced during the recent election campaign, including the abolition of compulsory competitive tendering, the increase in teacher numbers for small rural schools, more money for local communities, fairer funding for country hospitals and more police in rural areas. During the election campaign Labor flagged the building of a new police station for Kinglake, a community that is dramatically isolated from existing police stations. The new police station at Kinglake will be a great step forward for the area.

Changes in the structure of the Community Support Fund represent an important advance for Seymour, making possible the building of the Seymour heated indoor pool. The fund will not provide all the money for the pool but will contribute \$2.3 million towards the total cost of about \$3.3 million. The point is that Labor policy on the Community Support Fund allows the government to put a great deal of money into such a project, whereas under the previous government's policy it would have been possible to provide a maximum of only \$500 000 for the Seymour pool. In other words, the coalition government would have been unable to deliver what the present government is now delivering.

I look forward to the speedy passage of the bill and trust that it will help get country Victoria on the move once again.

**Mr McNAMARA** (Leader of the National Party) — The opposition supports the Regional Infrastructure Development Fund Bill. It needs to be pointed out, however, that the proposed legislation contains a smoke and mirrors trick. A lot of expenditure that has occurred in regional Victoria will be repackaged and re-presented as coming from the Regional Infrastructure Development Fund.

Much money has been spent in recent years on a range of major infrastructure projects in country Victoria. In the water industry alone the previous government spent \$1.2 billion to upgrade country water services. Furthermore, the mess inherited from the previous Cain and Kirner governments must be recognised. When the Kennett government came to power only 27 per cent of people living outside the metropolitan area had drinking water that met world health standards, and only 30 per

cent of those people lived in communities where sewage was being treated to the standard set by the Environment Protection Authority.

I am pleased that only a couple of months after the end of my period as the minister responsible for water supply 100 per cent compliance for drinking water will have been achieved. That has been made possible by the former government's capital injection of some \$450 million and the efficient restructuring of the water industry. Indeed, after the number of boards was reduced from 300 to 15, some boards found within 12 months that 45 per cent of their rate revenue was surplus. We encouraged them to put all of that money into infrastructure expenditure and thereby in effect delivered a package worth \$1200 million to country communities.

The upgrades in drinking water quality and waste water management were made for both health and environmental reasons.

If those country communities are to realise their economic potential it is even more important to enable them to attract investment from industries such as those in the food processing sector. Towns that have the ability to both deliver good quality water to factories and deal with the waste coming out of them will be the ones that attract investment by food processors.

As the representative of Shepparton, Mr Acting Speaker, you would be more than aware that the presence of factories in your community such as those of SPC, Ardmona, Campbells, Bonlac and the Murray—Goulburn Cooperative is as a result of there being both good quality water to go into the plants and the ability to deal with the waste coming out. Indeed Mr Acting Speaker, your local water authority, the Goulburn Valley Region Water Authority, told me that the treatment ponds that deal with the waste water from Mooropna and Shepparton were large enough to deal with a residential population of a city the size of Adelaide. That is a reflection of the investment that has been made in the area over a long period.

Honourable members are also aware of the work of the previous education minister, the Honourable Phil Gude, who in the past four years spent \$1 billion upgrading schools across the state, close to \$400 million of which was spent in country schools. I am sure all honourable members could list schools in their electorates that have had major upgrades, in some cases at costs of many millions of dollars, and all honourable members would welcome that investment. I know you are particularly proud, Mr Acting Speaker, of the school at Mooropna,

for one, as I am of the schools at Benalla, Mansfield and others in a similar category.

Close to \$400 million has been spent on upgrading country hospitals and bringing them up to a standard that people in the metropolitan area take for granted over a similar period.

Honourable members need to be assured that behind the bill there is not a smoke-and-mirror operation whereby funds are taken out of one department and transferred to another and labelled as new money, but that there is genuinely new money. It is a little disappointing that the funding is well below the figure set by the Victorian Farmers Federation, which had been in discussions with the previous government about a proposal for a new fund of \$500 million to be invested over a five-year period. The former government was seriously considering adopting that proposal if re-elected.

However, the current government's rhetoric talks about capping the funding at \$170 million over a four-year period, not having the fund start until 1 July next year and committing in advance \$100 million of that funding to projects that it announced during the election period, which will effectively prevent any new projects being funded for at least the next two and a half years. That will be a great disappointment to many people in country Victoria and the government will be seen as not nearly living up to the expectations that arose from its proposals during the recent election campaign.

I am concerned to ensure that adequate funds are made available for investment in infrastructure for the water industry, and for the rural water industry in northern Victoria in particular. Discussions have been ongoing about the need to upgrade the water flow in the Snowy River. I have put strongly the partnership's position, which is that the additional water for the Snowy River should not be at the expense of the security of irrigators in northern Victoria. The government needs to invest in improving the basic infrastructure for the provision of water and the saving of water in a way that will not in any way lower the security of irrigators in the northern part of the state. The opposition would argue equally strongly against the government's going into the water market as a private purchaser, because purchasing water for irrigation purposes would inflate the price of tradeable water. The price is close to \$1000 a megalitre now, having grown from \$150 a megalitre when the former government first established a trade in irrigation water five or six years ago.

The government needs to do some hard yards on the ground. It needs to invest close to \$100 million in

upgrading the irrigation infrastructure in northern Victoria and achieving water savings. I direct to the attention of the minister responsible for the bill, the Minister for State and Regional Development, and the minister responsible for water services, the Minister for Environment and Conservation, the fact that that work was well under way prior to the election. In early June the former government let a draft consultancy to look at ways of finding water savings. The preliminary reports have been done. A contract was awarded to Sinclair Knight Merz to identify where the savings should occur and precisely what they would cost. The preliminary reports show that savings are achievable.

I urge the government to get on with the proposed projects in my electorate and the electorate of the honourable member for Murray Valley. A suggested program for the piping of the Tungamah stock and domestic water system has been estimated to cost \$6 million. The opposition believes that between 4000 and 6000 megalitres of water could be saved through that investment. The range of proposed projects includes adopting better accounting measures, looking at improving the metering process and money being made available to farmers for on-farm savings. All those issues need to be addressed as a matter of urgency. I urge the government to move rapidly on the process.

It is worth noting that the flow of the Snowy River has diminished since the establishment of the Snowy Mountains scheme. The mean annual flow that now occurs at Orbost is only a little over 60 per cent of the flow that occurred prior to the Snowy scheme being installed.

I direct the attention of honourable members to an article by Professor Brian Finlayson of the Department of Geography and Environmental Studies at the University of Melbourne, which appeared in edition 23 of *Interaction* in June of this year. Professor Finlayson, who I understand is a respected figure in the field, points out that the mean annual flow at Orbost in the period 1923 to 1950, prior to the Snowy scheme going in, was 2020 gicalitres — just over 2 million megalitres of water. Since the dam went in the flow has been reduced to a little over 60 per cent of the original flow. In the period 1969 to 1988 the flow was reduced to 1212 gicalitres, or just over 1.2 million megalitres.

It is of interest that in the same period the occurrence of major floods, which are mapped on 20-year cycles, calculated on a daily basis, was 217 360 megalitres a day prior to the dam going in. That is an awful lot of water when one considers that rivers such as the Ovens and Kiewa have capacities of approximately 10 000

megalitres a day. The Snowy River has almost 22 times that volume of water at its flood peak.

I was surprised to discover that in the period 1969 to 1988 at Jarrahmond, which is the measuring station near Orbost, the highest flood recorded since the dam went in was about 70 to 80 per cent higher than was recorded prior to the Snowy being constructed. It was a massive 371 943 megalitres a day. That is something of which not many people would be aware.

It must be recognised that in managing water for the Snowy River the first principle to be adopted must be that it does not in any way affect the water security of irrigators in northern Victoria, because it is Victoria's high level of water security that underpins permanent pasture for the dairy industry and permanent plantings for the orchards and the viticulture industry in that part of the state.

It also needs to be recognised that all the advice I received as the minister responsible for water was that any reduction in the volume of water coming out of the Snowy — it is the state's most pristine water and has the lowest salt levels — and any diversion of water back down the Snowy River as a result of efficiency savings in areas such as the Goulburn Valley, the Campaspe region and areas around Kerang, Swan Hill, et cetera, will be putting back into the Murray water that has higher levels of nutrients and salt.

Saline problems in the Murray River will increase substantially if the proposed change is made and they will also have to be factored into the government's costs of reducing higher salt levels.

In his responses to matters raised, the Premier has not said that he must also talk to both the South Australian and commonwealth governments. Without agreement from South Australia it will be difficult to achieve a satisfactory outcome.

**Mr Steggall** — He can't.

**Mr McNAMARA** — As the honourable member for Swan Hill said, without agreement from South Australia, the Premier cannot achieve a satisfactory outcome. I point out that the commonwealth government's representative on the Murray Darling Basin Commission, Senator Robert Hill, is an Adelaide resident. I am sure he would have concerns about anything that would further degrade the poor quality of Adelaide's drinking water.

Finally, the government must identify the potential for further intensive horticulture in northern Victoria. It should recognise that Victoria's largest irrigation

authority, Goulburn Murray Water, currently delivers some 90 per cent — close to three million megalitres — of irrigation water in northern Victoria, some 54 per cent of which is used by the dairy industry. Only some 4 per cent of that water by volume is used for horticulture purposes, including all the orchards, vineyards and fruit and vegetable production. Some 42 per cent of the state's water is used for cropping and grazing. The government must consider how it can encourage the movement of water — as has been happening through the free market established some five or six years ago — into horticulture.

It is no exaggeration to suggest that better use of water could increase 30-fold the area devoted to horticulture in northern Victoria. The Goulburn Valley, Swan Hill and Sunraysia horticulture areas could be 30 times as large as they are. The establishment of more food processing factories would create jobs. The government must focus on those things.

The government must recognise that new investment should be in drip irrigation or microjet that do not create run-offs or nutrient problems in rivers and streams. The government must take advantage of the opportunities provided by the existing potential.

I hope the fund will not be limited to only \$170 million. If it is, no new projects will see the light of day for some two and a half years. The fund should be closer to \$500 million or \$600 million, as suggested by the Victorian Farmers Federation.

**Ms DAVIES** (Gippsland West) — I support the Regional Infrastructure Development Fund Bill. I am pleased that specific funds will be earmarked for use in rural and regional areas. I appreciate the concept of a trust fund that shows the government will have a good focus on areas that are vital for Victoria as a whole, not only for rural areas.

I note the guidelines that state the trust fund is to be used to provide financial assistance for capital works — that is, transport, industry, tourism, education and information technology and economic development. In the past Victoria has had many programs for program development but has been short on capital works.

I feel a quiet relief that government recognises its direct responsibility to provide infrastructure in rural areas. The introduction of the bill is a direct government response to issues raised in the Independents charter. The third section of the charter relates to the establishment of clear plans, strategies and targets to address the urgent needs of rural Victoria and states that

governments should commit to the improvement of infrastructure such as roads, rail, water, power and gas.

Part of point 3 of the Independents charter specifically states:

We do not expect infrastructure improvements to be based on the profit potential, or opportunities for cost recovery of the provider, but want government to provide evidence that it accepts its basic responsibility to provide such infrastructure.

The introduction of the bill provides an important distinction between the Kennett government and the Bracks government — the Bracks government acknowledges that it does have a responsibility to assist in the provision of infrastructure.

I note the comments by the Leader of the National Party on the amount allocated to the fund so far. I consider that amount to be only a beginning — I hope the Minister for State and Regional Development is paying attention to my speech — as more will definitely be needed to make up the backlog. I will continue to urge the government to make additional budget commitments to the fund.

However, I am conscious of the difficulty faced by the Labor government in allocating additional funding. It has an almost obsessive focus on being seen to be financially responsible. One can understand that obsessiveness, as over the past seven years members of the current government have been beaten about the head with statements about the need for them to show financial responsibility.

I recognise the government's commitment to financial responsibility. Indeed, one element of the Independents charter specifically stated that the Independents would withdraw their support from any government that demonstrated an inability to be financially responsible.

The quandary in which the Labor government now finds itself is that it faces pressure to make up the funding backlog in rural areas while, at the same time, being seen to be financially responsible. I suggest that may make the government stingier than rural areas would like it to be. That tension is not unhealthy and I am sure the Independents will have significant conversations with the government over the coming years in an effort to relieve some of that tension.

Rural infrastructure is essential if private investment is to be encouraged in rural areas. I have no doubt that at times a small additional investment from the public fund could have an enormous impact on ensuring that investment goes ahead. It is in the interests of all Victorians to ensure that public funding goes to encouraging private investment and that it is used both

wisely and well. I accept it has not been used wisely and well during times past — and that is a warning to everyone.

I refer to the amendments proposed by the Deputy Leader of the National Party. I assure him and other opposition members that I and my fellow Independents will always take seriously amendments that are raised seriously, as opposed to those based on somewhat peculiar and mixed motives. The Independents addressed the amendments seriously; we sought advice from both inside and outside the Parliament. As I said, the Independents have a large stake in ensuring that the government is open and properly accountable. The government also has a large stake in ensuring that it is open and accountable because if it is not it will not be long in government.

Under the Financial Management Act a minister must prepare annual financial statements for the public account. The Regional Infrastructure Development Fund comes out of the public account.

Under the 1994 act the minister must prepare a financial statement. The new section of the Audit Act requires that each of the financial statements be audited by the Auditor-General. The amendment means that each of the audit reports must come to Parliament within a reasonable amount of time — I think, three weeks. The provisions that already exist in the Financial Management Act 1994 and the Audit Act 1994 and the recent amendments put through Parliament — which I assume the Legislative Council will pass — mean a high level of openness and accountability already exists for any money taken through the fund from the public purse.

Advisers within and outside Parliament with considerable expertise suggest that the opposition amendments constitute overkill: they would add considerably to the administrative costs of the fund — meaning less money for projects — and would considerably increase the work of the Auditor-General's office without having any practical improvement in accountability.

Specifically I refer to subclauses (1)(b) and (c) of the opposition's proposed new clause, which seek to require our newly independent Auditor-General, who cannot be required to do anything, to peruse unsuccessful applications. This amendment is odd — it would create a massive workload for the Auditor-General and he would not be happy about that. It is a futile exercise for an Auditor-General to look at unsuccessful applications. No public money has been spent on those applications, and to examine them is

beyond his terms of reference and not consistent with the independence of the Auditor-General in deciding exactly what accounts are to be audited.

The other part of the amendment — proposed subclause (1)(c) — asks the Auditor-General to assess the ‘relative effectiveness’ of each payment. The Deputy Leader of the National Party is legally trained and I am not, but in my view putting the words ‘relative effectiveness’ without definition into a piece of legislation is inappropriate. It is a vague, subjective term which means little without considerable additional wording. From a lay perspective I point out that if as a result of the fund being used infrastructure is in place that was not in place before, that is an effective use of the fund. That is the aim of the legislation. If the amount currently allocated to the fund is not sufficient I am hopeful it will be increased over time. I will pressure the government to increase the fund.

The requirement for openness and accountability will be met by the auditing of the fund by the Auditor-General. Reports will be presented in Parliament, and that level of accountability will be greater and more open than anything seen in Parliament over the past two and a half years.

I will keep watching, as will the other Independents. Our primary focus as Independents must remain on ensuring more resources for rural Victoria. I assure the snootier members of the opposition that the Independents will keep to our primary focus — the improvement of conditions in rural Victoria. The bill is in the Parliament at this time because we have not lost sight of that primary focus, and I will support the bill when it comes to a vote.

**Mr SPRY** (Bellarine) — The honourable member for Gippsland West has concerns about the reputation for expenditure of the current government. She notes that government members are being excessively stingy in their approach to these issues, but I am pleased it is not so in the case of the Independents. I understand they have been allocated an adviser in Parliament in addition to their two electorate officers. Perhaps they need the adviser to ensure careful scrutiny of the legislation that comes before the house.

An earlier contributor to the debate was the honourable member for Geelong North, who expressed hope that the bill would receive the support of members of the opposition, and named my seat, amongst others. I think he invited us to his party. I say to him, ‘Thanks, but we realise we would have to bring our own grog if we came’.

The opposition has grave concerns, though it is not opposing the bill. We welcome any initiative that recognises the entitlement of the people of rural and regional Victoria to their share of the tax cake. History records the significant contribution of rural pioneers to the development of the great state of Victoria and the nation. That contribution has not been without the usual cycle of boom and bust and never without hardship, but has always had the advantage of a recognition of the rhythm of life.

People in rural and regional Victoria have learnt to deal with hardships, many of them brought on by climate. Life is distinctly tough in rural and regional Victoria: poor commodity prices, exacerbated in some areas by drought, produce tough conditions. Australian producers in country areas have always been at the mercy of world and domestic commodity prices, so the prosperity of rural and regional Victoria is a product of forces often beyond the control of government.

In 1998 wool prices hit a 20-year low in real terms; in 1997–98 Japan bought only 300 000 bales of Australian wool, 35 per cent less than in 1996–97 and down by 2 million from 1972–73. In real terms wool prices are about half what they were 10 years ago, which has a profound effect on the prosperity of rural and regional Victoria. Wheat prices also hit a 20-year low last year, and as honourable members would be aware those prices will take some time to recover. Although beef producers have seen an upturn in the past 18 months, today’s prices are still 15 per cent to 20 per cent lower than they were seven years ago — \$1.15 a kilo now compared with about \$1.40 seven or eight years ago. Regrettably, drought has also affected parts of eastern and western Victoria. Those parts of the state are experiencing trying conditions right now, and it is to be hoped the result will not be too devastating.

There are contrasts: the dairy industry continues to record impressive growth right across Victoria and horticulture is doing well with the growing of grapes for wine in particular surging over the past 5 or 10 years. The wines of the Bellarine and Geelong district have a very high reputation and I nominate a couple of fine vineyards in my electorate: the great Scotchmans Hill Vineyards and its sister the Spray Farm vineyard. They are just two of the really progressive vineyards in my area. Kilgour Estate Winery is also showing good returns. Those vineyards are leading the way, and that sort of activity is encouraging.

The proposed legislation must be focussed and effective. In an increasingly global economy Victoria’s primary producers have never sought government

subsidies but have expected publicly funded infrastructure to be developed and maintained, as is the case for their city cousins. They are very conscious that the city of Melbourne is booming right now. I am talking about the whole spectrum of infrastructure including social infrastructure such as schools, hospitals, welfare services, recreation facilities and so on. Equally significant is the infrastructure that is vital to industry and commerce in rural Victoria not only for survival but also for prosperity, such as roads and bridges, communication networks, energy supply and the provision of adequate water, sewerage facilities and waste water treatment.

What is the quantum in the bill? In his second-reading speech, the minister mentioned a submission prepared by the Victorian Farmers Federation on the subject of infrastructure. The VFF called for a minimum allocation of \$500 million, as mentioned by the Leader of the National Party in his contribution a few minutes ago, spread over five years. The VFF expects investment of that order to be made in local roads and bridges to enable Victoria to take full advantage of, for example, increased truck mass limits. They are the expectations of the people who have a keen interest in that area of Victoria.

On the face of it, the funds available in this bill appear inadequate. In fact, I go so far as to say that they are positively piddling — I hope that is not an unparliamentary word — compared with the investment the previous government made in regional and rural Victoria. I highlight the waste water and water initiative to which the previous government contributed \$1.2 billion. Although the effect of that is not immediately evident, it is a very powerful and potent incentive to industry and business to establish and flourish in country Victoria. The former government's record in country Victoria has not been acknowledged by Labor. It was the coalition that set a target of \$12 billion in food and fibre exports by the year 2010, and it recognised the need for improved infrastructure.

The early part of the minister's second-reading speech belittles the efforts of not only the former government but also country Victorians. It ignores the pride and commitment that is evident in most regional centres today, despite the fact that rural Victoria is constantly put down. The honourable member for Swan Hill mentioned the mantra of defeat that the Labor Party was careful to foster as it came into the last election. Despite the fact that a wedge has been driven between town and country dwellers, much of what that mantra conveyed is totally inaccurate. Take, for example, the region of Geelong generally. Anyone travelling to the Geelong region would realise that compared with a

decade ago that great region is positively booming. There are signs right throughout the length and breadth of the region that it is doing extremely well.

However, the opposition recognises that there is still much to be done in regional Victoria — for example, the need to decongest the centre of the City of Geelong. There are high expectations that the improved Princes Highway will lead to much easier access to that part of Victoria, particularly from Melbourne. The increased level of traffic through Geelong needs to be addressed in a very positive way. It is pleasing to see that the current government is committed to undertaking a study of the potential for a ring road around Geelong. I am committed to an eastern ring road; perhaps this fund could address that issue.

Some cynics would say that the new legislation provides for a Labor slush fund. The proposed amendment is necessary to ensure that the allocation of funds is both transparent and equitable and, above all, credible. I wish to concentrate on this issue of credibility for a few minutes because it brings into question the mechanisms for the allocation of the fund. The honourable member for Ripon mentioned the capacity of the previous government to pork barrel. That is a joke when one considers the capacity of this government under this funding arrangement to pork barrel.

I have already mentioned the pre-election promise by Labor to subsidise the extension of gas to North Bellarine. I welcome that development and, despite the fact it has already been put back a year, I intend to ensure that commitment is honoured. I have a long memory. The last election turned out to be very tight, as was the result in the 1985 election when the Labor Party held the marginal seat of Bellarine. Labor pulled the same stunt then by promising gas to Drysdale and Clifton Springs, and successfully defended the seat. The people of Bellarine are entitled to be a little cynical when a fund such as this is established. They wonder whether its focus will be solely on the marginal seats.

The natural gas network in Victoria is not extensive. Under the previous regime of a uniform tariff policy the gas mains extensions were limited to towns that could provide the critical mass of either population or industry demand, or a combination of the two. The North Bellarine precedent, on top of the Drysdale–Clifton Springs precedent of 15 years ago, has the potential to open the floodgates. There are many towns in country Victoria where the people would welcome the opportunity to turn on the gas: Glenorchy, Port Campbell, Anglesea, Barwon Heads, Bannockburn, Glenrowan, Barnawatha, Beechworth,

Tangambalanga, Camperdown, Nagambie and Balnarring; and in Labor electorates, Lancefield, Avoca and Rockbank could benefit from the effects of the bill. I am enthusiastic about the further extension of the natural gas network to other areas of Victoria.

In concluding this brief contribution, I again state my qualified support for the bill. The qualification being that I urge the adoption of the proposed amendment in the interests of ensuring total transparency of the allocation of funding and to avoid any misguided concepts that it could be used as a Labor slush fund.

**Ms ALLAN** (Bendigo East) — It is with great pleasure and pride that I rise to speak on the Regional Infrastructure Development Fund Bill. It is one of the key planks of the government's first 100 days in office and is another example of the Bracks government getting on with the job and delivering on its election commitments for country Victorians. It is the first step in beginning the task of rebuilding infrastructure in regional and rural Victoria. The entire area was ignored by the previous government, which is why there are so many new members on this side of the house representing country Victoria in electorates that are being represented by Labor for the first time. The arrogance of the previous coalition government and its blind resistance to understanding the needs of country Victorians, particularly in respect of infrastructure, led to its downfall. The importance of understanding those needs can never be overlooked.

The underlying objective of the bill is to improve the competitive capacity and enhance the development of regional Victoria through the provision of funds for capital works, to support industry development, to improve critical transport linkages, to build up tourism, and to better link regional Victoria to new opportunities in education and information technology.

The Bracks Labor government, in particular the Minister for State and Regional Development, has established the fund to ensure country Victoria, including the Bendigo region, receives its fair share of infrastructure funds. The bill will ensure that capital expenditure is in proportion to the population so that we never again see \$2.1 billion being spent on major capital projects in the centre of Melbourne and not one cent being spent in regional Victoria.

The fund will be administered through a trust fund. That approach was adopted because it quarantines funding in a way that ensures there will be no ambiguity about the government's commitment to a discrete fund for regional infrastructure projects. There is a list in the bill of the municipalities covered, and I

am pleased to see that the two municipalities in my electorate, the City of Greater Bendigo and the Shire of Loddon, are included.

I turn to the announcements made by Labor during the election campaign of some of the things it said would be funded through the Regional Infrastructure Development Fund. The announcements were greeted with much enthusiasm in the hope that a Labor government would deliver on its commitments and because it was seen as a fresh start following many years of neglect.

Although an excellent centre for rural communities has already been established at the Bendigo campus of La Trobe University, one of Labor's first announcements was that it would provide the university with some \$6.5 million to develop the centre. It is an excellent centre and I would be more than happy to take anyone visiting Bendigo to it. It is a wonderful and environmentally friendly structure that is in harmony with its surrounds. It borders part of Bendigo's box ironbark forest. The centre is doing excellent research on the importance of regional communities, and how they can be sustained and assisted to grow in the future.

Part of the money from the Regional Infrastructure Development Fund will go towards the development of a high-tech business park in Bendigo to assist small and medium-sized businesses that want to set up in information technology. Honourable members would be aware of the importance of information technology to the future of country Victoria. I welcome the development of the business park in Bendigo, as I know does the Bendigo campus of La Trobe University. I have had discussions with the vice-chancellor, Professor Les Kilmartin, on this matter. The university is excited that Bendigo is being targeted in this manner.

The fund will also provide \$3 million for the development of the Bendigo regional arts centre. Already Bendigo has a wonderful arts precinct in View Street and the additional funding will be the cherry that tops it off.

**Mr Jasper** — Who built that?

**Ms ALLAN** — The precinct in View Street is an interesting development. I am proud to say that in 1995 Paul Keating first committed \$2 million towards the redevelopment of the historic Bendigo Art Gallery. Following the election of the Howard government the funds took some time to eventuate because the earlier commitment was unfortunately not matched. However, to its credit the City of Greater Bendigo and the arts community pushed ahead with the development of the

arts precinct. I was in the area on Sunday, and it is a beautiful place to be. I am delighted with the government's allocation of \$3 million, as are many in the Bendigo arts community.

The government has also committed \$500 000 from the fund for working with local businesses to establish an agribusiness estate next to the new saleyards site at Huntly. The site was visited during the election campaign by the then Leader of the Opposition, now Premier, Steve Bracks, and is recognised as a much-needed development. The fund will also provide \$700 000 towards the upgrade of the Castlemaine–Maldon Tourist Railway — in my neighbour's electorate of Bendigo West, not quite in my electorate of Bendigo East. It is an important historical link.

I am sure honourable members from country electorates on both sides of the house are aware of the frustration of many exporters with the non-standard rail gauge. The government's commitment of \$40 million for rail freight standardisation in regional Victoria is a welcome announcement.

The fund will also provide hope by working towards reducing the levels of unemployment, particularly youth unemployment, which is still at around 30 per cent. I look forward to working with the Minister for State and Regional Development on implementing the fund because it will give young people in my region hope of obtaining jobs in their home towns. Many people talk of the drain of young people to regional centres. I am sad to say that in my area the drain of people from Bendigo to Melbourne is as great as that from any rural centre to a large provincial centre such as Bendigo. It is important that we foster jobs growth. Too often young people in regional communities have to resort to desperate measures such as drugs or suicide because they feel there is no hope. Often stories lead to the media producing bad press about the so-called bludgeoning of the system. I look forward to working with the Minister for State and Regional Development to provide jobs for the people of Bendigo East.

Many people in Bendigo and central Victoria are excited to have a government prepared to commit funds to rebuild country Victoria and assist in attracting investment, assist employment and export growth through infrastructure projects that build on regional strengths, provide scope for new business activity and enhance cooperation between the public and private sectors. Country Victorians have fantastic ideas about how economic growth can be developed in the region. A stream of people have visited my office in the past two months with many great ideas about building on

the strengths in my electorate. The bill will provide an avenue through which Victorians with innovative ideas on worthwhile and feasible projects can receive government support.

I congratulate the Minister for State and Regional Development for the carriage of the bill. On a personal note I thank him for the hard work he put in and the number of kilometres he travelled not just during the last election campaign but also in the months leading up to it. The then shadow minister was always there when he was needed, and I believe the hours he put into driving, often at short notice, from Melbourne to all parts of country Victoria were worthwhile. As a candidate in the election I was always pleased to know I had his support. I also thank him for his support of many new Labor members.

One of the key factors behind the shift to the Labor Party at the election was the recognition by country voters that it provided a better alternative. Labor listened to country Victorians and put together policies which reflected their needs and concerns. Country Victorians, who recognise that the Labor Party is the party to best represent them, elected members from rural and regional Victoria in record numbers. I am pleased to sit with them on the government benches.

I am proud to contribute to debate on an important bill which will improve regional infrastructure, encourage job growth in rural and regional Victoria, stimulate the economy and redress the appalling funding imbalance inflicted by the previous government. I wish the bill a speedy passage.

**Mr JASPER** (Murray Valley) — I support the thrust of the Regional Infrastructure Development Fund Bill, but I become angry when I hear suggestions from government members that nothing is going on in country Victoria. They say, 'We will rebuild country Victoria' and 'We have seen the decline in country Victoria'. The honourable member for Bendigo East spoke about 'blind resistance to the needs of country people'. I suggest to the honourable member that she visit north-eastern Victoria, and my electorate of Murray Valley in particular, and have a look at what is happening there. My constituents are not getting everything they want but north-eastern Victoria has done well. From 1996 to 1999 the Victorian government spent \$41 million on capital works and infrastructure in my electorate. Some electorates received more, but my constituents did very well.

The legislation provides that in the term of this Parliament the government will allocate \$170 million to regional development. I suggest that I could spend

one-third of that amount in my electorate. The areas of country Victoria mentioned in the legislation will quickly swallow up that money, so the new allocation needs to be put into perspective.

Some country Victorians believed nothing was happening in the country.

**Mr Holding** interjected.

**Mr JASPER** — If I could hear the interjection I could respond quickly to the honourable member. Obviously he has not travelled in country areas. I invite him again, as I did last night, to come to north-eastern Victoria, and to my electorate in particular. I will show him the developments that are taking place.

**Mr Trezise** interjected.

**Mr JASPER** — I hear the honourable member for Geelong interjecting.

**The ACTING SPEAKER (Ms Barker)** — Order! The honourable member for Murray Valley should ignore interjections.

**Mr JASPER** — I knew the honourable member's father extremely well when he was a member of Parliament. He certainly journeyed into country areas and was one of the great Labor ministers when the party was last in government. He made sure regional Victoria got its share, and I applaud what he did when he was the Minister for Sport and Recreation. I hope his son, the new honourable member for Geelong, lives up to that reputation and visits the north-east to see what is happening there.

I shall highlight some of the areas in my electorate where the \$41 million funding by the former government was spent: \$5 million on schools; \$9 million on roads and bridges; the completion of the one-man police station at Katamatite, which means my constituents now have the benefit of new or near-new police stations throughout my electorate; and an allocation of about \$1.5 million from the Community Support Fund. About \$790 000 is being spent on a housing project currently under construction at Rutherglen. When the project is finished I will welcome the Minister for Housing to open that facility. I hope she gives due credit to the fact that the project was commenced prior to the change of government and that the funding was provided from the budget of the former government. Of course, I am always looking for more funding — everyone wants more — but that short list is an example of how some of the \$41 million was spent.

On 19 November I welcomed the Minister for State and Regional Development to Cobram when he launched Ausfresh — a new industry in the Shire of Moira. It is investing \$8 million and will employ up to 190 people. The minister gave due credit to the fact that the previous government worked hard with Business Victoria and the Shire of Moira prior to the authorisation of the plans which have brought the project to fruition. The company will relocate from suburban Melbourne to Cobram.

**Ms Allan** interjected.

**Mr JASPER** — I acknowledge the comments made by the honourable member for Bendigo East. I, too, think the Minister for State and Regional Development is one of the best ministers in the government — always willing to talk to people and always responsive. I hope he will work hard to help us get the development wanted in the north-east of Victoria. Had the coalition parties been in government following the recent election, \$65 million would have been allocated for the growing horizon strategy to boost the export of food and agriculture products from country Victoria. It was recognised that the strategy would probably generate 100 000 new jobs in country areas. A commitment was made to my electorate that \$7.5 million would be allocated for capital works for the 35 schools in my electorate and \$15.4 million for a major development at the Wangaratta Base Hospital, approved earlier this year by the coalition government and confirmed by the new Minister for Health. That is a great development.

We will be looking to the federal government for funds from the massive amount of money it takes from taxes on fuel. Successive federal governments have failed to recognise the need for the funding to be brought back to the states and local governments for roads generally. The former government allocated \$19 million to roads in country Victoria. I am also concerned about the provision of passenger rail services to country Victoria; the former government was to have extended them.

I listened to the contribution from the Leader of the National Party when he spoke about the water projects across country Victoria. They have provided a higher standard of water supply and improved sewerage services to cities and towns across regional Victoria.

The Leader of the National Party referred to the stock and domestic water system at Tungamah, which has been dreadful. An application was made for funding of \$6 million to pipe the water right through the area to the various primary producers. The current allocation of water is 9800 megalitres, which comes out of Caseys Weir. The piping of water would reduce the losses and

save nearly 8000 megalitres that could be used for other water projects across north-eastern Victoria. The project comes from a recognition of past losses associated with the open supply system. It is important to recognise both the developments that have taken place and the developments that were committed to and would have been put in place under the previous government.

I welcome the bill, but my criticism of it is that it contains no accountability provisions — all allocations should be approved by Treasury. It is important to have accountability, not a situation in which projects of up to \$2 million can be approved by the minister without reference to Treasury. I strongly support the amendments put forward by the honourable member for Gippsland South. Although the opposition recognises the importance of funding being provided to country Victoria, it believes amendments need to be made to the bill.

Another concern of mine is that the money will not be forthcoming until after 30 June 2000. I ask the minister to inform the house what will happen to projects that are already in the pipeline and need funding for the current financial year. The minister should also explain how projects that are already in the pipeline will be funded — for example, the \$8 million development he announced at Cobram last Friday week. I know some of the funding has been provided by Business Victoria. Other projects in the electorate of Murray Valley will also need funding this financial year. The minister should explain where infrastructure funding will be coming from, which areas it will go to, how it will be provided, and what projects will be included. Proper guidelines need to be provided.

Clause 5 needs to be amended to ensure that there is accountability in how and where funds are made available and to enable appropriate scrutiny to take place, because there are other areas where funding could be allocated, such as education and the Community Support Fund.

I join other opposition members in giving qualified support to the bill, and I support the amendments circulated by the honourable member for Gippsland South, which I believe will improve the legislation. I look forward to seeing how the bill will be implemented, and I will continue making representations to ensure that north-eastern Victoria, particularly my electorate of Murray Valley, gets its fair share of funding.

**Ms OVERINGTON** (Ballarat West) — It gives me great pleasure to rise as the member for Ballarat West

to speak on this very important bill. As a member representing a regional electorate I welcome the introduction of the Regional Infrastructure Development Fund Bill. I am proud to be a member of a government that has a strong commitment to the future of regional Victoria.

Under the previous government regional centres like Ballarat were starved of economic opportunities. The previous government's focus on the Melbourne CBD denied growth and jobs to Ballarat and regional Victoria. The bill delivers to regional Victoria the capacity to repair and build infrastructure that will create jobs for many years to come. It will make capital works funding available to my electorate and others in regional Victoria.

As outlined by the Minister for State and Regional Development, the funding will deliver longstanding benefits to regional Victoria through the provision of infrastructure in such areas as industry development. Many people will no doubt be aware of the hideous unemployment levels in Ballarat and other parts of regional Victoria. In my electorate the unemployment rate is in double figures and in some areas the rate of youth unemployment exceeds 50 per cent.

A recent Jesuit report on employment in three postcode areas of my electorate shows that the level of youth unemployment in those areas is among the worst in the state. However, the influx of funding to regional areas where it is most sorely needed will help to address the disastrous unemployment problem.

During the recent election it was interesting to see how unemployment figures can be played with. The candidate I stood against put out a press release stating that the level of unemployment in Ballarat was 5 per cent. I am not sure how the figures were manipulated, but she continued to make that claim throughout the campaign. Everyone who read the claim in the Ballarat *Courier* nearly choked, because everyone in Ballarat has a relative who is unemployed. The Bracks government recognises the needs of regional Victoria and will be addressing the core right of everyone to employment.

The fund will also improve transport links for regional Victoria, and upgraded transport infrastructure will provide greater opportunities for employment and encourage industry to grow in regional Victoria.

Tourism is also important. My home town is the birthplace of Australian democracy — it is where the Eureka rebellion took place — and the home of the

Begonia Festival and Sovereign Hill. They each have a key place in Ballarat's unique history. Those attractions need to be marketed Australia-wide and worldwide to bring more tourists to my beautiful home town.

The funding will also be of benefit in the areas of education and information technology. Everyone knows Ballarat University and the IT centre, which is fast making Ballarat known Australia-wide and worldwide as the IT capital of Australia.

The bill is the first step in rebuilding regional infrastructure. It is a long-overdue first step. At the recent election the previous government was punished for its neglect of regional Victoria. In my area the voters of Ballarat had the good sense to elect members who care about the future of their community. During the election campaign the Labor Party promised it would not neglect regional Victoria when it won office. That promise was embraced by the people of my electorate and many other regional electorates. In its first few days of office the Bracks government began delivering on that promise. The bill before the house will attract investment and create jobs in Ballarat and other regional communities.

Infrastructure initiatives to be funded in Ballarat through the Regional Infrastructure Development Fund include: \$5 million for a comprehensive vocational education and training centre; a regional televillage project with full information technology and Internet linkages; and a regional call centre attraction strategy. Already the honourable member for Ballarat East and I have formed, with the City of Ballarat, a working party on the Ballarat televillage project. In the past few weeks I have had discussions with a number of key employers about the Bracks government's regional call centre plan. The possibilities for Ballarat are not limited by the initiatives outlined prior to the election. The bill also provides for further infrastructure projects to be funded in Ballarat, and I assure honourable members I will be fighting hard to ensure Ballarat gets the additional funds it needs.

A key element of the bill involves the transparent mechanisms for funding infrastructure projects. In establishing the fund by way of a trust fund in the public account, the government has demonstrated its commitment to accountability. The bill deserves the support of every member of the house. For far too long regional Victorians have been forgotten in Victorian politics. Unlike the previous government, Labor has spent the past few years listening to country people. The bill is a result of that process. In essence, it represents the commitment by government to the future

of regional Victoria. I urge all honourable members to support the bill.

**Mr PLOWMAN** (Benambra) — At the start of his speech on the Regional Infrastructure Development Fund Bill the honourable member for Murray Valley said he was angry. I am not angry but a little confused by some of the arguments put forward by government members. The honourable member for Ballarat West has suggested the hideous unemployment that occurs in country areas is over the 50 per cent mark in parts of her electorate. What really concerned me was that the honourable member went on to say that the previous government was punished at the last election.

I suggest the honourable member be careful about what she says, as should all government members, because the government has committed \$170 million to solve all those things. If there are areas of unemployment over the 50 per cent mark, particularly youth unemployment, and the government has already committed \$100 million out of the \$170 million, I would be diffident about suggesting it will solve such problems across the board.

The honourable member for Ballarat West mentioned the regional call centres. I have looked through the Labor policy documents for all areas of country Victoria and each one contains the promise of a regional call centre. There cannot be a regional call centre in every area. One has been promised for the north-east and I would be delighted if it came to the north-east. I am sure the honourable member for Ballarat West would be delighted if one was located in the Ballarat West electorate. I advise government members to be careful about making statements because I can see that many of those built-up expectations will never be met.

I have lived and worked in country areas all my life, so I certainly support the concept of the bill. The concept is correct — the government should assist country areas to increase their employment opportunities. Where there are high pockets of unemployment, particularly youth unemployment, anything that assists those areas is a good idea. I support the fact that the government should look carefully at country Victoria to determine how to assist those areas to increase their productivity and job opportunities, and to attract people from metropolitan areas to jobs.

The city of Wodonga, which is in the electorate of Benambra, is the fastest growing city in Victoria. The honourable member for Swan Hill talked about the mantra that was often raised prior to the last election, that the previous government — of which I was a

part — ripped the guts out of country Victoria. I do not know how many times we heard that. I can only report on my electorate and say it is untrue. In the Kennett coalition government's last term between 1996 and 1999, \$75 million was spent or committed on public infrastructure in my electorate alone. The Bracks Labor government is saying it will correct all things for all people in country areas with a total of \$170 million, of which \$100 million is already committed.

Another point that was well made by the honourable member for Swan Hill was that we need to obtain the confidence of the finance industry in looking at rural and regional Victoria. In my electorate the city of Wodonga is growing fast and offers incredible opportunities for employment. For the benefit of the honourable member for Ballarat West, Wodonga has the lowest unemployment levels in country Victoria, and by comparison youth unemployment has low levels. The reason for that — —

**Mr Clark** — On a point of order, Mr Speaker, I draw to the attention of the Chair that there is no minister sitting at the table. I am not aware whether it is a mandatory requirement of the house that a minister be present at the table, but the minister has been absent. I notice he has returned. It is discourteous to the house if the minister is not present. If the minister had not returned I would have suggested that the Chair make some ruling.

**The ACTING SPEAKER (Ms Barker)** — Order! I thank the honourable member for raising his point of order. There is no point of order. It is general practice that the minister be at the table, and I thank the honourable member for drawing that to the attention of the Chair.

**Mr PLOWMAN** — The bill is largely concerned with the big expenditure items. As has been said by honourable members on this side of the house, it is interesting that the legislation introduces extraordinary expectations in country areas — great expectations. The problem is that many of the expectations will not be fulfilled because there will be no expenditure at all this financial year, a maximum of \$50 million a year for the next two years, and a further \$70 million in the last financial year, if the government runs its full term. It represents a slow drip release of the funds necessary to overcome all the problems opposition members keep talking about.

It is the expectations about the smaller issues that I have the greatest concern. A constituent of mine wrote to me after reading a report about the allocation of \$4 million to cattle underpasses:

We read with interest an article written in the *Weekly Times* dated 17 November 1999 of a regional infrastructure development fund available through the Victorian government which includes funding for cattle underpasses.

We are dairy farmers on the Murray Valley Highway at Cudgewa east of Wodonga and with a Vicroads approved cattle crossing. This includes signage, plus flashing amber lighting. We own/lease property on both sides of the Murray Valley Highway with the need for our 250 dairy cows to cross the highway twice daily. We are keen to find out eligibility and criteria necessary to apply for funding for cattle underpasses.

The preferred option of ourselves and Vicroads is obviously an underpass for the below reasons —

safety of motorists ...

safety of our family/employees —

I say with some sadness that in the past few years we have suffered at least one fatality when a dairy farmer crossing the road was killed by a passing motorist —

safety of the cattle ...

weather conditions.

Many country roads, especially in winter, are subject to heavy fogs regularly. The letter concludes by saying:

As you can see, our main concern is the safety of all using the highway. We would be grateful if you could inquire on our behalf into what if anything is available in the way of funding through the RIDF to install a cattle underpass adjoining our properties on the Murray Valley Highway, Cudgewa.

The letter is typical of hundreds of letters expressing the concerns of hundreds of people wanting cattle underpasses for the safety of their families, employees, the general public and the cattle. The expectation is that the fund will provide underpasses for everyone.

Recently I checked with Vicroads about the cost of an underpass and I was informed that it is estimated to cost between \$60 000 and \$70 000. Vicroads will offer re-sealing of roads and provide guard rails on either side to direct the cattle into the underpass at a cost of \$5000. The fund will allocate \$4 million for this project, yet an underpass could cost around \$75 000. I hate to think how many crossings will be required in country Victoria. I believe the minister will have to tell people that their expectations will not be fulfilled. I hope the minister has the ability to inform people such as the Whiteheads at Cudgewa how the projects will be funded.

**Mr Brumby** — Have you spoken with the VFF?

**Mr PLOWMAN** — I have spoken to the Victorian Farmers Federation, and it informed me that it is concerned about the ability of the government to meet

its commitments. I believe the expectations of people for the safety of their families, employees and cattle will not be met by the minister and the government.

I refer now to accountability. It is disturbing that the Minister for State and Regional Development will have the opportunity to travel around Victoria and allocate without reference to anyone — neither the Treasurer nor his own department — up to \$2 million. That is the worst form of accountability. It has already been said that the fund will be allocating \$170 million over the term of the government. I urge honourable members to support the amendment moved by the honourable member for Gippsland South.

**Mr TREZISE** (Geelong) — It is with delight that I support the Regional Infrastructure Development Fund Bill. Members of the opposition, including the honourable member for Benambra, set out what the former government did for regional Victoria over the past seven years. I remind opposition members that like all new regional members I was elected by the people of Geelong because they recognised they were not being treated fairly by the previous government. They were treated as the poor cousins of Melbourne and they decided to do something about it. The people of Geelong and other regional centres were ignored while Melbourne flourished with monuments, special events and magnificent support.

On 18 September regional Victoria voted for the Bracks Labor government because it knew Labor had a commitment to regional and rural Victoria. No longer were they prepared to stand by and see schools close, have insufficient nurses in hospitals, streets without police, community services eroded and a lack of funding for local municipalities. They recognised the inequities — that they were running a poor second to Melbourne — and they decided to vote for the Bracks Labor government.

I support the bill because it will ensure that Geelong and regional Victoria will be provided with much-needed funding for important infrastructure developments. The Bracks Labor government recognises the basic fundamental importance Geelong plays in shaping Victoria's economy. Geelong is the largest regional city in Victoria with a population of 186 000 people. To date Geelong has relied on its manufacturing base to provide economic wellbeing and work for its population. The Ford factory, the Shell oil refinery, Alcoa, the port of Geelong and Godfrey Hirst are examples of the manufacturing base of my electorate.

The Bracks Labor government realised that the way forward in Geelong is to forge a new partnership with the community to ensure that we work together so our city can prosper as we move into the new millennium. Together with other Labor Party candidates we delivered a clear message to the people of Geelong during the election campaign. The Labor Party went into the campaign with a specific policy document entitled 'Labor and Geelong, a new partnership'. That policy referred to the establishment of the Regional Infrastructure Development Fund. The policy states:

Labor will establish a regional infrastructure development fund to ensure Geelong receives a fairer share of infrastructure funding. We will ensure that capital expenditure will be spent in proportion to the population.

It was a clear commitment because Geelong faces many issues as it moves into the new millennium. Victorians understood the importance of a regional development fund. The underlying objective of the fund is to improve the competitive capacity of regional Victoria, including Geelong, through the provision of funds to establish capital works which will support industry development, improve critical transport linkages, build tourism infrastructure, and better link regional Victoria to education and information technology.

The achievement of the objectives will result in cities like Geelong, Bendigo and Ballarat creating employment opportunities and strengthening their economic base to the benefit of all in Geelong, other regional centres and, ultimately, Victoria. Geelong will benefit through the establishment of the fund in very specific ways. I will refer to some of the specific benefits for Geelong to stress the importance of the fund.

As a former employee of the port of Geelong I fully appreciate the importance the port plays in the economy of Geelong. In the past five years the former Port of Geelong Authority, now a private operator, has spent millions of dollars upgrading its facilities at Lascelles wharf — approximately \$20 million has been spent on cranes and \$30 million on cargo sheds.

**Debate interrupted pursuant to sessional orders.**

## DISTINGUISHED VISITOR

**The SPEAKER** — Order! Before calling questions without notice the Chair wishes to recognise and welcome to the public gallery Mr Peter Innes, the British Consul-General.

**QUESTIONS WITHOUT NOTICE**

**Unions: membership**

**Dr NAPHTHINE** (Leader of the Opposition) — I refer to an answer the Premier gave yesterday. Given that one of the top industrial barristers in Victoria has provided written legal advice that encouraging a person to discriminate against non-unionists is a breach of the Victorian Equal Opportunity Act, will the Premier now take action to prevent further breaches of the act by the Victorian Labor Party?

**Mr BRACKS** (Premier) — As I said yesterday, I am happy for the Leader of the Opposition to pursue this line of questioning. It shows how absolutely irrelevant the opposition is. The reality is, Mr Speaker, that if honourable members look at this side of the house they will see that 8 of the 18 on the front bench are women. The opposition had to expand its front bench to 22 because it did not have enough women there. Talk about equal opportunity! The matter has been resolved. The Equal Opportunity Commission has decided. The government will not be interfering.

**Bushfires: firefighter safety**

**Mr TREZISE** (Geelong) — I refer the Premier to the Linton fire tragedy that occurred on this day last year. What action has the government taken to reduce the risk of such tragic deaths occurring again?

**Mr BRACKS** (Premier) — I thank the honourable member for Geelong for his question. I also thank him and other members for their concern on the anniversary of the tragedy last year. All members of this place and all Victorians will join me in expressing sorrow for and thanks to the families of the brave firefighters who died on this day last year.

I am sure all honourable members believe that one of the most important and fundamental roles of government is to protect human life with the most highly effective and well-resourced emergency services efforts Victoria can have. No volunteer, or any Victorian for that matter, will forget the Linton fire tragedy quickly. For Victoria's emergency services to be effective the community must rely on the thousands of selfless volunteers who give up their time, and tragically too often their lives, to protect the community.

As the state grieves the loss of Stuart Davidson, Gary Vredeveltdt, Chris Evans, Matthew Armstrong and Jason Thomas, who have joined the already too-large list of heroes who have made the ultimate sacrifice for their community, critical lessons must also be drawn

from the tragedy. Only the Coroner can draw conclusions about what contributed to the deaths of those firefighters at Linton. The Coroner will address those as yet unanswered questions.

What was brought home to us all last December, however, was that firefighting presents a real risk to volunteers and that a safety-first approach should be taken in any situation. This year there has been a substantial shortage of rain, and as most honourable members would know Victoria is again facing a great potential fire risk this season. The government has approved an additional \$13.6 million in funding to boost firefighting resources this summer. The availability of aircraft for regional Victorian firefighting services has also been boosted by an increase in seasonal aircraft from 17 to 24. At this point I make it clear that these initiatives were initiated by the former government. I support the bipartisan determination of the house to deal with the fire risk and save lives.

On this day I am proud to announce that more than 1200 tankers have now been fitted with new low-level water alert systems, which through the use of a very loud siren will alert crews when the water level is down to a quarter of a tank. The siren is loud enough to also alert other crews of the need for urgent assistance. Since the Linton incident more than \$1 million has been invested in the program and spent on the initiative. I think all honourable members would say that is money well spent in the interests of Victoria.

I thank the current Minister for Police and Emergency Services for his efforts in ensuring the initiative was given effect to. As you know, Mr Speaker, I have also congratulated the previous government.

In the lead-up to the fire season, as well as resourcing brigades the Country Fire Authority will systematically reinforce the message of safety first to firefighters across the state in a concerted campaign to raise awareness among volunteers.

I again express my gratitude and the gratitude of this house to those volunteers for their contribution and their willingness to risk their lives to save the lives of other Victorians. Our thoughts also go out to their families and friends on this sad day. I hope the initiative — which I know is supported by both sides of the house and which has been worked on by the present and former governments — will reduce the risk of tragic deaths such as those that occurred on 2 December 1988 occurring in future. We hope they will never occur again.

**Schools: class sizes**

**Mr HONEYWOOD** (Warrandyte) — I refer the Minister for Education to the Premier's decision two weeks ago at Ashwood high school to change from a cap on class sizes to an average; to the statement of the Minister for Finance at a press conference today on the year 2000 budget that it is now all quite simple and that the government will distribute the money to school principals to spend on the cap as they see fit; and to the minister's own comment yesterday that she still uses the word 'cap' in her sleep.

I also direct the minister's attention to a statement in an article in today's *Age* that her office had confirmed that the cap on class sizes has been scrapped.

**The SPEAKER** — Order! Will the honourable member come to his question!

**Mr HONEYWOOD** — Who are the school principals the minister consulted before abandoning the cap, and will she provide the house with a list of their names?

**Ms DELAHUNTY** (Minister for Education) — I thank the honourable member for I think his 17th question on the government's excellent policy. He is clearly a very slow learner. The Labor Party said it would bring down class sizes. It has already in school global budgets provided \$25.2 million and will allow principals and school communities to determine how they will spend the money within the target parameter of bringing class sizes down to 21.

At earlier meetings the principals asked for tolerance on class numbers. Unfortunately they are less — —

**Mrs Peulich** interjected.

**The SPEAKER** — Order! the honourable member for Bentleigh!

**Ms DELAHUNTY** — Unfortunately they are less tolerant of the opposition who in their questioning do not seem to approve of the policy. Do they feel deep in their little Tory hearts that governments should not spend money on education or bring down class sizes? That is why they are persisting with these semantics — they don't want to spend money on education; they are embarrassed about it.

*Honourable members interjecting.*

**The SPEAKER** — Order! I ask the house to come to order. The Chair is having difficulty hearing the minister.

**Ms DELAHUNTY** — School principals asked for tolerance on this matter. We have said that over a four-year period we want class sizes brought down to 21, and we will do it. We are getting on with the job. We have said to schools throughout the state 'We will give you the resources and you determine the most effective way of spending that money'.

**Mrs Peulich** interjected.

**The SPEAKER** — Order! The house will come to order. The honourable member for Bentleigh has been interjecting persistently. I ask her to stop.

**An opposition member** interjected.

**Ms DELAHUNTY** — We have an interjection about self-governance. That is precisely my point. I will try to ignore the bleating from the other side. Unlike the rhetoric and the ideology of the other side, we believe — —

**Mr Plowman** — You're an embarrassment.

**The SPEAKER** — Order! The honourable member for Benambra!

**Ms DELAHUNTY** — The honourable member for Benambra describes himself adequately. Unlike the opposition, we actually deliver on our belief that school communities are in the best position to determine how they spend their funds. We have heard much about giving principals the right to run their schools. At the very first test — —

**Mr McArthur** — On a point of order, Mr Speaker, on relevance, the minister in her long, rambling discourse has touched on everything but the subject of the question. I suggest, Mr Speaker, that you should direct the minister back to the question which was: which principals did she consult with and will she make the list of them available to the house?

**The SPEAKER** — Order! I was listening carefully to what the minister was saying before the point of order. I am of the opinion that she was providing information to the house about what she and the government are doing in responding to the question from the honourable member for Warrandyte. There is no point of order.

**Ms DELAHUNTY** — As the honourable member for Monbulk would recall, if he stopped blustering, part of the elongated question asked by the honourable member for Warrandyte was about comments allegedly made by the Minister for Finance. The minister said, 'We will give sufficient resources for schools to bring

down class sizes. We believe in allowing school communities to make decisions about the way they spend money for the best educational programs for their schools’.

Throughout the country they say this is good educational policy. All these protracted questions illustrate that the opposition hates spending money on schools — \$25.2 million to bring down class sizes. They do not want that money spent on our schools; they want it spent on luxury seats at Colonial Stadium and luxury pads in Balmain for the Olympics. We are spending money on schools.

### Hospitals: cleanliness

**Mr VINEY** (Frankston East) — What action has the Minister for Health taken to improve cleanliness in Victoria’s hospitals?

**Mr THWAITES** (Minister for Health) — Just as we are getting on with the job of building new beds in Frankston East, we are getting on with the job of improving cleanliness in our public hospitals.

I am pleased to announce that we are honouring a key commitment of the — —

**Mr McArthur** interjected.

**The SPEAKER** — Order! I have asked the honourable member for Monbulk to desist from interjecting on numerous occasions. I now ask him to stop making gestures, which are disorderly.

**Mr THWAITES** — We are getting on with the job of improving cleanliness in our public hospitals. One of the key pledges of the current Premier before the election was to make our hospitals cleaner by redirecting money from the health network bureaucracy. That is what we are doing — taking money out of the wasteful bureaucratic structure that the former government imposed on hospitals and putting it where it is needed: into cleaning hospitals.

The government is developing best practice cleaning guidelines for our hospitals — a first in Australia. Given the importance of hospital cleanliness, that is something about which we should all be proud, even the honourable member for Bentleigh who I am sure would be pleased that cleanliness at the Monash Medical Centre, including its Moorabbin campus, will improve as a result of our initiatives.

Beyond that, we will ensure those standards are maintained by appointing independent health experts to inspect hospitals on a random basis. It is important that

that inspection be carried out on a random basis any time of the day and any day of the year. The government will be open and transparent — something the former government never was. Instead of covering up the truth as the former government did, we will be publishing the results of those inspections. In that way we can all see which hospitals are performing and which are not.

I acknowledge in this place the important role cleaners play in hospitals. For years the other side of the house denigrated and devalued hospital cleaners.

*Honourable members interjecting.*

**Mr THWAITES** — They are still doing it! They don’t like cleaners — they don’t like cleaning staff! We believe cleaners have a key role to play in maintaining quality of care.

In his last report to Parliament on this matter the Auditor-General pointed out that some 74 per cent of senior clinicians believed that under the previous government there had been a decline in the quality of care in our hospitals. A key factor was the lack of cleanliness in hospitals.

### Human Services: focus

**Ms DAVIES** (Gippsland West) — My question is for the Minister for Community Services. Unlike the opposition, I actually write my own questions.

*Honourable members interjecting.*

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

**Ms DAVIES** — Finished, children?

**Mr Honeywood** interjected.

**The SPEAKER** — Order! I ask the honourable member for Warrandyte to cease interjecting. I ask the honourable member for Gippsland West to ask her question.

**Ms DAVIES** — My question is directed to the Minister for Community Services. In my time in Parliament so far I have found that the rise and fall of an incredible array of fancifully worded programs within the Department of Human Services has made it one of the most confusing and inaccessible areas I have had to deal with. Can the minister tell the house what measures she has taken or is prepared to take to ensure her department is able to function in a more people-focused rather than program-focused manner in the future?

*Honourable members interjecting.*

**The SPEAKER** — Order! Did the minister hear the question?

**Ms Campbell** — No.

*Honourable members interjecting.*

**The SPEAKER** — Order! I ask the opposition benches to come to order. The honourable member for Gippsland West, repeating the latter part of her question.

**Ms DAVIES** — I ask the minister to tell the house what measures she has taken or is prepared to take to ensure that in future her department is able to function in a more people-focused rather than program-focused manner.

**Mr McArthur** — On a point of order, Mr Speaker, that extraordinarily broad question will allow the minister in response to range across all policies held and programs delivered by her department. I ask you to ask her to limit the extent of the question.

**The SPEAKER** — Order! I uphold the point of order. It is a broad question. I ask the minister in responding to the question to confine her remarks to the difference between the people-oriented versus program-oriented activities of her department.

**Ms CAMPBELL** (Minister for Community Services) — As Minister for Community Services I am pleased to address the question. One of the first things I noted when I was briefed by the Department of Human Services was that it had removed the words ‘People first’ from its logo. That clearly outlines that the Department of Human Services, under the disgraced regime now on the opposition benches, was not people focused. The Department of Human Services was not concentrating on the citizens of Victoria; it was concentrating on the customers of the department or the consumers of departmental services. Someone who resented that fact and wished to be considered as a citizen of the state entitled to access to programs could not be recognised in that way.

*Honourable members interjecting.*

**Ms CAMPBELL** — I am glad members opposite are concentrating on the answer. When the Department of Human Services operated under the previous regime, a question like the one asked today would have been treated with contempt. Guess who has treated that serious question with contempt — members of the opposition! They are having great difficulty in coming

to terms with the new regime — the new Bracks government operating with its people and not having a consumer or customer focus.

*Honourable members interjecting.*

**Ms CAMPBELL** — I am delighted members opposite are concentrating. One of the actions I have taken since becoming Minister for Community Services is to ensure that a partnership approach is adopted within the department. I am delighted to say that departmental staff have warmly embraced and readily promoted to all stakeholders in Victoria that partnership approach. Previously a person who did not agree with the then Minister for Community Services would be visited by the department. That person would be defunded and would not be considered as having any vision.

*Honourable members interjecting.*

**Ms CAMPBELL** — I am glad you ask that question. When I was manager of a community service organisation that dared to have the audacity to write two letters to a newspaper on matters of relevance to community services, I was visited and reminded that the department funded my organisation. The suggestion was: how dare I put anything in the paper that was not complimentary to the department that funded my organisation!

The department has recently engaged in a number of partnership forums. I briefly mention one that the department and stakeholders were very interested in — that is, on the preschool proposals I previously outlined to the house. Representatives of parents, professionals, academia, teachers and the dreaded bogey, the unions, turned up at the function. People interested in multicultural aspects of preschools also attended. The department was able to harness all that wisdom.

I know that you, Mr Speaker, like speakers to be succinct. I could continue at length but, being mindful of what I suspect you are about to say, I state that the Department of Human Services is now people focused. Correspondence that comes to us is answered.

*Honourable members interjecting.*

**Ms CAMPBELL** — All in three weeks — it’s amazing! After six weeks members opposite still cannot understand the basics. The department is operating on a people-focused basis, and its committed staff are prepared to implement the partnership approach of the Bracks government.

**Y2K: government compliance**

**Mr LEIGHTON** (Preston) — Will the Minister for Finance advise the house of progress being made by the Victorian government in planning for the year 2000 (Y2K) millennium bug?

**Mr BRUMBY** (Minister for Finance) — We are obviously in the final countdown stages of this century, with 30 days to go before the new century and new millennium. I am pleased to say —

**Ms Asher** interjected.

**Mr BRUMBY** — Are you a Barry Jones fan?

**The SPEAKER** — Order! The minister should not conduct a debate across the table.

**Mr BRUMBY** — I am happy to say that we are within 30 days of the 21st century. Today I released the final report —

*Honourable members interjecting.*

**The SPEAKER** — Order! Honourable members are wasting time. The minister should have the opportunity to answer the question.

**Mr BRUMBY** — I was going to say that there has been a strong bipartisan approach to this issue, but the opposition today is just hopeless — you are just rabble! The government's policy on the issue is this: we got rid of one bug at the last election, and now we are going to get rid of the millennium bug!

*Honourable members interjecting.*

**The SPEAKER** — Order! I know it is Thursday and it has been a long week; however, question time must be completed. I ask opposition members to come to order, or I will not hesitate to use sessional order 10.

**Mr McArthur** — On a point of order, Mr Speaker, it has been a proud tradition of the house to source all quotations. I ask the minister to acknowledge the author of that joke.

*Honourable members interjecting.*

**The SPEAKER** — Order! There is no point of order, and I find that to be a frivolous point of order. I warn the honourable member for Monbulk.

**Mr BRUMBY** — It is a serious issue. I advise honourable members on both sides of the house that today I released the final year 2000 public disclosure document. It shows that average Y2K readiness across

all state government departments is 99.7 per cent and average contingency planning readiness is 99.19 per cent.

They are excellent rates, and they show that across all of the state government public sector the readiness rate is about as high as it can get. When you look at the technical definitions of these matters you see that 99.7 per cent is about as high as you can get. It means that public sector computer systems — whether they be in the health system, emergency services, the transport system or any other system — are virtually 100 per cent ready as we make the shift from this decade and this century to the 21st century.

In the event of any unforeseen circumstances arising, contingency plans have been put in place and are at 99.19 per cent readiness. The figures represent continuing improvements over the past month of 0.47 per cent and 0.88 per cent respectively.

I turn to the point that follows from that readiness: as people prepare for New Year's Eve, for the next century, for whatever they are going to do next year, they can plan ahead with the utmost confidence. The slogan 'Business as usual' encapsulates the Victorian government's position. Everything will be working, and if there are any unforeseen contingencies the departments are 99.19 per cent ready to deal with them.

The work done on this issue has involved substantial investment by the Victorian government, which acknowledges strong bipartisan support on the issue. The program was commenced some years ago by the previous government, and I am informed that the cost of identifying and bringing up to scratch business critical systems across all Victorian government departments during the past few years has amounted to \$398 million. It has been a huge investment. Painstaking work has been carried out to ensure that as Victoria moves into the next century it is very much business as usual. That is the best way to beat the millennium bug.

I have acknowledged the important work done by the previous government. All honourable members are responsible for getting the message out to the community so that confidence levels are high. Because of the 99.7 per cent compliance rate, no state systems are in danger of not performing. People can plan for New Year's Eve celebrations, whether in country Victoria or at Southgate. They can go away for holidays or travel; they can do whatever they like in the knowledge that all systems will be operating effectively in Victoria.

There has been substantial responsible expenditure across the previous government and the Bracks government. The work will begin to slow off now, but it does not finish entirely. Computer experts who watch these issues closely will know that 29 February next year is another challenge, although not of the same dimension. Next year is a Leap Year, and it is only once every 400 years that we see 29 days in February and a year that ends in 00. As the honourable member for Doncaster will remind me, we did not have computers 400 years ago and therefore we have not previously encountered this situation. We must look forward and prepare for that date as well.

Victoria is ready. We have one of the highest compliance rates in any advanced country in the world. The business sector is ready, and that means that people can look ahead with confidence. It is very much business as usual.

**Member for Chelsea Province: discrimination**

**Ms ASHER** (Brighton) — I draw the Premier's attention to the Victorian Civil and Administrative Tribunal's ruling that the Honourable Bob Smith, an honourable member in another place, contravened the law in the case in which Ms Mary Jamieson was found to have been discriminated against on the basis of her gender. Will the Premier ensure that Mr Smith is provided with proper counselling about his attitude towards women in the workplace and about his responsibilities under equal opportunity legislation?

**Mr BRACKS** (Premier) — I am happy the opposition is pursuing this strategy; it is one that works very well for the government of the day.

The matter has been resolved by the tribunal, which has instituted a penalty. The matter arose while the honourable member was employed in his previous occupation and it therefore has nothing to do with his current occupation.

**Dr Napthine** interjected.

**Mr BRACKS** — It is good to see you are in on the big issues. You are really being noticed out there!

The matter goes back some time, and it has been dealt with. The tribunal ruled on the matter and the penalties have been instituted. The government will not interfere with the tribunal's decision.

**Disability services: commonwealth–state agreement**

**Mr LENDERS** (Dandenong North) — I ask the Minister for Community Services to inform the house of progress concerning the disability services agreement between the commonwealth and state governments.

**Ms CAMPBELL** (Minister for Community Services) — I thank the honourable member for his question on this very important matter, which touches all who work in our electorate offices as constituents approach us looking for long-term accommodation and respite for people with disabilities.

The reality is that at the moment the needs of a large number of people with disabilities, their families, carers and guardians are not being met. On 26 August Minister Newman, the federal Minister for Social Security, made a formal offer to the states and territories indicating that the commonwealth would make a once-only national contribution of \$50 million next financial year and \$100 million the subsequent financial year, which would mean Victoria would get \$12.3 million in the first of those years and \$24.6 million in the subsequent year.

One of my first actions as Minister for Community Services was to reply to Minister Newman, highlighting my concerns about the offer. There were three concerns; they were significant, and I am sure they would be shared by all honourable members.

The first concern was that the quantum of the funds was totally inadequate. In 1996 a very reputable organisation, the Australian Institute of Health and Welfare, prepared a report that most honourable members have probably seen. It was a conservative analysis of the fact that there were \$294 million worth of unmet needs nationally, and the commonwealth offer was not good enough based on those figures and on the fact that there is a 2 per cent growth in disabilities and also an ageing population as the baby boomers who have disabilities — —

**An honourable member** interjected.

**Ms CAMPBELL** — And a fair few people would say some of them are here in this house. So they really need support. The quantum of the funds offered by the commonwealth was certainly only one-third of the cost of meeting that significant high number of unmet needs.

The second concern was the commonwealth's inflexible approach to those funds. It stipulated that the funds must go to ageing carers and be put towards

in-home support and respite care. Many of us would know that families with young children who have disabilities often need long-term accommodation for their children. Therefore to tie the funds purely to ageing carers was totally inappropriate.

The third concern was that the funds were offered without a recurrent commitment. It comes as no surprise to learn that treasurers in all states and territories are saying they need a clear understanding that funding will be recurrent to ensure that the funding required next financial year and the year after is forthcoming.

Last Friday I met with my state and territory counterparts in Canberra and discussed how our case can be best advanced. Regrettably, the commonwealth chose not to attend the meeting. Senator Newman did not come nor did she bother to send a representative. The meeting was based in Canberra to make it readily accessible for Senator Newman, but she did not deign to bestow her presence upon us.

I inform the house that the states and territories want national agreement on the matter, and that will be forthcoming irrespective of the political complexion of the ministers of the states and territories. They want the funds to be recurrent, and they want funding conditions to be flexible enough to meet individual needs.

Sadly, some 3000 individuals in this state are unable to access support services that they desperately need. I look forward to the house letting Senator Newman and the Prime Minister know that we find the commonwealth offer totally unacceptable.

**Dr Napthine** interjected.

**Ms CAMPBELL** — The Deputy Leader of the Opposition interjects.

**The SPEAKER** — Order! The minister should ignore interjections.

**Ms CAMPBELL** — I will ignore the interjection but will say that the matter is of such profound national importance that we could do with some leadership from the Prime Minister. The matter is so significant that it affects far more people than have been affected by the policy on guns or the many other issues the Prime Minister has become involved in.

If Senator Newman cannot deliver to the people of this nation who have disabilities, the Prime Minister should step in and ensure that they are well looked after.

### **Vocational education and training: registered organisations**

**Mr BAILLIEU** (Hawthorn) — I ask the Minister for Post Compulsory Education, Training and Employment to assure the house that all registered training organisations will be allowed adequate time to assess any new contract offers made to them by the government.

**Ms KOSKY** (Minister for Post Compulsory Education, Training and Employment) — In a word, yes.

### **Manufacturing: leather chairs**

**Ms BARKER** (Oakleigh) — Will the Minister for Manufacturing Industry advise the house of the ability of Victorian manufacturers to provide high-quality, world-class leather chairs?

**Mr HULLS** (Minister for Manufacturing Industry) — The Bracks government is committed to supporting the Victorian manufacturing industry and putting in place a number of strategies to ensure that Victorian manufacturing companies can expand markets in Australia and overseas.

At a Senate estimates committee meeting yesterday it was revealed that the Prime Minister of Australia spent another \$10 000 on six green leather chairs to match his chesterfield lounge chairs.

**The SPEAKER** — Order! I ask the minister to restrict his response to matters within his jurisdiction.

**Mr HULLS** — The manufacturing industry is well within my jurisdiction, and I point out that there are many expert manufacturers in Victoria who can produce leather chairs. It is interesting to note that the federal government spent \$500 000 refurbishing 225 chairs for parliamentary committee rooms. Unfortunately, Victorian companies did not get a look-in.

The Prime Minister's decision involved the importation of Swedish leather and gas-lift mechanisms because it was claimed the Australian equivalent was inferior. Unfortunately the tender process was selective and three companies — one in Western Australia, one in Sweden and one in Denmark — were asked to tender.

Some of the leaders in this field are in Victoria. I sit on a chair manufactured by Camatic, based in Wantirna South, which, as the honourable member for Wantirna would know, has produced seats for the Olympic stadium, the Melbourne Docklands stadium, the Atlanta

Olympic stadium, the Pasadena Rose Bowl, the Memphis baseball stadium and, of course, the Great Southern Stand at the Melbourne Cricket Ground.

**Mr Wells** — On a point of order, Mr Speaker, my understanding of the situation, whether in this house or Canberra, is that neither the Prime Minister of Australia nor the Premier of Victoria has anything to do with parliamentary services. That being the case, how can the minister bring the Prime Minister and the Senate into a decision of Parliament House when neither have any involvement in parliamentary services?

**The SPEAKER** — Order! There is no point of order. I was listening carefully to the Minister for Manufacturing Industry and he was responding to the question about Victorian industry involvement.

**Mr HULLS** — Thank you, Mr Speaker. Camatic is a great company in Wantirna South and it has the ability to produce leather chairs. It can cut, sew and assemble chairs in Victoria from imported and domestic leather as well as assembling its own gas-lifts. The company is a great Victorian export success. However, it was not given the opportunity to quote.

The Premier, I understand, sits on a chair in his office made by Stem Industries, which is based in Bayswater. This company is another success story. It has just put 3600 chairs into the Sydney Organising Committee for the Olympic Games administration building. It supplies chairs to the Department of Defence. It is also the sole supplier to the Victoria Police. This company also did not get the opportunity to quote. These companies produce seats good enough for millions of people all over the world, but apparently not good enough for the rear end of the Howard government. It is not only an indictment of the Howard government's commitment or lack thereof to Australian manufacturing, but an indictment of the failure of the Kennett government to ensure that Victorian manufacturers are recognised by the federal government.

The Bracks government is committed to supporting Victorian manufacturing companies to expand their markets both at home and abroad. It is part of its policy and commitment to establish in Victoria an office of manufacturing, a manufacturing industry consultative council and an industry audit to ensure the markets are opened up for Victorian industry throughout the world. I like my chair, but I do not spend much time in it, nor does the Premier, because we are keen to get around all Victorian industries to ensure that they can expand their products into the international market.

The Premier and I will continue to keep our Victorian seats. However, the complete disregard of Victorian manufacturers shown by Howard government members — the Victorian partnership's federal colleagues — shows that they do not deserve to keep their seats.

**The SPEAKER** — Order! The time for asking questions has expired. A minimum number of questions has been asked and answered.

## REGIONAL INFRASTRUCTURE DEVELOPMENT FUND BILL

*Second reading*

**Debate resumed.**

**Mr TREZISE** (Geelong) — I am a little disappointed to see how many honourable members have left the chamber. I thought they would have stayed to listen to my speech! Before question time I was talking about the importance of the Port of Geelong Authority to Geelong and its relationship to the Regional Infrastructure Development Fund Bill.

The national rail line runs within 100 metres of the Lascelles wharf in Geelong, and it is pleasing to see that the Bracks government has committed itself to providing a spur line to the national rail link, which will be a great benefit not only to the port but also to the community of Geelong for the benefit of regional Victoria.

Another initiative of great importance to Geelong is the commitment through the bill for the central activities area. In the past 10 years the Geelong council has been concerned to see the city move towards the bay, which is a good initiative. However, in that move the southern end of the city — from Moorabool Street to Ryrie Street — is beginning to decay. The bill will provide funding to ensure that that area of town above the mall is revitalised in the future, which is welcomed by the community, by traders and I am sure by the City of Greater Geelong. The government will be working closely with the City of Greater Geelong to ensure that that money is well spent.

Another area of importance in Geelong is the transport linkage. As the member for South Barwon will be well aware on his way home to — is it Breamlea?

**Mr Paterson** — Bellbrae.

**Mr TREZISE** — Bellbrae! You're the only fellow I know with a house in Bellbrae and a holiday home in

Hawthorn! The honourable member for South Barwon would know that the Latrobe Terrace overpass has become blocked. It is supposed to link south to north, but that is not occurring at night time and early in the morning when the link is blocked. It is important that some form of ring-road be considered. It has been talked about for many years. The fund will ensure that feasibility studies are conducted to get this project off the ground for the benefit of Geelong.

Not only will the ring-road assist traffic flow in a north-south direction but also in an east-west direction, which includes Mallop, Ryrie, McKillop, Kilgour and Carr streets. Those streets are beginning to clog and other links need to be considered as well. One possibility is a bridge over the ford at Breakwater, where once a year at least the Barwon River causes flooding. It is a major linkage in Geelong, and the community needs to rectify the problem in years to come.

The passage of the bill will benefit rural and regional Victoria, including Geelong. It is with great pleasure that I commend the bill to the house.

**Mr DELAHUNTY** (Wimmera) — I am pleased to join the debate on the Regional Infrastructure Development Fund Bill. I have been disappointed with some of the statements by members of the house. Too often we talk down regional Victoria. I have no doubt there are some problems out there — I am the first one to admit that — but I am angry, like the honourable member for Murray Valley, that we often talk it down and drive people out of our areas. Some good things happen in rural and regional Victoria, and the government needs to work with local people to ensure that the whole of Victoria develops.

As honourable members will be aware, I represent a rural electorate. In my inaugural speech I said:

The Wimmera is experiencing many changes. We in the Wimmera are keen to work with the government and the private sector to capitalise on the benefits of agriculture diversification by developing value-adding industries and supporting new and existing industries, together with continuous improvements in community services and facilities. I will be advocating in this house that the Wimmera receives its fair share of government resources and appropriate infrastructure.

I express concern that government speakers have said the funding will be linked to population. If that is the case we will have a problem similar to the one about which the now government accused the former government — that it was city-centric. I do not want all of the funds to evaporate into the regional centres of

Geelong, Ballarat and Bendigo, which is the fear of people in my electorate.

Although I will be supporting the bill and the amendments put forward by the honourable member for Gippsland South, my biggest concern is that the bill will not live up to the expectations created by the government.

The minister has spoken of the \$170 million to be spent in the next three years, but he has already committed nearly \$100 million of it, so he does not leave much room for new projects still to be proposed. The legislation is a smoke-and-mirrors trick.

The government will have trouble matching the previous government, let alone meeting the expectations spoken of today. During the past four years more than \$100 million worth of exciting new projects came to the Wimmera, including \$22 million for health services, some of which went to the Wimmera hospital; \$24 million for natural gas; \$26 million for water infrastructure and upgrades; \$8.4 million for new technical and further education facilities at Horsham and Stawell; \$891 000 for road upgrades between Warracknabeal and Minyip; \$750 000 for the Stawell Secondary College refurbishment; \$20 million — yes, \$20 million — for regauging the grain rail lines in my part of Victoria; and \$400 000 for a new fire station in Horsham. Many other small projects were also undertaken during the past four years.

All honourable members are aware that more needs to be done to assist rural and regional Victoria. The statement made by the minister at the rural press club, however, as reported in the *Weekly Times*, was that \$170 million is more than the total spent by the previous government on these matters. I emphasise that more than \$100 million was spent in just the Wimmera electorate, let alone the whole of rural and regional Victoria, in recent years.

I remind the government, and that includes the Independents, about the water and waste water projects. They constituted a \$1.2 billion development package and were very important in my part of Victoria. There used to be a lot of small communities whose water supply did not meet world health standards and whose disposal of waste water did not meet Environment Protection Authority requirements. Whether they live in Hopetoun, Minyip or Edenhope, country people, like their city cousins, are entitled to decent facilities.

As mentioned previously, \$26 million was spent to bring natural gas to Ararat in the electorate of Ripon, as

well as to Stawell and Horsham, and we are already starting to see the benefits of that work.

I move now to infrastructure developments throughout rural and regional Victoria as a whole. I emphasise the word 'rural' and note that the minister in his second-reading speech used the word 'bush'. Like the honourable member for Gippsland South, I do not like the word 'bush'. I prefer 'rural Victoria' or 'country Victoria'. I hope, for the sake of rural Victoria, that the government can do better than the previous government did — because if it cannot it will live to regret it.

In the health area alone 31 per cent of the 1998–99 capital works budget was spent in rural Victoria, and in the 1999–2000 budget that figure increased to 36 per cent, even though as we know only 28 per cent of Victorians live in rural areas. The funding for Rural Ambulance Victoria increased from \$18 million in 1993–94 to \$33 million today. In the area of police and emergency services the previous government maintained all one-man or one-woman police stations and from 1992 onwards built 35 new police stations and residences, some of which were built in Wimmera towns such as Jeparit and Rupanyup. Those rural communities now enjoy quality facilities and can attract police officers. Country Fire Authority facilities and equipment have been upgraded to an unprecedented level, and it was pleasing to hear today in question time that there will be further expenditure on the CFA.

I have spoken with people in my electorate since the second reading of the bill. They, like me, support the concept of the bill but have some concerns. First, there should be a focus on rural, as distinct from regional, endeavours, as has been noted in the media. Second, membership of the infrastructure council needs to come from outside the regional centres if it is to reflect the true character of rural Victoria. Third, the guidelines need to reflect the different level of funding, and the criteria should take that into account.

Fourth, in rural areas there is an enormous amount of voluntary support that should be taken into account in some of the development proposals. Fifth, funding of projects should be linked to community development strategies — a lot of work has been done in communities to develop strategies that members of those communities want to support, and money should be put into those areas. Communities are also concerned about the linking of funding to population densities. That is a worry, because it will tend to attract money back into regional centres.

We in the Wimmera have, along with the minister, developed a promotional strategy entitled 'The

Wimmera Grampians — Victoria's Best Kept Investment Secret'. We want to talk up the area. We know we have some problems and that more work needs to be done, but we see opportunities in the bill to address some of those matters. I ask all honourable members to work with the new promotional group to promote the Wimmera–Grampians area. We want to promote regional Victoria, not talk it down, as we have been doing for far too long.

As I said earlier, projects have been implemented, but more needs to be done, and I will be pursuing some of them. I will, for example, pursue increased grants through infrastructure funding to upgrade our country road network. I will also work towards further improvements in access to education and training to build on the work of the previous government. Further, I will stress the need for funding for research and development. In Horsham and Walpeup we have the Victorian Institute of Dryland Agriculture, one of Victoria's largest research facilities and an important research centre for agricultural industries. It needs further funding. In addition, we need further improvements to our medical facilities and services, plus further funding for the piping of the Wimmera Mallee channel system. Those are just a few of the projects that can make use of this new fund.

In summary, I have concerns about the wide scope of the bill, particularly as set out in clause 5. I do not think we will be able to hit the target of attracting industry with such a broad scope. My second concern is the opportunity for double dipping into the Regional Infrastructure Development Fund and the Community Support Fund. Thirdly, there is no accountability — up to \$2 million can be spent without reference to the Treasury. I agree with the amendments proposed by the honourable member for Gippsland South and support the bill, with those amendments.

**Mr HOWARD** (Ballarat East) — It is with pleasure that I speak in support of this very significant bill. I am delighted to be part of the 6–0 Ballarat Team, as we call it, because at the last state election all six of the state seats changed hands to become government seats. I am here because the people of my region were missing out under the previous government; they were not getting their fair share of infrastructure spending.

The scene has been set by the second-reading speech made by the Minister for State and Regional Development. The minister pointed out that under the previous government all 21 of the projects overseen by the former Office of Major Projects were in the Melbourne area — that is, the \$2.1 billion allocated for major projects was all poured in between the tram

tracks of Melbourne. The people of Ballarat East, Ballarat West, Ripon and Gisborne — the whole province — were very concerned about that, as was everyone in regional Victoria.

They saw those major projects being developed in Melbourne, they saw what was happening in their own regional towns and knew they were missing out and not getting their fair share of funding.

On 18 September those people sent a clear message through the democratic process. They said, 'Enough is enough. We want to get our fair share of spending on infrastructure projects. We want to see regional Victoria remembered as a significant part of the state. We do not want to become second-class citizens and have to struggle with the lack of support from our state government'.

One of the major effects of the previous government's actions and one of the major concerns in my electorate of Ballarat East is unemployment. Victorians heard from the previous government that unemployment levels were coming down. It claimed that unemployment in the Melbourne area was down to something like 8 per cent, but that was not the experience of the people of my electorate. The regional unemployment figures I received earlier this year showed that the unemployment level in Ballarat central was 12 per cent, in Ballarat South it was 10.3 per cent and in Hepburn East, around the Daylesford area, it was as high as 13.7 per cent. The unemployment levels for younger people were much higher again. In addressing the major issue of unemployment the government must ensure it stimulates not just Melbourne's business and employment but also employment growth in regional Victoria.

Prior to the past seven years, under previous Labor governments and even going back to the Bolte government days, strong direct actions were taken by governments to support regional Victoria. Under the Bolte government, for example, there was a policy of decentralisation to ensure specific support was given to industry growth in regional areas. The Bolte government was trying to build the economic bases of regions across the state by giving industry reasons to develop outside the Melbourne area. The decentralisation policy brought some benefits to regional Victoria, but it was not always as well planned as it might have been. Although incentives were offered to industries to go to regional Victoria sometimes the projects failed because subsidies were cut or because the industries were not given the support they needed to grow.

Under the previous Labor government a more subtle and effective approach was adopted whereby regions were encouraged to support themselves and deal with the range of issues that have caused a slowing down or stagnation of industry or economic growth. A clever strategy was developed to help the regions to better promote themselves in areas where they had specific benefits and advantages over Melbourne. That strategy recognised that distance is not the only issue regional Victoria needs to overcome. It recognised that regional Victoria has benefits, such as its upgraded agricultural processes, that provide great opportunities for industry. Information technology, which is not hindered by distance, and tourism were both areas that could provide major economic benefits to regional areas.

The previous Labor government focused on selling the benefits of country regions and providing financial inducements where necessary. It provided financial support for the establishment of regional development boards. The boards were a great asset because they assisted local governments in looking at how they could best enhance their economic and tourism potential.

The former Labor government also provided great support for the public sector in regional areas. Obviously health and educational services needed to be supported, but it also took initiatives whereby, for example, the department of agriculture was relocated to Bendigo and the former State Data Centre was located at Ballarat.

**Mr Cameron** interjected.

**Mr HOWARD** — Unfortunately, as the Minister for Local Government interjected, the Bendigo initiative fell down under the Kennett government — because it did not fully support the shifting of the department of agriculture to Bendigo the move faltered. Given that the department responsible for agriculture supports regional Victoria it was a great opportunity to decentralise its operations, but the initiative faltered because the former government did not support it.

The State Data Centre did get up and running, and in its heyday employed 60 or 70 people in Ballarat. However, the Kennett government gradually allowed that great initiative of the previous Labor government to be eroded and unfortunately the centre closed its doors last year, when many of its functions were absorbed back into Melbourne offices. People in regional Victoria saw the major benefits that were supported by the former Labor government being gradually eroded.

Under the Kennett government the public service areas of health, education, human services and welfare

services experienced major cuts in staffing. Those cuts could not help but bring on a decline in regional Victoria. Many people in the public service in regional Victoria lost their jobs, compounding the problems experienced. Despite doing a great deal of work, local governments and other community organisations were fighting an uphill battle because of the lack of support for public service organisations in regional Victoria.

Massive staff reductions in government departments and numerous school closures across the state also had the effect of reducing the asset base of regional Victoria because those schools provided significant community assets as well as employing many teachers. Many jobs and major facilities were lost in regional Victoria, as were opportunities for outsourcing of government services. In its early days the Kennett government pursued the concept of outsourcing developed under the former Labor government. When tendering out information technology work, for example, as an outsourced arm of government, the Kennett government initially supported Ballarat by saying, 'When we put out tenders we will ask the tenderers to locate in Ballarat or other regional centres'. That provided great support for Ballarat.

When it came to the second round of potential support for information technology development and outsourcing in Ballarat and Ballarat residents read in the newspapers on numerous occasions that British Telecom was looking at establishing a facility in the city to do the outsourcing work for the land titles data contract they became excited to think that 200 or 300 jobs might result from the government's support of that process. However, there was a complete bungle by the former government.

British Telecom had been working hard and was short-listed, and people were confident the work would come to Ballarat, but after a while things started to drag. British Telecom started to lose patience and eventually the former government said it would re-evaluate the whole process of tendering out the process, and subsequently broke it up into smaller pieces. Ballarat lost a great potential project because there was no longer an incentive for those who won outsourcing contracts to go to regional Victoria, and the subcontracted parts of the process went to information technology businesses in Melbourne. The whole Ballarat population was disappointed with that result.

I am pleased that honourable members are today debating the Regional Infrastructure Development Fund Bill. Although it forms only a small part of the government plans for the support of regional Victoria, the bill turns the tide. It recognises that the proposed

\$170 million-a-year fund will be vital to the people of regional Victoria as it will give them a share of development infrastructure projects. In the months to come Victorians will see many more projects where the government will use its employment capacity in the public service to help the regions support themselves. The people in regional Victoria look forward to the many opportunities ahead of them.

I turn to what the bill will mean for Ballarat. The first specific project identified is the \$5 million vocational and educational training facility. That will mean a great deal to Ballarat because it focuses on giving young people who may otherwise leave school early the opportunity to improve their industry-related skills. They will have the opportunity to stay on in a healthy learning environment that will relate to jobs in industry, which is an area calling out for well-trained and motivated people.

The bill also identifies opportunities for rail freight standardisation which will also benefit Ballarat. After examining the list of other projects supported by the bill it is clear that regional Victoria has a great opportunity to again start moving forward. Other important projects identified will assist with electricity generation, infrastructure work will improve access to electricity, and support will be provided for the wine and dairy industries.

Four key points in the bill are: support for new industry development; improvement of critical transport linkages; building tourism infrastructure; and establishing better links across regional Victoria with the provision of new opportunities in education and information technology. Regional Victoria has been crying out for that support over the past seven years. The bill will build employment opportunities and help people to get on their feet quickly by providing opportunities so that they are not relying on continuing support that is not their fair share of funding. It is with pleasure that I commend the bill to the house.

**Mr PATERSON** (South Barwon) — First, Mr Acting Speaker, I will correct the *Hansard* report. The honourable member for Ballarat East referred to the regional development fund as a fund distributing \$170 million annually. It will, of course, have \$170 million over four years, with nothing allocated in the first year. He also mentioned decentralisation. Had the opposition formed government it planned to appoint a minister for decentralisation so in government the opposition would have had the credentials on that score.

The honourable member for Geelong North, perhaps helped by some of the comments of honourable

members on this side, indicated that coalition members of Parliament do not want dollars spent in regional Victoria. Nothing is further from the truth. During its seven years in government the former Kennett government ploughed billions of dollars into regional Victoria.

A catchcry of the new Labor government seems to be 'getting on with the job'. I am not sure whether that is a replacement for 'Victoria on the move' but it sounds like it. Government members try to weave the term into every speech. The government is certainly getting on with the job of deceiving the Victorian people.

The bill being debated today is a sham. The government is trying to dress it up as making some great contribution to the people of regional Victoria when we are talking about only \$170 million. There is no question that it will be welcome but it is not the pot of gold that regional Victoria has been waiting for. The expectations raised by the introduction of and all the talk about the bill may well put the government in a difficult situation when the presumably many applications come in. I am sure the fund will be over-subscribed many times. The legislation is the classic pea-and-thimble trick: money is being promised for projects that should and probably would have been funded through the normal budget process.

The fund will have no money in the first year of its operation. The first injection of funds will be in July 2000, with the allocation of \$50 million; a further \$50 million will be allocated in the third year; and the fund will get \$70 million in its fourth year. Regrettably honourable members are debating the bill without knowing the guidelines that will underpin the legislation. Therefore, it is difficult to know what the Labor government will get up to in assessing the many applications that will flow in. No limitations are featured in the legislation.

The bill provides for financial assistance, which is a loose description. Will the assistance be by way of loans or will it take the form of equities? It raises the prospect of the VEDC-type transactions that so beleaguered the last Labor government.

Already honourable members have seen an example of the difficulties the government faces in deciding which projects will benefit from the fund. When the honourable member for Gippsland South suggested funding for a project for dredging in his electorate the minister in charge of the fund immediately said that that was not something that would be funded; then he changed his mind a few seconds later. Obviously, there

is confusion in the minds of government members as to what the fund will be used for.

On the Bellarine Peninsula it is said that the proposed extensions of natural gas supply will be financed by the fund. Every town will line up for the same deal, and why not? The fund cannot finance every town that wants gas but why should some towns be discriminated against? Barwon Heads, in my electorate, is keen to get mains gas. I look forward to an early commitment that the fund will supply gas to Barwon Heads. A commitment in the minister's closing speech would be appreciated.

Commitments to projects amounting to the bulk of the money in the fund have already been announced in various government policies — that is, before any applications for finance have been made. The Labour in Gippsland policy alone identifies projects costing \$3 million, \$10.5 million and \$2 million. In north-eastern Victoria a \$500 000 project has already been identified as being financed from the fund. In Geelong \$12 million has been allocated for the central activities area. That would be very welcome, but it begs the question as to how the fund will operate. A further \$4.5 million has been committed in Geelong for linking the key wharves.

Another project that could be added — perhaps the minister will commit to it when he sums up the debate — is the Geelong international water sports complex. The previous government committed \$9.4 million to the project to transform the Belmont Common in Geelong into an international venue for a range of water sports and land-based recreation and leisure activities. The project was promoted by the City of Greater Geelong. The government claims it wants to listen to local government, but clearly it has not bothered to listen to the council of the City of Greater Geelong, which voted 6 to 3 in favour of the project. The Bracks government has cancelled it, causing great disappointment in Geelong.

One of the first actions by the Bracks government was to rip money out of Geelong. The Premier wrote to the mayor of Geelong on 22 November indicating that he could not support the current proposal on the Belmont Common, further stating:

... I am not convinced that a thorough investigation of all possible sites, both in Geelong and elsewhere in Victoria, has been carried out.

The Premier added that he has requested the Minister for Sport and Recreation to review the options for international rowing venues in Victoria. I hope that

keeps the door open for Geelong. The letter from the Premier went on to say that the city is:

... welcome to reconsider options in the Geelong region, and liaise with the Department of State and Regional Development in relation to this.

Perhaps it is possible for the project to be re-ignited in Geelong. The Premier has indicated he favours a further investigation of possible sites in the Geelong region. The news this week is that Geelong has lost the right to bid to host the world canoe sprint championships in 2004 because of the uncertainty about the water sports complex on the Barwon River. The complex would be an excellent pro-Geelong project for the government, and I look forward to the minister confirming government support for it.

The amount already committed from the fund amounts to \$92 million, so there is not much left. However, as I have indicated, the money will be welcome in regional Victoria.

I ask the house to seriously consider the amendments being put forward by the opposition.

**Mr MAXFIELD** (Narracan) — Country Victoria needs to be rebuilt. It needs assistance in attracting investment, employment and export growth through infrastructure. Rural and regional Victoria has suffered for too long. Money has been spent in Melbourne on City Link, Federation Square, the tennis centre and many other complexes. At the same time, what major projects have we seen in rural Victoria? Absolutely none. The Kennett government was a totally and utterly city-centric government.

When issues of rural Victoria came to the fore during the election campaign what did the former Premier say? He told us he had to look after the heart of Victoria, meaning Melbourne, and would leave the toenails for later. How could the former Premier call rural Victoria the toenail of the state?

I hold the view strongly, as do other members of the government, that rural and regional areas of the state are the soul of Victoria. Opposition members may talk about the heart, but I represent a country electorate — the soul. Significant amounts of money from the Community Support Fund have gone into projects in Melbourne; although the money comes from poker machines all over the state, it has not been returned to rural Victoria. Millions of dollars have gone into the Community Support Fund from poker machines in the Latrobe Valley. What has come back into the Latrobe Valley is slim pickings.

Why did the former government use the poker machines as a vacuum cleaner to suck money from rural Victoria and spend in the heart of the city? Many projects in rural Victoria have suffered through a lack of funding and many others have been cancelled. The fund is the first step in rebuilding the infrastructure in regional and rural Victoria that was run down by the Kennett government. For the first time in seven years the entire state will enjoy the full focus of government reinforcing the commitment of the Bracks government to develop the whole of the state and govern for all Victorians.

This is one of the first pieces of legislation by which the government tells Victoria that the government is true to its promises; this government is honouring its promises — there are no core and non-core promises. The government can now generate growth in rural Victoria with spending on infrastructure.

Let us look at some of the economic indicators in rural Victoria. My electorate of Narracan has some of the worst unemployment figures in the state. In Moe the unemployment rate is over 18 per cent, with youth unemployment at 48 per cent — that means one in two teenagers is out of work. Every second household in Moe is affected by the scourge of unemployment. Statistics show the Kennett government did absolutely nothing to assist towns like Moe.

The township of Moe used to have a magnificent hospital; two of my children were born there. The hospital generated jobs, but it is now closed. Members of the community of Moe who worked for the State Electricity Commission 25 years ago had money taken from their weekly wages to pay for the hospital: it was built to last a hundred years. The building, now an empty shell, was replaced with a privatised hospital where public patients queue and cannot get in. They head off to Warragul where they are more properly treated and given at least a trolley to lie on rather than a chair to sit in.

I refer to the case of a person waiting for a heart-lung transplant who came to Moe and had to be transported to the new hospital by ambulance. He was told to go to Box Hill or Sale hospitals; there are empty rooms in the Moe hospital but they are reserved for private patients. It is not good enough! How can you tell someone waiting for a heart-lung transplant who has just had another heart attack, 'I am sorry, but that bed is reserved for someone who is paying more. You can go to Sale or Box Hill'? The man concerned gave up and went home. Fortunately he lived to tell the tale.

Eight country hospitals have closed; passenger rail services across the state have been decimated — rail services from Gippsland to Bairnsdale have been slashed; and 178 country schools have been closed, not merely forcing children to travel further by bus to schools but having a further impact by taking the heart out of country areas that have lost schools. Next to the school in most country towns used to be a general store, a town hall, a tennis court or a community sporting centre. When a school is lost other facilities are lost. The Kennett government did not care.

There have been seven years of economic growth, but unemployment remains at double-digit figures for many country areas. In the past year the rate of full-time employment in country Victoria declined by 0.2 per cent. The ABS figures for the three years ended June 1999 show Melbourne gained 98 per cent of all net new jobs, and rural Victoria just 2 per cent. Melbourne gained 92 700 jobs and regional Victoria gained just 1900. What a disgrace!

What projects will be funded from the Regional Infrastructure Development Fund? Basically there are five categories. At the heart of the bill is support for new industrial development. Without a commitment to industry growth and development where will rural Victoria go in the future?

The second area that needs improvement is critical transport linkages. The train network has allowed to run down. We used to have electrified trains between Pakenham and Warragul in my electorate, but this time last year the government cut them out. What did it replace them with? Some 40-year-old museum pieces from South Australia! That was the then government's commitment to rural Victoria. The day that service opened the former member for Narracan climbed in the train. The TV cameras were there so he had his photograph taken, but the train broke down on its first run. We were told they would get it right in a couple of days; then it was a couple of weeks. Six months later they had to announce that the museum pieces were going back to South Australia because they could not get them to work. That is how the Kennett government treated rural Victoria.

In my electorate tourism infrastructure is being built up because there are great tourist areas such as the gourmet deli trails and the Toorong Falls, which is a magnificent place. I took the Minister for Environment and Conservation to the area during the election campaign and showed her the run-down state of that magnificent attraction. There were horrendous pot holes in the car park — you could not get your car in without getting bogged — and the toilets were an absolute

disgrace. The facilities were completely run down. The government is committed to rebuilding that infrastructure and getting tourism working. There are also wonderful areas round Walhalla. Our tourist areas need to be linked.

Regional Victoria also needs to be linked to new opportunities in education and information technology. The future of our children, our region and our country is dependent on our ability to properly prepare ourselves to go into the new millennium. In the past, education and information technology have been neglected in rural Victoria. The education precinct proposed in the Latrobe Valley is a wonderful initiative to improve educational opportunities. Many farmers have been unable to get access to appropriate education on information technology. The Kennett government failed to provide farmers with the opportunity to learn about new technology. They are expected to compete against the best in the world but they have not been given a hand. The general development of rural Victoria must be supported. That is what the bill is about — developing rural Victoria.

Who will be able to apply for funding from the Regional Infrastructure Development Fund? Submissions will be considered from rural councils, regional organisations, business groups, educational institutions, community groups, the private sector, and individuals who can offer projects demonstrating compliance with the eligibility criteria. All submissions will require formal support from councils and regional organisations. The government is committed to consulting with the community and to working with local organisations and councils. A range of infrastructure projects will be funded that will benefit Victoria.

I notice the honourable member for Gippsland South has arrived in the chamber. His performance in talking to the federal government is disgraceful. He should be lobbying the federal government to ensure the state can establish a partnership in rail development; he should not be trying to undermine the bill. Members should be trying to build rural Victoria, not trying to use it to score political points.

I commend the bill to the house as a measure that helps to redress seven years of rural neglect. Having lived my entire life in the same area, I see the need to provide a future not only for my generation but also for our children and their children. The bill is innovative and exciting and deserves the support not only of this house but of all Victorians.

**Mr MAUGHAN** (Rodney) — I have an agreement with the Minister for State and Regional Development that I will speak briefly on this bill. I listened with interest to the honourable member for Narracan who was passionate in his approach, strong on rhetoric but very short on facts, figures and logic. I would like more time to take him on about some of the bald assertions he made that can clearly be contradicted.

He virtually suggested that the previous government did nothing for country Victoria. I reject that suggestion entirely because the previous government did a great deal for country Victoria. I could go through a list of projects in the electorate of Rodney which were funded by the previous government and which have generated employment.

The honourable member for Narracan talked about governments investing in country Victoria to provide a range of opportunities. Governments should create the atmosphere for private industry to invest, generate jobs, create wealth and provide all those human services that honourable members on both sides of the house agree are very important. The difference between this side of the house and the other side of the house is that the opposition believes income must be generated from economic activity whereas the government believes if there is a need then it is satisfied. That is the basic philosophical difference.

I support the thrust of the bill in general terms because anything that will assist country Victoria is good. However, \$170 million is not enough over four years. It is a start that will provide benefits for country Victoria, and so it is a good thing. It will help with infrastructure, transport and the development of industries. I was very pleased to have the minister visit Echuca recently when he opened yet another food processing plant — the Heinz Wattie's plant, a \$10 million investment that will create 85 jobs. If that is added to the Cedenco, Simplot, Nestlé and Heinz food processing plants, all of which are in Echuca, and the Murray Goulburn, Bonlac and Kraft plants which are also in the electorate, there is an enormous potential to grow in the food processing industry and create jobs and economic activity. Wealth must be generated to provide very important human services.

I could go on at great length about the good things the previous government did. I am delighted to see that the Minister for State and Regional Development, who is sitting at the table, has picked up on the objective of the former government of aiming for a target of food exports worth \$12 billion by 2010. It is great that in this Parliament there is a lot of bipartisan support on those sorts of issues. I commend the minister for the

bipartisan support to the objective of the previous government. This side of the house certainly supports the minister in that objective.

My final point is that the government speaks with a forked tongue. It talks about the importance of helping country Victoria, and in many ways it is doing that, but I will raise a matter during the adjournment debate tonight concerning the investment of \$1 million for a performing arts complex in Echuca. That is very important not just for Echuca but for the broader community. I understand the previous government had ticked off on that and at this point a commitment cannot be obtained from the present government about providing \$1 million to enable the establishment of the performing arts complex to continue. The local municipality is funding 37 per cent of the project, which is very important for cultural activities in country Victoria.

I support the general thrust of the bill and what is being done to assist people in country Victoria. I could give a number of examples, such as the one I have just outlined, where the government is not honouring its commitment to look after country Victoria. I commend the bill to the house as a step in the right direction. It is nowhere near enough, but anything for country Victoria will receive my support.

**Mr BRUMBY** (Minister for State and Regional Development) — I shall close the debate on the bill — —

**Mr McArthur** interjected.

**Mr BRUMBY** — You should go home, have a good night's sleep and forget the disastrous week you have had. Seriously, you are a laughing-stock. Can I have some protection from the village idiot?

**Mr McArthur** — I take exception to being called the village idiot, Mr Acting Speaker. I seek your assistance in having the minister withdraw that comment.

**The ACTING SPEAKER (Mr Phillips)** — Order! The honourable member for Monbulk has taken offence to the words used by the Minister for State and Regional Development. I ask the minister to withdraw.

**Mr BRUMBY** — I withdraw the comment.

I thank honourable members for their contribution to this debate on what is an important piece of legislation. A large number of speakers from both sides of the house made contributions, including 10 speakers on the government side and the honourable member for

Gippsland West. I particularly thank the honourable member for Rodney for his contribution, because he shares with me the objective of seeing \$12 billion of food and fibre exports from Victoria by 2010. We want to see the food industry grow and expand. As the honourable member remarked, I recently visited Echuca and was able to announce the large investment in the Heinz baby food centre of excellence. I hope to visit the honourable member's area again in a cooperative way so we can work together to ensure investment opportunities for regional Victoria, despite the fact that I am of the government and he is on the opposition benches. All honourable members want to see that target of \$12 billion of exports achieved.

Other honourable members from the opposition benches sounded a bit like Hanrahan with his well-known comment, 'We'll all be rooned'! It is extraordinary to see good news such as this legislation treated so ungraciously. Virtually every opposition speaker said there is not enough money, that the government has raised expectations too high or that there was something else wrong with the bill. This is the first time there has been a bill of this nature in Victoria. It provides \$170 million extra for regional infrastructure that has not existed previously. The money will be linked to other governments, local government and private sector financing sources. By the time it is geared up it will generate many thousands, perhaps tens of thousands, of new job opportunities for regional Victoria. I should have thought that was a common objective of all honourable members.

I turn to address the matters raised in the debate — firstly, the so-called criticism that funding will not start until 1 July. The bill will go through this house today, pass through the upper house by Christmas and become law. The department will consult and finalise the guidelines, which will be issued publicly. The government will call for applications and they will be considered by the department. It is impossible to do all those things before 1 July. People who argue that there should be money for projects this year happen to be the same people who said, 'There should be more assessment built into the process'. You cannot have your cake and eat it too. The government built that time frame into the bill. Projects will be advertised, they will be assessed and they will be eligible for funding from 1 July.

The definition of regional areas was raised. Outer metropolitan Melbourne was looked at, but it was my view that this should be a program for regional and rural Victoria — no murky bits around the edge of the metropolitan areas of Melbourne. The definitions in the

bill are the same as those used in the Local Government Act and the Alpine Resorts Act.

The government established the fund as a trust fund because that is the clearest and most transparent and accountable way of operating the fund. The guidelines are currently being prepared. There will be wide consultation on them and they will be distributed well before applications are called for. They will also be distributed to all members of Parliament so members can encourage communities in their electorates to apply for funding.

The government wanted to keep eligibility for funding as wide as possible. Submissions will be considered from rural councils, regional organisations, business groups, education institutions, community groups, the private sector and individuals for projects that can demonstrate compliance with the eligibility criteria. All submissions will require formal support from councils or regional organisations or both.

The government considered the proposed amendments closely and in some depth and is of the view that they should not be supported — and it will not support them. The first of the amendments would have built red tape and additional costs into the program and added little if any increase in accountability.

On the second amendment, the fund will already be subject to the Financial Management Act and the Audit Act by virtue of its establishment in the public account as part of the trust fund. The proposed requirements would potentially add significant administrative and cost burdens to the operation of the fund, which would reduce the amount of money available for grants. It would also potentially slow down the operation of the fund as additional processes and records would need to be kept. As the fund is intended to be subject to the normal operations of the Financial Management Act and the Audit Act it is questionable that any additional accountability would be achieved.

The last matter concerns the extraordinary revelation by the honourable member for Gippsland South in his contribution today that he single-handedly sabotaged a \$90 million investment in western Victoria — the Bracks' government made a commitment to meet almost half the cost, or \$40 million — for the standardisation of the rail freight gauge across Victoria. I find it hard to believe the honourable member wrote, through another federal member of Parliament, to the Deputy Prime Minister, in effect asking the Deputy Prime Minister to scuttle a federal contribution to what was to be a combined state and federal project.

I invite the honourable member to release his letter. I would have hoped the first paragraph would read, 'As you know, the Victorian government has committed \$40 million towards the standardisation of the rail freight network in Victoria. I am writing to you to urge that the federal government should meet half the cost of this project because of the widespread state and national economic benefits'. However, I happen to know that was not the first paragraph. The honourable member for Gippsland South set out to scuttle the project.

The project is supported by nearly 20 rural Victorian and New South Wales councils. It is a project that would have a net annual economic benefit for the state and the nation of \$28 million per year. I can assure the honourable member for Gippsland South — who was too smart by half, and whose behaviour was un-Victorian and anti-Victorian as he set about sabotaging a \$90 million project for Victoria — that he has jeopardised the positions of his leader, the honourable member for Portland, of his federal Liberal colleague, the member for Wannon and of the 20 councils across rural and regional Victoria and New South Wales, who all strongly support the project.

I refer to an *Age* report of 8 March of a meeting with the previous Deputy Prime Minister, Mr Tim Fischer, who supported the project 100 per cent. He thought the federal government should be supporting it and took it to cabinet. The previous federal agriculture minister also supported the project.

Today the honourable member for Gippsland South announced that he had single-handedly scuttled a \$90 million project that would have brought \$26 million worth of benefit to country Victoria. His actions are an example of someone being too smart by half, of politics interfering with good public policy — —

**Mr Ryan** — On a point of order, Madam Deputy Speaker — —

**The DEPUTY SPEAKER** — Order! I cannot hear the honourable member's point of order.

**Debate interrupted pursuant to sessional orders.**

**The DEPUTY SPEAKER** — Order! The time appointed for debate on the bill has expired.

**Motion agreed to.**

**Read second time.**

*Remaining stages*

**Passed remaining stages.**

**Remaining business postponed on motion of Mr BRUMBY (Minister for State and Regional Development).**

## ADJOURNMENT

**Mr BRUMBY (Minister for State and Regional Development)** — I move:

That the house do now adjourn.

## Knox hospital

**Mr ASHLEY (Bayswater)** — I direct a matter to the attention of the Minister for Health. This is an opportune time, at the end of a day during which the house has debated regional infrastructure, to raise a matter concerning health services in what I believe is probably Australia's most significant region — although at the moment it is not readily acknowledged as a region.

I refer to the eastern fringe of Melbourne where more than 500 000 people live. I draw to the attention of the minister a comment in a report published in 1994 by McKinsey entitled *Lead Local, Compete Global — Unlocking the Potential of Australia's Regions*. Among the statements made in the report was one about the need in many cases for regions to develop new core industries. The article states:

Core industries of the future which will provide strong job and investment growth include education, entertainment, health, environmental services, high-value-added manufacturing, software development and business services.

The outer east of Melbourne already has most of those potential new core industries. The particular area in danger of being sacrificed is health services. If the Minister for Health is not prepared to move ahead with the development of the new Knox hospital in its former version, as decided by the previous government, will he reassure the people of the outer east that the land upon which the hospital was to have been built and may still be built will not be sold off?

The land was acquired for the construction of the hospital. Although things have changed and we accord with the government's not proceeding with certain projects, the minority government does not have a mandate to do something irrevocable for the future of a region of more than 500 000 people. I ask the minister to seriously consider the massive health service needs of the outer east.

### **Western Highway: Ballarat route options**

**Mr HOWARD** (Ballarat East) — The matter I direct to the attention of the Minister for Transport concerns the portion of the Western Highway between Leigh Creek and Woodmans Hill. Early last year the upgrading of the highway was considered. Several proposals were put before the people who have an interest in that section of highway, particularly the many traders who operate in that area in motel and tourist developments and other businesses.

After some of the proposals were presented at the end of June last year many people in my electorate, particularly the traders, were keen to get on with the process. They had put forward their views and were expecting the minister to convene a panel to decide on the best option. That was nearly 18 months ago.

The traders are very frustrated because they cannot upgrade the facilities. A major tourist facility is planned for the area, but it is not able to go ahead until a decision is made on the route options for and the type of upgrade work to be done on that section of the Western Highway. Many traders are very frustrated that the panel has still not been convened. An alternative option was put forward, but all the traders seem to do is wait. They are concerned because it is affecting their businesses. One business sold out to Vicroads because of hardship and many other traders cannot afford to upgrade their facilities, so they are concerned about the future.

This is an important issue because it concerns the entrance to Ballarat. The group of traders in the area call themselves the Ballarat Gateway Association, and they have asked me to ask the minister to enlighten them on the process that will take place and to convene the ministerial panel so that the matter can be resolved as soon as possible and the future of the traders and the potential for investment can be clarified.

### **Port Campbell National Park**

**Mr VOGELS** (Warrnambool) — I raise for the attention of the Minister for Conservation and Environment the proposed car park and visitor amenity facilities at the Twelve Apostles in the Port Campbell National Park.

Parks Victoria proposes to provide facilities that will incorporate a car park and toilets and will be located outside the national park. The proposed site is freehold land. The project will involve the removal of the existing car and bus parking facilities.

The Twelve Apostles is the visitor icon of Victoria. It has experienced an unprecedented growth in tourism, so it needs to have a basic level of service to accommodate that increased number of tourists.

The proposal has undergone thorough and extensive public consultation with Parks Victoria, the Department of Natural Resources and Environment, the local council and, most importantly, the local community. All those groups have realised that desperate measures need to be taken to ensure the health and safety of the more than 1 million people who visit the area each year.

Currently thousands of visitors arrive at the site and park their cars along the Great Ocean Road and in the national park, but if they need to go to the toilet they have to duck behind some bushes or go into the scrub.

As I said, the local council issued a permit in March, and in September detailed plans were submitted to the local authority. The plans were in accordance with both the planning permit and the Port Campbell National Park management plan. Tenders have been called for civil engineering works, and I understand the tender process has closed.

I also understand the minister has put the entire project on hold, but any delay or an abandonment of the project will have flow-on effects for the other strategic management facilities in the park and will significantly affect other infrastructure works. The planned new Port Campbell surf lifesaving club building will have public amenities attached to it, but the plans will need to be altered greatly if the Twelve Apostles facility does not go ahead.

I urge the minister to see what can be done to get on with the project, which is environmentally sound and will provide a greatly improved level of service and safety along the Great Ocean Road. The facility will enhance the amenity and enjoyment of visitors to this outstanding tourist attraction.

### **GST: consumer education**

**Mr LENDERS** (Dandenong North) — In the absence of the Minister for Consumer Affairs I raise for the attention of the Minister for Police and Emergency Services the impact of the goods and services tax on policies and services from 1 July 2000.

An issue of continuing concern for consumers in the Dandenong North electorate is how the GST is affecting them today. One of my constituents, a Mrs Eila Ahltren, visited my office this week with a 12-month Royal Automobile Club of Victoria insurance policy due on 1 December. The RACV had

levied a GST on her policy. I do not have a problem with reputable organisations recovering the GST because they are required by legislation to pay GST on policies that end on 1 December next year. Reputable organisations have no choice. Bearing in mind what happened at the time of metric conversion and the decimal currency conversion, this is clearly an opportunity for rogues in the community to take advantage of consumers, particularly those who are not confident and who have no redress.

Firstly, I ask the minister to address the issue of rogues. Secondly, there is the legitimate public policy issue that my constituent raised with me about what happens with the investment proceeds of money now paid to organisations such as the RACV as payment of the GST? Clearly, having some form of code of conduct about those payments going back into the premiums would be the appropriate course of action. I ask the minister to investigate programs that can reassure constituents, not just in Dandenong North but across the state, that action is being taken to protect their interests so they are not being exploited by the conversion to the GST. The debate on the GST is fairly well over in that the federal government and Democrats did their deal on it and it is in place. The continuing saga and legacy is that we safeguard the interests of consumers in the transition of that program. I urge the minister to address the issue.

### **Vocational education and training: registered organisations**

**Mr BAILLIEU** (Hawthorn) — I refer the Minister for Post Compulsory Education, Training and Employment to the mismanagement of the relationship between the minister, the Office of Training and Further Education (OTFE) and the 1000 registered training organisations. The RTOs are responsible for the training of tens of thousands of apprentices and trainees. They undertake training for hundreds of employers and provide training for thousands of young Victorians — in fact, 5.5 million student contact hours.

On 24 November OTFE sent a directive memorandum to all RTOs that sent shock waves through the industry. It came with no warning and no consultation. It was followed by the issuing of new contract offers to RTOs. The directive and the contract offers seek to freeze the number of apprentices and trainees that RTOs can train. It does so at 1999 numbers regardless of the position of individual RTOs. Successful RTOs that satisfy their students and employers cannot grow. New RTOs cannot perform at all. Some RTOs spent a fortune seeking registration, employing staff and leasing premises. This callous disregard has caused chaos in the

industry. It is like telling a cabbie, 'You have your licence but you cannot take any passengers'.

There has been a major impact on RTOs, employers and trainees. Many of the RTOs are facing the prospect of going to the wall, students face going back on the dole and trainers are seeking to go interstate. Non-performing trainers are frozen in; aspiring performing trainers are frozen out. The memo was not approved by the State Training Board of Victoria, nor were the contracts. In recent days some RTOs have been intimidated into signing those contracts inside two days. RTOs are outraged, employers are staggered and employees are frightened.

I urge the minister to withdraw the directive and the bullying contract timetable, to consult with the industry and, as she should have done, consult with the state training board as required by the act. I suggest the minister take some time to rethink. As one RTO said to me, the baby has gone out with the bathwater. The minister leapt before she looked.

### **TAFE: teachers**

**Ms ALLAN** (Bendigo East) — I raise for the attention of the Minister for Post Compulsory Education, Training and Employment the professional development of technical and further education teachers. The minister is doing an excellent job and is gaining considerable respect in the TAFE sector for the work she and the Bracks Labor government are doing in fixing up during their first 100 days of office the mess left by the previous government.

Under that government the TAFE sector was told to be lean and mean and the staff were last on the list of priorities as the TAFE system coped with difficult circumstances. The important area of the professional development of TAFE teachers has been affected. The Bendigo Regional Institute of TAFE is a multicampus institution with campuses in Echuca in the electorate of Rodney, in my electorate of Bendigo East, in Bendigo West and in Kyneton in the electorate of Gisborne. The institute is an important provider in central Victoria for students wishing to attend TAFE. It offers a number of courses to students in my area, but the sector has changed dramatically over the past 10 years and faces many different challenges from those it faced 10 years ago. One of the main challenges it faces is meeting the needs of industry for new training and providing more flexible delivery of its services.

TAFE teachers are integral to the system. They deliver face-to-face training of students, they talk to students and are important in delivering pastoral care and quality

training. I ask the minister what the previous government did to help TAFE teachers adapt and meet the new demands and what this government is doing to assist them in their personal development.

### **Wheelers Hill Primary School**

**Mr SMITH** (Glen Waverley) — I ask the Minister for Education to advise the Wheelers Hill Primary School whether the \$385 000 allocated in September this year for urgent works will be made available.

The school has had no major repair work done for 25 years. It has a good school council that has been able to ensure that work has been carried out so that it has not needed to call for assistance from the state government. The student population is increasing and the school has done a tremendous amount of work in anticipation of the money coming through. However, there has been a hiccup. I have been told that the money may be granted but the school has made arrangements for the work to be done during the school holidays so teachers and students are not inconvenienced.

The president of the school council, Andrew Gregory, has asked me to request the minister to treat this issue as a matter of urgency. The council wants a definitive answer so that it has some certainty in its planning.

### **Greyhound racing: Melbourne Cup**

**Mr HOLDING** (Springvale) — I raise with the Minister for Racing a matter concerning greyhound racing. I seek the ongoing support of the minister for the greyhound racing industry in Victoria, particularly the International Greyhound Racing Carnival, which was recently held here. It is appropriate to at the outset congratulate the Victorian greyhound industry on its success in the Melbourne Cup, which was held on Thursday, 25 November, at Sandown Park in my electorate of Springvale. I particularly congratulate the chairperson, Mr Geoff Dawson; the chief executive officer, Mr John Stevens; and all the staff and committee members of the Sandown Greyhound Racing Club on a tremendously successful racing carnival that culminated on 25 November with the Melbourne Cup.

I acknowledge the generous sponsorship of Schweppes Cottee's and the involvement of its state sales manager, Michael da Costa-Alves. It has provided tremendous support for greyhound racing in Victoria, as has the state government. I call on the minister to ensure that the support continues in the years ahead.

I congratulate Kantarn Bale, the winner of the cup, and acknowledge its trainer, the now legendary Graeme

Bate, who trained four of the eight greyhounds in the cup.

The industry is worthy of ongoing support from the state government. I know the minister is keenly interested in the racing industry, and the greyhound racing industry in particular. Greyhound Racing Victoria provides tremendous support to the industry. It is a tribute to the industry that in 1999–2000 stake money is projected to be \$13.1 million and the industry is expected to have 8200 registered participants. The international carnival, for which I am calling on the minister to continue the state government's support, attracted visitors from all over the world, including England and Ireland. A representative also attended from South Africa, where I understand betting on greyhound racing is still illegal.

The industry is successful, growing and innovative. I call on the minister to continue his already considerable support for greyhound racing in Victoria.

### **Moorabbin Primary School**

**Mrs PEULICH** (Bentleigh) — I raise for the attention of the Minister for Education a matter raised with me by the Tucker Road Moorabbin Primary School, which is better known as the Moorabbin Primary School (Tucker Road). A major upgrade of the school, for which it received in excess of \$2.1 million following its voluntary merger with Eastmoor Primary School, has enabled it to be almost totally rebuilt. However, the school council has decided to retain the existing bristol buildings in place of mod 5 accommodation as part of the major building redevelopment at Tucker Road. The matter was first raised with the department in correspondence dated 8 April. It was subsequently raised with me by Mr Ian Ireson, who was then school council president, and later by his successor and council members. The parent community is strong and vibrant, and has a strong history of doing a lot of voluntary work on behalf of the school.

The Tucker Road primary school should be allowed to retain, at the school's expense, the upgraded administrative area that was funded by the Labor government in 1989 to the tune of about \$194 000. It has been well maintained, is still functional and would provide the school community with a much-needed facility for meetings, parent activities, uniform shop and the like. The school is more than prepared to take on funding the provision of services, such as electricity, telephone, security, gas and sewerage, and the integration of the services with the school project. The school is also happy to fence off the building, as per the

plan to provide a courtyard area and increased security for students and the school.

Furthermore, in recognition of the fact that in the past the department has been reluctant to allow schools to do these sorts of things because they may claim future funding, the school is more than happy to prepare a document that will absolve the department of future funding requirements. The former Minister for Education agreed to that proposal in principle. The school has long been waiting for the in-principle agreement to be fleshed out. I ask the minister to see what she can do to facilitate it. The proposal would be the only sensible thing to do. To not agree to it would be perceived as wasting a good facility, the future of which would probably be demolition — —

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

### Child care: fees

**Mr SEITZ** (Keilor) — I direct the attention of the Minister for Community Services to problems being experienced in community child care. As the minister is taking up matters with her federal counterpart I ask her to raise funding for community child-care centres. A number of community child-care centres have closed in the City of Brimbank because changes in federal funding and support have put access to the centres out of the reach of the average working-class person.

Many people who have the care of young children obtain part-time jobs at, say, a supermarket or bank, which obviously means they will not be paid full-time wages. As a result many people cannot afford the escalating costs of community child-care centres.

An article on the issue in the *Brimbank Messenger* of 19 October reports:

The study's finding has been confirmed by a Sunshine childcare worker who said other centres had also closed and some were struggling to survive.

The article also reports that the community child-care centres were closed:

... because families were struggling to afford child-care fees ...

It states also that:

... where income is below the state average, families are not able to absorb the increased cost of child care.

I ask the minister to take up with her federal counterpart support for community child-care centres vis-a-vis private centres. The City of Brimbank requires

community centres to provide extended services to the community, not only for minding children but also to provide other services such as assisting families with child rearing generally as well as helping to develop a community spirit and bonding within a neighbourhood, rather than having children forced into large private child-care centres with more than 100 children.

Community child-care centres are usually small, with 20 or 30 children, and they assist children to grow in a community and to bond with others in it. Those children live in the same neighbourhood, attend the same kindergarten and progress to the same primary school, which is important for young people. It promotes a sense of family and community feeling. In such an area children are not lost or despondent, and that is particularly important today, given the financial pressures on families. I urge the minister to take up the matter with her federal counterpart.

### Kerang: County Court

**Mr STEGGALL** (Swan Hill) — I raise for the attention of the Attorney-General the closure of the County Court at Kerang. The Attorney-General would be aware of the correspondence between us some time ago when it was rumoured that the Kerang County Court may close and be transferred to Bendigo.

He would be aware also that the County Court in Kerang is one of the most historic and longest serving County Courts in country Victoria. I would have thought that given what the government has been saying over the past few months it would not be keen to take another service out of country Victoria.

I am keen for the Attorney-General to give consideration to refurbishing and continuing the court in northern Victoria so that the service, which has delivered justice over the past 100-plus years, can be continued.

Moving of the court to Bendigo will not help the delivery of justice. Over the past few years County Court sessions at Kerang have been full — the court is not short of work in the area. It would be of great interest to the people in the area if the Attorney-General would give consideration to keeping open the County Court service in northern Victoria.

### Francis Street, Yarraville: trucks

**Mr MILDENHALL** (Footscray) — I raise for the attention of the Minister for Transport the truck congestion in Francis Street, Yarraville. Unlike the previous Minister for Transport, I am sure this minister will take the matter seriously and look to providing a

real and substantial solution rather than rhetoric and window-dressing.

The residential environment around Francis Street, Yarraville, is horrendous, to say the least. Each day thousands of trucks travel within 10 feet to 15 feet of the front of 100-year-old weatherboard houses. Apparently those trucks are seeking to get to the West Gate Freeway. So far a solution to the issue has failed to be identified. I seek a commitment from the minister that his department will work with the City of Hobsons Bay and the City of Maribyrnong in identifying a solution and working towards its implementation.

### Responses

**Mr BATCHELOR** (Minister for Transport) — The honourable member for Ballarat East raised with me the western corridor and Ballarat gateway. The section of the highway between Leigh Creek and Woodmans Hill is one of the last sections between Melbourne and Ballarat without planning provisions in place for future upgrading.

It is important to ensure major highways such as the Western Highway are properly provided for with road construction and, prior to that, planning provisions. At the moment there is much interest in the planning process under way, which is aimed at enabling Vicroads to clarify its plans for the Ballarat gateway.

Vicroads and the government understand the economic significance of that section of the Western Highway. Various community issues raised thus far are also understood, as is the need to have the matter resolved as quickly as possible. The government will seek to set in place a procedure to resolve it. At this stage the primary matter is how the planning procedures can be progressed.

I advise the house that the Minister for Planning has appointed an independent advisory committee to review the matter. It will hear submissions on alternative proposals and recommend one for adoption. All groups and individuals that have expressed a view of recent times will be invited to put their views to the advisory committee in an open hearing.

As I understand it, the committee has scheduled a directions hearing for 8 December this year. The main hearings will take place over two to three weeks in early February. Once that has been undertaken and community views have been put to the government through the Minister for Planning and he has assessed the committee's recommendations, I will receive that advice and be in a position to determine finally what

road option, be it freeway, highway or otherwise, should be adopted.

The government understands it is a sensitive matter that must be worked through with all community members, and it asks for the continued support of the honourable member for Ballarat East in achieving a sensible outcome.

The honourable member for Footscray raised the impact on the community of the large number of trucks using Francis Street, Yarraville. I am familiar with the problem because I have visited the site. It is truly a horrific set of circumstances that I suspect no other community would be prepared to tolerate. It is an old established area essentially comprising workers cottages with residential street frontages that are very close to the pavement. A solution must be found.

I will ask staff at the Department of Infrastructure to work closely with the local councils — the City of Hobsons Bay and the City of Maribyrnong — to see if the problem can be finally worked through to find a permanent solution for the residents of Francis Street.

**Ms GARBUTT** (Minister for Environment and Conservation) — The honourable member for Warrnambool raised the future of proposed amenities at the Twelve Apostles. The problem with the proposal stems from the arrogant approach of the previous government. It proposed a large commercial facility at the site, just inside the Port Campbell National Park. That is a typical example of what the previous government thought of our national parks — that they were for profit before anything else. The government wanted to build a large commercial facility that would privatise the view. Unless visitors were prepared to pay at the commercial facility they would not be able to view the Twelve Apostles.

Along the way the former government managed to distort the management plan process for that national park. National park staff were told to assume that the government would impose the commercial facility and the management plan could be worked around it. The whole proposal was ridiculous and unacceptable, and it was defeated by public opposition.

It should be no surprise that when I was presented with a new plan for facilities I was very suspicious of what was proposed by the former government. I am having the plan carefully examined.

**Mr HAERMEYER** (Minister for Police and Emergency Services) — The honourable member for Dandenong North raised the issue of the application of the goods and services tax to insurance contracts that

extend over the 1 July 2000 date for the implementation of the GST. As I understand the situation his concern is that people are being asked to pay a component of the GST now and to give the insurance companies the use of that money and interest on it over the six to eight-month period before the GST is implemented.

A change to the system of taxation is analogous to the circumstances surrounding the introduction of decimal currency. At that time people were exploited because of the confusion surrounding its introduction. I can understand that insurance companies need to recover the costs that will be imposed on them because of the GST and that those costs will be passed on to the consumer. However, the matter must be taken seriously to ensure consumers are not exploited and that they do not unwittingly enter into contracts.

I will ask the Minister for Consumer Affairs to investigate the matter to see what can be done to educate and inform consumers and holders of insurance policies on how they can avoid being exploited in the transition to a GST environment.

**Ms KOSKY** (Minister for Post Compulsory Education, Training and Employment) — The honourable member for Hawthorn raised a number of issues. Although it is good that he is able to get to his feet now, I suggest he not take his training wheels off just yet so he won't embarrass himself any further, because several of the matters he raised require clarification.

The first matter was his claim that no warning was provided about the freeze on contestability of funds in relation to user choice. In fact the government was very clear in its policy that it would do that. It made a clear commitment, and the explanation is clear.

**Mr Baillieu** interjected.

**Ms KOSKY** — The honourable member for Hawthorn interjects by saying it is not. I am happy to provide him with a copy of the government's policy commitments just in case he is not good at reading them. It is very clear. I will explain why the government needed to go down that path in a moment.

The honourable member also said that there were new contract offers. He is somewhat confused about the difference between registration of registered training organisations and tenders and user choice. For the benefit of the honourable member for Hawthorn I point out that registration is provided to training organisations.

**Mr Baillieu** interjected.

**Ms KOSKY** — They pay for it. It means that those organisations can provide training to the private sector. If they gain contracts with the government — which is a separate process — they can provide training through those government contracts.

The registration covers a much broader area than just training via government dollars. It is also provided in the private sector. The registration indicates that the organisation has sufficient standing to provide training across the board — that it is recognised training. That needs to be made very clear. The honourable member likened the issue to the case of a cabbie getting a licence to drive a cab but not being able to drive it. I suggest it is more like a cabbie getting a licence but not necessarily getting the government contract to drive members of the government. There is a difference, and I hope I have clarified that for the honourable member.

The honourable member for Hawthorn also said that memos were not approved by the State Training Board, as required. In fact that is not required. The State Training Board provides advice to the government and to the minister and has a very clear connection with the Australian National Training Authority. Had the former minister properly informed the honourable member for Hawthorn he would know that the previous government performed a range of different activities in the training sector without the approval of the State Training Board. Approval is not required.

Further, the honourable member said that some contracts were signed within two days. Once again, he needs to be clear on what was requested. The date against which the 2000 trainee enrolment levels were set was 24 November 1999. Understanding that some organisations would not have claimed all of their commencements promptly, the government gave them until 8 December to claim; the period was extended. Given that some new organisations were operating but had not formally signed their performance agreements they were allowed to sign and submit them by 8 December. The honourable member needs to be clear on that issue. The government was generous and acknowledged that some of those organisations would need more time.

I will clarify why it was necessary to take that path. It does not mean a cut will be made to apprenticeship and traineeship numbers; there will be growth. Again, the honourable member got that wrong. There will be more apprenticeships and traineeships next year than this year. The number of private providers will also grow. There will be an increase in funding from \$27 million in 1999 to \$31 million in 2000.

We have limited the growth of some private providers to a 12-month period so that we can step back and get some sense of what is happening across the system. The Bracks government has inherited a training system based only on efficiency, and it is absolutely straining at the seams. I have seen group after group, institute after institute, that cannot conduct the training for the dollars that the previous government provided. There was no commitment to quality. It is time for us to step back and examine the entire system to ensure quality and sustainability in the long term. Western Australia, New South Wales, Queensland and Tasmania have gone down the very same track. Victoria is not the first to do it.

The Kennett government left the training system in an absolute mess. Many of the community organisations and private providers could survive only by relying on growth, and that is not a sensible system to allow to operate. When Labor was in opposition group after group came to me saying they were going to the wall because of the previous government's bad management. The honourable member for Hawthorn should get his facts straight before he embarrasses himself further.

The honourable member for Bendigo East raised an issue about professional development — another area that was completely neglected by the previous government. The Bracks government recognises that you cannot expect teachers to provide quality training if you do not recognise their need to train as well and do not properly fund that training for teachers. The government is determined to value the skill base of the economy and the educational needs of teachers by providing additional funds for professional development. I am pleased that the government is providing an additional \$2 million, which is urgently needed, in professional development funds to help teachers adapt to the new and more flexible training system.

That allocation has been made in recognition of the fact that the previous government did very little to assist teachers to teach. This money, together with the other funding boosts for the TAFE institutes, will start to address the serious issue of rapidly declining morale within the TAFE system. The Kennett government provided only \$200 000 per annum for professional development, with the commonwealth providing \$660 000. That represents less than \$46 000 per institute, or a total of \$93 for each of the state's 9200 TAFE teachers.

In its first few weeks in government we have found an additional \$2 million to provide professional

development for teachers. I am pleased to inform the honourable member for Bendigo East that this translates into an additional \$58 000 for the Bendigo Regional Institute of TAFE, in addition to the previous funds that were available.

**Ms DELAHUNTY** (Minister for Education) — Isn't it astonishing! During every adjournment debate the Minister for Education has been asked questions about, 'When and how quickly will you fix our schools?'. Obviously the election has opened the floodgates. Suddenly there is an interest by opposition members in their schools. They had seven years to fix them!

The honourable member for Glen Waverley raised the question of Wheelers Hill Primary School. He said that an amount of \$385 000 was allocated in September. What was happening in Victoria in September? There was a state election. I wondered what 'allocated in September' meant, so I sought advice from the Department of Education as to the status of the upgrade about which the honourable member for Glen Waverley was inquiring.

He said the school was operated by a very good school council, and that is indeed true. One might have to argue, however, that it has laboured under an inadequate local member, because according to him no maintenance has been done for many years. He demanded an immediate answer.

The immediate answer is that according to advice I have received from the department there was absolutely no allocation for the upgrade at Wheelers Hill by the previous government. Money was allocated, so to speak, in September, but I suspect this is another unfortunate example of the election confetti sprinkled around in selected electorates just before the campaign. If, however, the school is in need of an upgrade, I will inform the Department of Education that it should examine the matter and present it for consideration for upgrade funding along with other such requests from around the state.

The honourable member for Bentleigh referred to me the matter of a Bristol building at the Moorabbin Primary School (Tucker Road). I appreciate the honourable member's raising the matter with me in detail earlier in the week and giving me an opportunity to speak to the Department of Education about it. It is quite an unusual case and a complicated story. I know it is hot today but I beg the indulgence of the house to put on record what has occurred in connection with the application.

In 1997 the former Eastmoor Primary School and the Tucker Road primary school agreed to merge on the Tucker Road site. The proposal involved the disposal of the former Eastmoor Primary School site. As a component of the merger a project to redevelop the school was announced in the 1998–99 capital works program. The master plan indicated that the remaining Bristol buildings and some LTC buildings on the site would be demolished. It identified a new location for the administration facilities to better service the needs of the merged schools. The Bristol buildings were regarded as inappropriate and inadequate to meet current standards.

In November 1998 approval was granted to enter into the contract, and the department's commitment increased in order to achieve that. In February 1999, while the project was under way, the school made its first representations about retaining the buildings, including the Bristol units. The school was given the opportunity to revise its plans so it could keep some of the buildings in question in lieu of planned new buildings. The department made it very clear that the school had a choice: hold on to the existing Bristol units and relinquish the planned new buildings or take the new buildings only. I am advised that the school did not respond to that offer but continued to pursue the issue at the local level, obviously with the local member, as it thought appropriate.

At the request of the former minister's office the school was recently given another opportunity to retain part of the suite of buildings — a section 170 square metres in area, or the equivalent of two classrooms. The costs associated with retaining that part of the buildings as classroom space would need to be met by the school, as indicated by the honourable member. I am advised by the department that the school rejected that offer.

I believe honourable members will understand that the department has a very clear policy not to allow schools to retain obsolete and above-entitlement buildings where funds have been provided for the construction of new facilities to current standards. That is the status of the request. It has been something of a saga, and I appreciate the honourable member for Bentleigh raising it with me, but the answer is clearly no.

**Ms CAMPBELL** (Minister for Community Services) — I thank the honourable member for Keilor for raising the issue of child care. Child care is a topic near and dear to the hearts of most honourable members, but it is nowhere near as crucial to them as it is to low-income families in the Brimbank area, many of whom come from non-English-speaking

backgrounds. Community child care is a wonderful asset for those families.

It is true that child-care services are in desperate straits, as the honourable member for Keilor quite rightly outlined. That is primarily because the federal government no longer regards it as a priority and has proceeded to implement cut after cut since being elected in 1996. While those cuts have resulted in big dollars for the federal treasury, they have meant that families on limited incomes have had to face fee increases of \$20 to \$30 for full-time care. With those increases it is often no longer worthwhile for women to engage in part-time or full-time work or study.

The honourable member for Keilor outlined the facts as reported in the Brimbank *Messenger* concerning three Brimbank community-run child-care centres. I understand and share the honourable member's concerns. For many families it is no longer worth undertaking paid employment because of the costs of child care.

I will happily write to the federal government about the matter. I only hope it will take the matter more seriously than it does the unmet needs in disability services.

**Mr HULLS** (Attorney-General) — The honourable member for Springvale raised the crucial issue of greyhound racing in Victoria. Greyhounds are no longer referred to as dishlickers. Greyhound Racing Victoria is a far more professional organisation these days. Tomorrow night the honourable member for Springvale will be attending a great event on my behalf — the TAB International Topgun meeting at The Meadows. In his capacity as the representative of the Minister for Racing at The Meadows I am sure he will get many good tips and have a great night.

The major race meetings of the international greyhound carnival being held in Victoria are the \$150 000 TAB International Topgun meeting tomorrow at the Meadows; the \$60 000 Jetpets Carnival Cup tonight at Sandown; and the \$360 000 Schweppes Melbourne Cup held at Sandown last Thursday. Unfortunately I will not be able to attend the Sandown meeting tonight — I am attending a women lawyers function, of all things.

As the honourable member said, the Schweppes Melbourne Cup was won by Kantarn Bale, trained by Graeme Bate. Last week's prize money for the carnival totalled \$600 000. On Thursday night at Sandown two Irish greyhounds, Daydream Believer and Carroweal Kev, won in very good company. International

supporters shouted the house down when they won. Daydreambeliever and England's Sweeping Storm will be running at tomorrow night's Topgun meeting at The Meadows.

The carnival provides significant promotion for the greyhound industry and brings huge economic spin-offs to Victoria's tourism and hospitality industries. The carnival is envied by other Australian states and other countries. Last week I was speaking with the head of the Irish greyhound industry, who made it clear that the prize money offered in Victoria is much higher than that offered anywhere else in the world. The only thing lacking is the crowds — we do not get the same numbers attending greyhound racing meetings in Victoria as they do in Ireland.

I was told that Ireland had embarked on a successful strategy of attracting young people to greyhound racing. Greyhound racing has become an extremely popular social event, with young people meeting on a particular night and having a Guinness and a bet. Victoria should embark on a similar strategy because although greyhound racing is going well, the code needs to attract young people.

The code conducts more than 800 annual race meetings in Victoria and there are more than 8000 registered owners, trainers and attendants. In the past financial year offcourse wagering on greyhounds increased strongly, with a jump of \$100 million or 44 per cent.

Greyhound racing is booming in Victoria. Along with the honourable member for Springvale, I congratulate all those involved in the Topgun carnival. It is a great opportunity for Victoria to show its wares and I can assure the honourable member for Springvale and the greyhound industry generally that the Bracks Labor government will continue to do what it can to support a growing greyhound industry.

The honourable member for Swan Hill raised the issue of the County Court at Kerang. I have sent him a letter dated 29 November. He tells me he has not been home since then — it was sent to 274 Campbell Street, Swan Hill, which I assume is his electorate office.

In the letter I advised the honourable member that there is no proposal to close the Kerang County Court. Revised circuit arrangements that are made through the Chief Judge of the County Court should only be regarded as a suspension of sittings during 2000. The decision of the Chief Judge to suspend the biennial sittings at Kerang was based on the very small numbers of County Court matters involving members of the local community coming before the court.

I advise the honourable member for Swan Hill that during the 1999 sittings at Kerang it was necessary to supplement the list with cases from Bendigo to fully utilise the scheduled sitting dates. The court has demonstrated its commitment to reducing delays that exist at a number of rural centres by providing increased circuits. I also advise the honourable member that any rumours about the closure of the Kerang County Court are without foundation. There is no proposal to discontinue registry operations at Kerang.

The honourable member for Swan Hill will be pleased to know that future sittings will be scheduled according to caseload demands and he can assure his constituents that the Kerang County Court will not be closing.

The honourable member for Bayswater raised a matter for the attention of the Minister for Health. I will refer that matter to the minister.

**Motion agreed to.**

**House adjourned 5.04 p.m. until Tuesday, 7 December.**