

PARLIAMENT OF VICTORIA

**PARLIAMENTARY DEBATES
(HANSARD)**

LEGISLATIVE ASSEMBLY

FIFTY-FOURTH PARLIAMENT

FIRST SESSION

6 September 2000

(extract from Book 3)

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By authority of the Victorian Government Printer

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Road Safety Committee — (*Council*): The Honourables Andrew Brideson and E. C. Carbines. (*Assembly*): Mr Kilgour, Mr Langdon, Mr Plowman, Mr Spry and Mr Trezise.

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Deputy Leader of the Parliamentary Labor Party and Deputy Premier:

The Hon. J. W. THWAITES

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The Hon. D. V. NAPHTHINE

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The Hon. LOUISE ASHER

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Mr P. J. RYAN

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Mr B. E. H. STEGGALL

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

¹ Resigned 3 November 1999

² Elected 11 December 1999

³ Resigned 12 April 2000

⁴ Elected 13 May 2000

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Wednesday, 6 September 2000

The SPEAKER (Hon. Alex Andrianopoulos) took the chair at 9.39 a.m. and read the prayer.

BUSINESS OF THE HOUSE**Notices of motion**

The SPEAKER — Order! I wish to advise the house that I have deemed a notice of motion given by the Attorney-General to be inappropriate for inclusion on the notice paper.

I have sought and received the cooperation of the Attorney-General for the withdrawal of such notice of motion.

I wish to advise the house on a further matter. On a point of order raised by the honourable member for Cranbourne last Wednesday, 30 August, there is a need to review the procedures of the house concerning the way that notices of motion are recorded on the notice paper and are not recorded in *Hansard*. I will conduct that review and advise the house of an outcome at a later stage.

I further advise the house that the official chamber photograph will be taken at 1.45 p.m. today. I ask honourable members to assemble in the chamber as quickly as possible at the ringing of the bells.

PETITION

The Clerk — I have received the following petition for presentation to Parliament:

Preschools: funding

To the Honourable the Speaker and members of the Legislative Assembly in Parliament assembled:

That the Victorian government immediately invest more substantially in preschool education for the benefit of Victoria's young children and their future. That the Victorian government increase funding to preschools to at least equivalent to the national average in order to ensure:

a reduction in fees paid by parents and the removal of the barrier to participation for children;

reduction in group sizes to educationally appropriate levels consistent with those established by government for P-2 classes in primary schools;

teachers are paid appropriately and in line with Victorian school teachers and preschool teachers interstate;

critical staff shortages for both permanent and relief staff are alleviated;

the excessive workloads of teachers and parent committees of management are addressed.

And your petitioners, as in duty bound, will ever pray.

By Mr PHILLIPS (Eltham) (121 signatures)

Laid on table.

PARLIAMENTARY COMMITTEES**Membership**

Mr BATCHELOR (Minister for Transport) — By leave, I move:

That —

- (a) Mr Wells be discharged from attendance on the Drugs and Crime Prevention Committee and that Mr Cooper be appointed in his stead; and
- (b) Ms McCall be appointed a member of the Law Reform Committee.

Motion agreed to.

BUSINESS OF THE HOUSE**Sessional orders**

Mr BATCHELOR (Minister for Transport) — By leave, I move:

That so much of sessional orders be suspended for today to allow, in lieu of the period of 2½ hours provided by sessional order 9, following statements by members —

- (a) general business, notices of motion nos 31 and 32, to be considered; and
- (b) if general business, notices of motion numbers 31 and 32, be disposed of, a matter of public importance pursuant to sessional order 9 to be proposed and discussed in the remaining time.

Motion agreed to.

MEMBERS STATEMENTS**Workcover: premiums**

Mr ASHLEY (Bayswater) — During the past few weeks Bayswater businesses have been reeling from an epidemic of brutal shocks received in the mail. None imagined in their wildest nightmares that the reintroduction of common law into Victoria's previously successful workers compensation scheme would result in the skyrocketing insurance rates they have copped for the trading year ahead.

A metal fabrication company with premiums ranging between \$17 800 and \$19 900 over the past three years has received a bill from Workcover for more than \$30 400 — a net increase of 67 per cent.

A small sandwich shop, which in 1999–2000 incurred a premium of \$340, now faces a bill of \$560 — a rise of 64 per cent. An office stamps manufacturer's premium has risen from \$1094 to \$1800 — another increase of 64 per cent. A sheetmetal shop with five employees and a record of 'nil' claims has been slugged a 93 per cent increase from \$3800 last year to \$7336 this year.

Those enormous blow-outs in overheads highlight the lack of homework undertaken by the Bracks government in its headlong rush to revisit an outdated approach to workplace insurance that has already been consigned to the scrap heap by enlightened governments world wide. This act of bad governance inspired by bad politics looms as a threat to Bayswater businesses — —

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

Minister for Education: performance

Mr HARDMAN (Seymour) — On behalf of the school communities in the Seymour electorate — Healesville, Heathcote, Kilmore and Wallan primary schools and the Whittlesea Secondary College — I thank the Minister for Education for her promise of much needed funding for major works, including permanent classrooms, science buildings and libraries.

On behalf of the students in grades prep, 1 and 2, I thank the minister for providing teachers and classrooms and thereby lower class sizes and provide students with individualised programs to ensure they receive the best possible start to their educations.

On behalf of the teachers in the Seymour electorate, I thank the minister for abolishing the gag on teaching service order 140. It has lifted the spirits of the teaching work force because teachers are again being treated as professionals.

I condemn the opposition for having no leadership and no new ideas on education, and for its resorting to vitriolic personal attacks on the best Minister for Education Victoria has seen for many years. I also condemn the opposition for its repetitive, boring, intimidating, bullying and generally disgraceful behaviour over the past two weeks.

Awakenings Performing Arts Festival

Mr DELAHUNTY (Wimmera) — During the past couple of weeks I have been asked many times by politicians and staff about my lapel pin. It is not the Essendon one this time, but the pin that promotes the ANZ Staff Foundation's Awakenings Performing Arts Festival, which will take place in Horsham between 14 and 22 October. The patron of Awakenings is David Helfgott, who is quoted as saying:

The Awakenings Performing Arts Festival strives to provide innovative opportunities for people with disabilities to access the performing arts.

The original concept began as a one-night drama performance five years ago to address the lack of opportunities in the performing arts for people with a disability. It has subsequently evolved into a 10-day program packed with a variety of events.

The strength of the festival is reflected in its demographics. People travel to Horsham from around Australia to perform, participate or observe. For the first time an overseas artist from New Zealand will perform. The impact of the performing arts in changing the lives, health and wellbeing of people with a disability will be beamed live world wide via the Internet as a result of the sponsorship of Tourism Victoria and the Horsham Rural City Council.

Awakenings is about providing new opportunities and life experiences for people with a disability. The growth and expansion of this innovative, creative festival is enhanced by collaborative relationships between departments and other key sponsors — —

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

Ballarat: performing arts

Mr HOWARD (Ballarat East) — Recently I attended a play called *Space Dust — A Beginners Guide to the Future*, which was presented by SMB performing arts students, SMB being the School of Mines campus of the University of Ballarat. The production, which was presented in the old Ballarat court house, proved to be entertaining and featured excellent acting, effective costuming and outstanding lighting and sound effects.

The play was written by the students after they had done some workshops with the primary school students at Dana Street Primary School. On the night I attended the audience of both parents and younger children was

thoroughly entertained and educated during the performance.

The play continued a strong tradition of a high standard of performing arts in Ballarat. I congratulate the cast — Austin Gillard, Zoy Frangos, Maree Purcell, Kristie Glab, Lorenne Whitecross, Julia McNamee, Katey O'Brien, Jade-Lindsay Moore and Anne Tiplady — the production crew and everyone involved in the outstanding production. It is great to encourage our young performers in Ballarat.

Prisons: old Geelong jail

Mr PATERSON (South Barwon) — The government's policy of secrecy and lack of consultation has continued in Geelong with a clandestine visit to the old Geelong jail by prison officials looking at potential lockup facilities for S11 protestors.

The building is owned by the City of Greater Geelong and is leased by the Rotary Club of Geelong for community users.

Did the government have the courtesy to forewarn the council about the mystery visit? Regrettably, no. The inspection took place behind the mayor's back. That demonstrates the government's lack of respect for the council and shows that the ALP does not take local government seriously. Councillors, including the Labor mayor, have expressed their outrage about the lack of consultation, which is becoming an all-too-common occurrence with this Labor government.

Tenants of the jail have been alarmed at the prospect of, for instance, students at the Gayle Burrill School of Entertainment sharing the premises with prisoners. Some of the students are as young as two years old.

The government must come clean about who authorised the secret visit and why the owner of the building has been kept in the dark.

Sunbury: community cabinet visit

Ms BEATTIE (Tullamarine) — I congratulate the Premier and cabinet on holding a community cabinet meeting in Sunbury on Monday. Hundreds of constituents turned out to see our Labor Premier and his cabinet and join them for an informal lunch.

Immediately following the lunch time was allowed for informal submissions and later in the day formal submissions were taken. All ministers were available and dozens of individuals and community groups relished the opportunity to speak directly to ministers and put various issues before them.

I commend the Premier and cabinet on the open, accountable and transparent style of government, which is obviously popular with Victorians.

There was also a fantastic schools forum hosted by the Minister for Education. All school principals in Sunbury were invited. They enjoyed the day and responded well to our popular Minister for Education.

Government Members — Hear, hear!

Ms BEATTIE — Also, the preliminary drawings for the duplication of the Macedon Street bridge were unveiled on the site, to honking of horns and cheering of enthusiastic motorists. Although the bridge was promised by the previous member for Tullamarine, who was apparently too busy plotting against the former Premier instead of looking after his electorate, there was no money in the budget for the project. Indeed, no work had been done at all!

Labor has committed to the project, and it is another case of Bracks and Beattie delivering in Tullamarine.

Police: Sandringham station

Mr THOMPSON (Sandringham) — Noting the advice of the honourable member for Tullamarine that there is a travelling cabinet roadshow these days, I would like to invite cabinet members to the electorate of Sandringham to hold their meeting on the Abbott Street site of the Sandringham police station. Almost 12 years ago the then Labor government promised that a new police station would be built on that site.

In their visit to the site to enjoy the ambience of the local bayside area I suggest that ministers will have the benefit of plenty of fresh air. However, they may need to bring their umbrellas because there is no police station on the site!

Policing issues are important in the bayside area. While noting that some important police functions relating to the traffic operations group, the Criminal Investigation Branch, Neighbourhood Watch and the activities of the South-Eastern Road Safety Council are conducted from the Moorabbin site, it is nevertheless of great importance that local policing concerns are taken into account.

The police station currently operates out of rented premises in Railway Crescent, Hampton, but it is an issue on which the Labor Party has the opportunity of fulfilling an election promise, albeit 12 years late!

Wyndham: substance abuse forum

Ms GILLETT (Werribee) — I should like to congratulate some special members of my community who accepted an invitation I issued last year to form and join a community substance abuse forum in the city of Wyndham.

We were moved to create the forum because of tragic circumstances. About 18 months ago I received a fax in my office from the mother of three young men, two of whom had overdosed on heroin three weeks prior to the letter. They survived, but were desperate. Their mother was desperate to get them assistance, fearing the worst for them. We were able to do a few bits and pieces and get the boys some of the assistance they needed. However, we were too late for one of the sons.

The substance abuse forum has the job in the community of replacing ignorance with information and fear with compassion. It is no easy job, and it will take us some time.

I thank Gavin Scott of the Mercy Hospital for his chairmanship of the committee. He does an outstanding job. I thank the Minister for Community Services for the small amount of funding that these wonderful people will make go an enormous distance.

Wild dogs: control

Mr PLOWMAN (Benambra) — The wild dog problem on Crown land in northern and eastern Victoria is getting out of hand. The dog numbers are breeding up and, because there is no poisoning program deep in the bush, numbers of dogs are increasingly coming out onto privately owned land where the dog problem has not been apparent for up to 100 years.

I quote a letter from some locals, John and Sussan Ley from Tallangatta:

The problem is gradually getting worse — to the point where sheep and calves are being attacked in areas where wild dogs have not been seen for 100 years. Attacks are occurring just outside the town ...

The problem is becoming bad this year, a wet year in north-eastern Victoria. Dog trappers are having to lift their snares because they cannot get into those areas as they do not have access for their horses. The department will not fund horse floats for the dogmen to take their horses into that country.

It is a serious situation. Private landowners are now funding the floats for departmental staff so they can take horses into this country. It is appalling that the department is not prepared to fund a horse float to allow a dog trapper to get into the back country to do the job

he is paid to do. I believe the problem is getting out of hand. The people who are being affected are — —

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

Ethnic communities: funding

Mr LANGUILLER (Sunshine) — Something very un-Australian happened on 17 August. The federal government reduced funding to longstanding Greek, Italian and Turkish welfare groups, and with that act effectively turned its back on a group of people Australia invited to this country decades ago, people who took up the call to make Australia their home and who helped build this nation, people who are now ageing and in need of comprehensive ethno-centric welfare services.

The Co.As.It. Italian assistance association and the Australian Greek Welfare Society receive about \$100 000 less in this year's funding round. This reduces their grants by half. The Australian Turkish Association, which received about \$50 000 last year, will not receive any funds this year.

The repercussions of these cuts for Sunshine residents are enormous. Sunshine has about 7000 people of a Greek-Cypriot background, the largest such population in Victoria, about 2000 of Greek background, about 3000 of Italian background and about 1000 of Turkish background, many of them post-war migrants.

The Bracks government believes in supporting these older, larger ethnic communities. Last week it announced a one-off donation of \$120 000 to Victoria's Greek, Italian and Turkish communities.

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

PETROLEUM PRODUCTS (PRICING) BILL

Withdrawn

Withdrawn on motion of Mr SAVAGE (Mildura).

PETROLEUM PRODUCTS (TERMINAL GATE PRICING) BILL

Introduction and first reading

Mr SAVAGE (Mildura) introduced a bill to require the determination of terminal gate prices for petroleum products and for other purposes.

Read first time.

Second reading

Mr SAVAGE (Mildura) — By leave, I move:

That this bill be now read a second time.

Members will be aware that during the autumn sitting I introduced the Petroleum Products (Pricing) Bill, which would limit the gap between petrol and LPG retail prices in Melbourne and regional areas.

During the winter recess I received comments on the bill from oil companies, distributors, retailers, industry representatives, consumer representatives and the general public. During this period there has also been some publicity given to fuel issues and petrol prices.

As a result I have been persuaded that the community wants lower prices, a more understandable pricing system and the removal of apparent anomalies. However, there is concern that the impact of my bill on different parts of the oil industry would be unpredictable and therefore could be unfair, and there is belief that it may not be necessary to go as far as this bill does to address the difference between prices in Melbourne and parts of regional Victoria.

Consequently, I have decided to introduce legislation which provides for terminal gate pricing, an idea which has been around for years and which a major oil company supports. I have concluded also that the time to tackle anomalies surrounding the temperature at which fuel is loaded at terminals has well and truly come.

This bill is intended to achieve these purposes.

It requires oil companies to adopt terminal gate prices for petrol and diesel. Petrol and diesel would be available on a first-come, first-served basis, and prices could not be varied more than once in a 24-hour period. Prices would be available to distributors and retailers.

Under this bill services provided beyond the terminal gate would be identifiable and costed separately from the price of petrol and diesel. These services include transport services, delivery services, the cost of providing credit and equipment, brand fees and the like. Importers and refiners would be required to provide the cost of each service to retailers or distributors.

There is a need to recognise that oil companies own a number of sites and that they are entitled to a commercial return on their investment in those sites. The bill enables oil companies to make that return but requires them to make available to retailers the rate of that return.

The bill also addresses anomalies created by the fact that fuel is loaded at terminals at temperatures that are high when compared with the temperature at which it is stored in the ground. Because the volume of fuel reduces as it cools, retailers are paying for fuel they do not receive. This bill addresses this anomaly by requiring suppliers to record the temperature at which fuel is loaded, but to charge for the volume that would have been loaded had the temperature been 15 degrees Celsius.

I commend the bill to the house.

Debate adjourned on motion of Mr BATCHELOR (Minister for Transport).

Debate adjourned until Wednesday, 20 September.

ECONOMY: INVESTMENT AND EMPLOYMENT

The SPEAKER — Order! I have accepted a statement from the honourable member for Dandenong North proposing the following matter of public importance for discussion:

That, in light of the fact that the hosting of the World Economic Forum in Melbourne presents an opportunity to showcase Victoria, this house notes the strength of the Victorian economy, particularly in relation to new investment and employment growth.

Mr LENDERS (Dandenong North) — It is with great pleasure that I speak to this matter of public importance. The government welcomes the World Economic Forum leaders to Melbourne because it wants to showcase the state. Not only world leaders but also hundreds of media observers will come to the economic forum, and the message we want to leave with them, first and foremost, is that Victoria is the place to be.

Victoria opted for a new style of leadership just 352 days ago, when the Australian Labor Party polled 50.2 per cent of the two-party preferred vote, compared with 49.8 per cent for the Kennett government. The government was sworn in just 320 days ago, after the Frankston East supplementary election and after the three Independents agreed to support a Bracks Labor government.

At the time commentators were fascinated by what the change of government would mean, and questions were asked about whether the new government was up to it. Hence this matter of public importance, which notes the strength of the Victorian government economy one year

later, particularly in relation to new investment and employment growth.

A number of the government members who will speak after me will highlight various aspects of the growth in investment and employment in Victoria, so I will refer to them only in a general sense. However, I will paint a picture showing where we have come from and where we are going, using some specific instances of investment and employment growth in the region near and dear to my heart — the greater Dandenong region.

Following its election the Bracks government clearly enunciated that the implementation of its election platform would be based on four key pillars: responsible financial management, which is very pertinent to this discussion today; restoring democracy, which also comes into it; governing for the whole state; and delivering improved services. Those four pillars are critical, and they were effectively delivered in the May budget, when the government presented a socially progressive and fiscally responsible document that is an economic guideline for the state and underpins the investment and employment growth that is occurring throughout Victoria.

The budget addressed issues that have been often raised in this place by providing for the establishment of the Regional Infrastructure Development Fund and the Growing Victoria Reserve. Those two key initiatives have helped to underpin the new investment and employment growth in Victoria and will continue to underpin it in the years ahead.

The Victorian economic summit that followed was another aspect of this government's encouraging of investment and employment growth. The summit was critical, because it brought together many of the key stakeholders in Victoria. Honourable members on this side of the chamber have dwelt very much on the importance of consultation and bringing people along in growing a state like Victoria. Honourable members opposite often scoff at consultation. They want it both ways: when things do not suit them they say consultation is a weakness, and when they do not get their own way or want more time they suddenly say that consultation is a strength. They cannot have it both ways. This time last year — 365 days ago — members opposite were all gagged, by the former Premier and by his apparatchik, the state director of the Liberal Party.

Consultation is a particularly important aspect of Growing Victoria, and consultation is a lot of what the World Economic Forum leadership meeting in Melbourne is about. It is not a deliberative body; it is a body that consults, networks, and shares ideas and

information. We are privileged to have it in this state. It is a good model for us on how to bring in new investment and nurture employment growth. A bit of consultation among stakeholders is a very good thing.

I turn now to innovation and style of government. Last year Victorian electors chose a new style of leadership — one that involved consultation and bringing the state together. That style of leadership and evolving consultation includes measures such as the public-private partnerships announced by the Minister for State and Regional Development just a few weeks ago. With public-private partnerships we go out, we talk, we consult, and we bring stakeholders together. We do things to grow this state to bring in new investment and new jobs. Under the leadership of the Minister for State and Regional Development, who is also the Treasurer, we are going a long way in this area.

It is not coincidental that yesterday in the house the Premier announced, and the Minister for Transport followed on with, the fact that there would be a huge private partnership with an enormous injection of government funds to build infrastructure as an ongoing measure to grow jobs and build investment. Under the leadership of Premier Bracks investment and employment are up from last year. Access Economics predicts a 3 per cent growth in employment in Victoria. As we showcase Victoria it is worth noting that 40 per cent of the new jobs in Australia in the past quarter were created in Victoria under the Bracks Labor government.

Mr Wilson interjected.

Mr LENDERS — That is a very good statistic and one the honourable member for Bennettswood should cherish and not be churlish about.

Under the Bracks Labor government unemployment in this state is now down to 6.3 per cent, and dropping; participation rates in the labour force are up; confidence is up — and that is reinforced by the net internal migration of population to Victoria under the Bracks Labor government; non-residential building approvals are up; and money is being invested, under the policies of this government and its excellent Minister for Education, in education and training to build our knowledge nation. Victoria is a good place in which to invest, to be employed, and to seek employees.

Money is also being invested in human services to build a healthy nation, and in infrastructure to make Victoria a more efficient state and more attractive for investment. Yesterday the Minister for Transport said that infrastructure money would move thousands of

people into the provincial cities surrounding Melbourne. My electorate is on the gateway of the growth corridor of Casey and Cardinia; there are 4000 new people alone in the City of Casey. Infrastructure investment that encourages people to move to Ballarat, Bendigo, the Latrobe Valley and Geelong is a good thing, not just for those regions and the positive growth it has, but also for Victoria as a whole.

I now turn — as one must when discussing the issue of new investment and employment growth — to the legacy of the Kennett years. We on this side of the chamber did not like the harsh brutality of the first term of the Kennett government. One would be churlish if one did not give the former government good marks for its effort and focus on its goal of balancing a budget. However, as someone who has spent a lot of time in the business community over the past five years, I can say that unfortunately for honourable members opposite the second term was one of lost opportunities. Businesses saw the government as becoming obsessed with mates and with commentaries on everything under the planet. The former Premier was obsessed with international and national affairs. The Premier was bored, the Treasurer was going, business confidence was down, and inevitably investment was going to fall away. People were telling me that they were worried about the future. Just like the Soviet Union was ossified because of the gag on its apparatchiks for many years, so was the Kennett government in its dying days.

Before I turn to my own region of Dandenong I will move to the general theme of the debate. I understand the dilemma the Leader of the Opposition and the shadow Treasurer are in. They want to claim praise for and much of the benefit from some of the growth measures that came out of the Kennett years, and they want to see those continue. They are also in a dilemma because although they want to claim credit for any growth in the state, they also want to talk down the current government. It is an inevitable thing that oppositions do, but the opposition cannot continue to talk down the state and expect the state to grow. It has a responsibility to talk up the good issues concerning this state.

One of the main issues the opposition raises is the electricity industry. The government has overcome the problems in the electricity industry of earlier this year, which were partly due to the privatisation by the previous government and a lack of responsibility for putting into contracts the guarantee that electricity be supplied. Whether it be the current industrial relations and manufacturing issues, or any other issues, the

opposition will talk down this state at every opportunity.

It is ironic that the Leader of the Opposition will accept corporate hospitality to go to Sydney to allegedly promote Victoria, when all he does is doomsay this state. The Leader of the Opposition needs to learn that Victoria has become the place to be under the Bracks Labor government. The investment and job growth being experienced by the state is a credit to the Bracks government.

I now turn to the Dandenong region, which is near and dear to my heart. There has been a lot of negative news from Dandenong of late, emphasised by the opposition.

Opposition members interjecting.

Mr LENDERS — They chant in unison the word ‘Heinz’. But much of the information is exaggerated and unbalanced, because it does not mention the very strong new investment and accompanying job growth. The Minister for State and Regional Development, the Minister for Manufacturing Industry and many members of this government have taken Dandenong to heart and are doing what they can to boost it.

I am a regular attender of the Greater Dandenong Chamber of Business and Industry breakfasts. I go there to hear the good news from small-to-medium businesses moving to Dandenong. Honourable members opposite undoubtedly read *BRW*, also known as Business Review Weekly, a great magazine. If they were to look carefully they would find that *BRW* is now produced in Dandenong. Hannanprint, a company in Dandenong, now has 320 permanent employees, up from 100 a few years ago. Hannanprint is now the sixth largest employer in Dandenong; it produces publications such as *BRW*, and many others. It is a new high-tech industry in this state which creates new investment and new jobs.

Manufacturers continue to invest in Dandenong. Corning Noble Park has invested more than \$30 million to generate over \$40 million annually in exports. That is a new initiative. Cussons has invested in excess of \$60 million. Vawdrey Australia is building semitrailers, and Camec is building caravans. Together with Peteron Plastics and Holden, with its national spare parts and distribution centre, all those manufacturers have moved into the Dandenong region and are enjoying the new investment in employment growth. Increasingly such initiatives are being announced under the Bracks Labor government.

The government takes enormous pride in its initiatives, which can be showcased for this state. I hope the World

Economic Forum leaders move beyond the tram tracks and visit Dandenong in outer suburban Melbourne. If they do they will see that there is more to Dandenong than what is promoted by the opposition. Opposition members happily talk about factory closures and the drugs issue, but they will not talk about the new high-tech growth industries in Dandenong of which the government is rightfully proud.

The Deputy Leader of the Opposition was in Dandenong when the former Premier made his threat that if both Dandenong electorates voted Liberal, it would be treated as a premier city. Well, they voted Labor, and it is being treated as a premier city. I give the Deputy Leader of the Opposition credit. At least she said something good about Dandenong, unlike her former leader, who could not think of anything good to say at the time.

An honourable member interjected.

Mr LENDERS — Having gone to school in my electorate of Dandenong North, the honourable member for Bennettswood would certainly understand what a great electorate it is — and yes, we were nervous on the day.

Not only manufacturers but also transport and distribution companies are continuing to invest in Dandenong, including Allied Pickfords, Clelands Cold Stores, Mannway Transport and Distribution, Konway Express, and the Retail Logistics Group, which alone has just invested another \$2 million and created 70 new jobs.

Australia Post has recently made a massive investment in Dandenong, creating 700 full-time jobs. If honourable members opposite want to see how investment in a high-tech industry results in job growth, I recommend that they visit the Australia Post mail centre, where machines sort 32 000 items of mail each hour and dozens of skilled workers are employed by an employer who encourages multiskilling. It is fantastic to watch, and I would be delighted to organise the buses necessary to take opposition members to see this showcase of Victorian industry, which Victorians should be proud of.

Unemployment in the Dandenong region has dropped from 10.8 per cent when the Labor party came to government to less than 9.0 per cent now, and it continues to fall. That is a good news story.

The government is under no illusion that a lot of work still needs to be done. Next week the Asia-Pacific summit of the World Economic Forum will be held in

Melbourne, when world leaders and an accompanying press contingent of 300 will visit our capital city.

Victoria has a lot to showcase, in particular its new investment and employment growth. We should not hide our light under a bushel. There is a good news story to tell, which all Victorians, including government and opposition members, want to share in. The opposition is sometimes in a dilemma over how to react to the good news, which is understandable. The Bracks government's leadership style is something we all should be proud of and acknowledge. The government's energy, vitality and team building have played a critical part in the strength and growth of the economy, and they are qualities all Victorians cherish.

Ms ASHER (Brighton) — This is a curious matter of public importance submitted for debate by the honourable member for Dandenong North, one spawned, I suspect, by the politics of economic envy. While listening to his contribution, I initially thought he was trying to present a global, statesman-like view of the economy as part of a push for promotion to the ministry. However, as his contribution continued I decided he was trying to shore up his preselection in Dandenong North.

In addressing the matter of public importance (MPI) I note that the honourable member scarcely referred to the World Economic Forum. To emphasise my point that the MPI looks at the former government's economic legacy, I will look at some of the early warning signs. There is no better example of an economic legacy than the former government's securing the WEF for Melbourne. Former Premier Kennett and the Honourable Mark Birrell thought the forum would be an excellent opportunity to showcase Victoria to potential investors, so they put in the groundwork, went to Davos and secured it for Melbourne.

I am amazed at the lead-in to the MPI. If anything symbolised the previous government it was the securing of major events for Victoria, whether they were economic events, cultural events or tourism events. If anything symbolises the previous government — derided as a bread-and-circuses government by this mob when they were in opposition — it is the former Premier's personal securing of the World Economic Forum.

As I said, the WEF will provide an opportunity to showcase Victoria. However, one of the black clouds hanging over its head is the threat of violent disruption by a number of protesters banded together under the S11 banner but also supported, if you look at the web

site, by the Construction, Forestry, Mining and Energy Union. If they have any contacts in that area at all, I ask the Premier and the honourable member for Dandenong North to urge these people not to be violent.

One of the strong traditions of our society is that people have a right to protest peacefully, but people do not have a right to obstruct, and they should not be violent. The economic forum faces a real threat of violence and disruption by Labor's mates. I urge government members to exercise whatever influence they have over the left wing of their organisation to ensure that Melbourne and Victoria are showcased and not held up to worldwide ridicule as a result of the actions of supporters of the ALP.

I turn to the strengths of the Victorian economy. There is no doubt that the previous Kennett government left the Labor government a strong legacy, and there is also no doubt that the government is trying to claim credit for a range of economic triumphs that occurred under the previous government. Economic statistics, more than any others, have a lag time. When the honourable member for Dandenong North seeks to claim success over employment rates, for example, he ought to be aware of the lag time in the compilation of Australian Bureau of Statistics figures.

I will refer to independent sources, in particular the spring 1999 edition of the *Victorian Economic News*, which is a quarterly review of economic trends in Victoria. I remind the house that I am referring to the views of an independent source, not my views as Deputy Leader of the Opposition, on the state of the economy when the current government was elected to office.

First, Labor inherited a growth rate of 6.2 per cent, which was well above the national average. Second, it inherited an unemployment rate that was below the national average — and at a nine-year low. Third, it inherited a rise in net migration to the state — a fundamental economic determinant of employment and growth in the construction industry. Given Australian Bureau of Statistics estimates, it will be interesting to see whether that indicator remains as strong under this government.

The Labor government also inherited retail spending that was growing more strongly in Victoria than in other states. It inherited strong export growth and business, and investment at record levels. Unfortunately, given the early warning signs, I doubt whether business and investment growth will be maintained at record levels. The government also inherited employment growth in Melbourne and

regional Victoria, and consumer sentiment figures that were at a five-year high.

Most importantly, it inherited the AAA rating that the previous government restored and that was reaffirmed after the election of this government. Honourable members could be forgiven for thinking that the crowing of the Premier may have indicated he had some role in its reaffirmation — but he did not. One can see from the Standard and Poor's documentation that the primary reason for the restoration of the AAA rating was Victoria's debt reduction from \$33 billion to \$6 billion, achieved under the previous administration. The Premier's behaviour is a classic example of the ALP having its cake and eating it too.

What was the primary reason the state debt was reduced to that vast extent? It was privatisation. The ALP government on the one hand criticises the means by which the debt was reduced, but on the other hand is more than happy to seize on the AAA rating, the direct result of that policy, and claim it as its own.

The Victorian economy inherited by the ALP was very strong and, given the lag in the statistics, will continue to be strong for some time. Economic strength has flowed through to state revenues, particularly the 1998–99 surplus of \$1.7 billion and the 1999–2000 surplus of \$1.3 billion as estimated in the budget papers — \$1 billion of which has been put into the government's Growing Victoria slush fund to pay for a range of capital works that will, the government hopes, assure its re-election. If the government was honest about these things it would put on every project a badge that reads, 'Courtesy of Alan Stockdale and Jeff Kennett'. Economic growth has flowed through to payroll tax and stamp duties, and all that has ended up funding Labor's budget promises totalling an extra expenditure of \$2.5 billion over the next four years based on the flow-through of those economic figures to the state budget.

Notwithstanding the fact that the government has inherited a very buoyant economy, there are some worrying signs. Government members can crow about the budget and claim all the credit, but the worrying signs should be placed on the record too so people can monitor the economic performance more fully. First, Victorians have every reason to be worried about signs that the government is already kowtowing to the unions. Wage increases of 3.5 per cent have been put into the budget, and if the increases go beyond that they will have an impact on the budget economy. Everyone knows that.

The industrial relations changes announced by the government yesterday have prompted a very strong response from employers in the form of a Victorian Employers Chamber of Commerce and Industry (VECCI) press release dated 5 September, 2000 which includes the statement:

Adoption of many of the proposed recommendations in the IR task force report released today have the potential to cripple many small businesses in the state ... almost 70 per cent indicated that the reintroduction of a regulated system would have a significant, detrimental impact upon their business.

The second worrying sign is revealed in the Australian Bureau of Statistics projection of a net migration loss. From 1995 onwards Victoria has had net migration gains, but the ABS is now flagging a loss that will impact significantly and adversely on Victoria.

The third worrying feature, fast becoming an indicator of the style of the Labor government and the Premier, is the fact that no decisions are being made. Government inertia has the potential to have a severe impact on the Victorian economy.

Fourthly, the government is not being proactive in securing investments, and when investments go away it expresses the very ho-hum attitude of, 'This is the global economy; there is nothing we can do about it'. The government should become proactive in securing investments.

Fifthly, very few major projects are being announced; again, given lag time, it is fundamental that the government must announce a whole series of major projects.

The sixth point is that Workcover premium increases are having a negative impact on employers, and a flow-through effect on employment may well occur — particularly with small employers in country areas — as a direct consequence of ALP decisions.

The seventh point is that the state has had no tax cuts. There has been a lot of rhetoric but no affirmation that tax cuts will definitely happen.

Mr Lenders interjected.

Ms ASHER — I have read the budget papers and I can see the problem is lack of commitment to tax cuts. The budget papers contain only a possibility, still not confirmed. No wonder all the independent surveys are indicating that business confidence is declining.

The Premier came into the house some time ago crowing about an economic report called 'State of the

states — economic rankings June 2000' produced by the Colonial Bank. That report states:

However it must be noted that the growth momentum in Victoria is weakening.

That is the independent report the Premier himself chose to quote from. It clearly indicates that growth is weakening in Victoria.

VECCI has produced a whole range of surveys, each of which shows that confidence is lower in Victoria than elsewhere. According to the latest VECCI survey Victorian businesses are at the crossroads, and it further states:

Businesses have been recording a general slowing in economic activity over the past three months and this is expected to continue in the months ahead.

Mr Lenders interjected.

Ms ASHER — I refer the honourable member for Dandenong North to the response of small businesses to capital expenditure as expressed in the Yellow Pages *Small Businesses Index* survey of August 2000 in which we find that 34 per cent of small businesses were expected to decrease their capital expenditure in the future. That is not the opposition talking; it is every independent survey in town.

Mr Lenders interjected.

Ms ASHER — A recently produced Pitcher Partners survey shows that 73 per cent of family businesses in Victoria have a negative expectation of the Bracks government and its economic policy. The VACC report includes the expectation that the Victorian economy will go down. Indeed, I refer the honourable member for Dandenong North to the government's own budget papers. For the information of the honourable member, who may not have read the budget papers, I point out that at page 31 of *Budget Statement 2000–01* it is stated:

Forward indicators suggest that non-residential construction is likely to decline during the next few years, with the length of the construction pipeline falling with the completion of major projects ... and private non-residential building approvals declining.

I suggest that the Parliamentary Secretary for Treasury and Finance read Labor's budget papers. In particular I refer him to the growth statistics. If there is a single indicator of what makes an economy tick over, it is growth figures. I indicated that the government inherited an economy that was growing at 6.2 per cent. The government's own estimates at page 47 of budget paper no. 2 show that is declining to 4.25 per cent in

1999–2000, 3.5 per cent in 2000–01, and thereafter for the next three years to 3.25 per cent. The government's own figures give the lie to the matter of public importance before the house today.

I have identified a number of risks that are identified in the government's own budget papers. In particular, although growth projections in the budget papers are down the government has flagged a further sensitivity analysis, showing how sensitive the budget and the Victorian economy are to even the slightest downturn in growth. I urge honourable members to look at that sensitivity analysis.

The budget is also highly sensitive to share prices, wages and any decline in population. The government will not reach its unemployment target — and its own budget papers indicate that. This government should not crow too much. It has inherited one of the greatest legacies a government could ever inherit. Honourable members are accustomed to hearing governments constantly complaining about black holes left by a previous government. The previous government left this government an economy in a highly buoyant state, with a state budget that is now able to fund \$2.5 billion of additional expenditure over four years. The government could not have received a greater legacy. It has received the greatest inheritance it could ever receive.

The ACTING SPEAKER (Mr Plowman) — Order! I call the honourable member for Wimmera.

Mr Brumby — On a point of order, Mr Acting Speaker, with your indulgence, the government's understanding is that the order of speakers will be: government, non-government, government, non-government — in that order. That is how the government believed the debate would proceed.

The ACTING SPEAKER (Mr Plowman) — Order! The decision on the order of speakers in the circumstance is that both opposition parties speak. The government then has the opportunity to make a judgment on the position of both opposition parties on the matter of public importance.

For clarification, in this circumstance the opposition speaker has 15 minutes, the National Party speaker has 10 minutes, and from then on the time available to speakers reverts to 10 minutes.

Mr DELAHUNTY (Wimmera) — Thank you, Mr Acting Speaker, for your guidance. I am pleased on behalf of the National Party to debate the matter of public importance proposed by the honourable member for Dandenong North. It states that the government is

hosting a World Economic Forum in Melbourne and that it wants to highlight the strength of the Victorian economy, particularly in relation to new investment and employment growth. The honourable member for Brighton has already outlined that there is a lag in all that.

I first point out that the World Economic Forum was won by the previous government. Victorians are in a winning mood at the moment: Essendon has just won the Australian Football League premierships and we are showing that we can win things for Victoria.

The previous government also won many other cultural, sporting and business events, and investment and jobs, which are important for the whole of the Victorian community. Importantly for the areas National Party members represent the previous government was a winner of investment in the food industry, particularly in viticulture, vegetables, olives, dairying and grains. Many of those activities have improved right across rural and regional Victoria.

The government's role is to link production with the marketplace. That was done well by the previous government. I trust that the new Labor government can learn from and take heed of that and use it not only to its advantage but, more importantly, to Victoria's advantage. The previous government set up Food Victoria, which assisted in the process in which all government departments were involved. I am pleased to note that Food Victoria is continuing, but it needs a bit more petrol, fuel or whatever you like, to get it going. It needs to be driven. It is important to note that Victoria is in a competitive global environment and must ensure it keeps at the forefront of competition on all such matters.

As I said, the previous government assisted in the process of gaining investment by the private sector. It also showed leadership — something that is lacking in the government — in investment, so that not only the private sector but also the Victorian government invested in Victoria. The previous government invested in water and in waste water treatment. It also invested in rail infrastructure, including more than \$20 million in the Wimmera electorate on the standardisation of the rail lines.

I highlight some of the other investments made by the previous government in western Victorian, particularly in the Wimmera electorate. It invested \$27 million in health facilities, \$24 million to bring in natural gas and help business competition in the area, \$26 million in the upgrading of infrastructure for water and waste water, and \$5 million on roads around the electorate.

Education is important for the development and growth of industry in Victoria and the previous government spent \$8.4 million on higher education at Stawell and Horsham.

The previous government invested in Victoria. The current government is not doing so — there is a void in capital investment and major projects right across Victoria. As I said, government decisions have a major impact on perceptions in industry and Victoria is in a global economy. What government does can have a major impact on where investment is made. Investment is needed to create jobs, and we need government decisions that create confidence.

The previous government doubled food exports. In 1992 Victorian food exports totalled \$2 billion, and had been stagnant for many years. By a fantastic effort that amount was doubled in seven years — to \$4.3 billion. To complement that, more than \$2 billion was invested in country Victoria, mostly in the dairy industry. For example, \$50 million was invested in the dairy industry at Rochester near Echuca, in the electorate of Rodney. The private sector had confidence and there was enormous on-farm investment in rotary dairies.

In the grain industry, which is particularly relevant to my area, the Australian Wheat Board has invested millions of dollars in the new holding and transport facility at Dimboola. At Horsham, Dooen and Rupanyup industries will add value to the grain through containerisation for special shipments overseas. Over the past couple of years there has been enormous investment by the private sector in the manufacture and retail of agricultural machinery.

Mr Hamilton interjected.

Mr DELAHUNTY — It has all happened and now we are waiting to see what will happen under this government. During the World Economic Forum we want the Premier to take the opportunity of highlighting and showcasing what has happened in country Victoria. I am referring to everything that has happened and might happen down the line. In food processing, Luv-a-Duck at Nhill has had enormous growth over the past couple of years; Frewstal Pty Ltd has put a huge investment into its abattoirs at Stawell and is planning to double its production; and in Colac, in the electorate of Polwarth, a new abattoirs was constructed with the support of the previous government.

But there are worrying signs, including that the ‘closed’ sign is going up in a number of places. For example, in Warrnambool the woollen mills has closed, as has the

Nestlé plant, and Heinz is closing its plant in Dandenong North.

That sapping of confidence is starting to happen in Victoria. I have talked about all the positive things; now we are starting to see some of the negative things. Concerns are being raised about the higher costs of doing business in Victoria.

The previous government lowered or halved the cost of Workcover premiums, but that is rapidly turning around. In the past couple of months, the large number of people in my electorate who have contacted me either in person or by telephone, email or letter have been concerned about the high increase in Workcover costs. That is obviously sapping the confidence of industry and lowering its ability to employ people. That will result in lower employment levels.

The previous government reduced payroll tax from 7 per cent to 5.75 per cent — a reduction of about \$300 million estimated to have created 18 000 long-term jobs. The reality is that the introduction of its budget gave this government the opportunity to show it would support industry. Why did it not lower payroll tax, which is a tax on jobs?

Another worrying sign involves industrial relations. The impact of that on the power and building industries was seen at the start of the year, which resulted in increasing costs to industry.

It is important to realise that during the seven years of the Kennett government the culture in Victoria turned around and confidence improved. What is happening now is worrying.

The previous government invested in rural Victoria; it lowered costs for power, council rates, natural gas and rail freight.

As I said, competition is about choice and every one of us uses that choice when we buy clothes or whatever it may be. Competition has come into the transport and grain handling industries and that has achieved better service at lower cost.

This government inherited a 6.2 per cent growth rate, a low unemployment rate, high retail spending and high export growth. As the honourable member for Brighton said, it also inherited a AAA credit rating and a \$1.5 billion surplus. The honourable member for Brighton also referred to the major concerns of the Victorian Employers Chamber of Commerce and Industry, as well as net migration from Victoria. The government has made no decisions and has not created

any major projects for rural Victoria. Costs have increased, and I hope that does not continue.

The Yellow Pages *Small Business Index* highlights the lowering of confidence in all mainland states, particularly states governed by Labor. Profit growth is negative and expectations are very weak. I hope the Premier can highlight the good things that have happened in the state recently and show how he will ensure that good things will continue to happen for Victoria, particularly rural and regional Victoria.

Mr BRACKS (Premier) — I support the motion moved by the honourable member for Dandenong North, which, in effect, welcomes the World Economic Forum to Melbourne. The forum will be an outstanding and special event for Victoria and will provide a great opportunity to showcase the state's excellent economic performance not only in relation to Australia but also the Asia-Pacific region. It will showcase Victoria as a stable place in which to invest, as an important place as the hub of growth in the Asia-Pacific region and as a place for long-term, sustained growth. It is an enormous opportunity.

The World Economic Forum has the immediate benefit of bringing 300 international media and 600 business leaders from some of the more than 1 billion companies in the world to Australia, Victoria and Melbourne for the first time. The opportunity for one-to-one bilateral discussion will be extraordinary and enormous. The Treasurer and I are very much looking forward to having those discussions and talking about the great opportunities in Victoria.

Before the tour of overseas markets the Treasurer and I recently undertook, we announced two significant projects that will bring long-term economic benefit to Victoria.

The first of those is Partnerships Victoria. I congratulate the Treasurer and other people who instigated the policy. It is the leading policy of all Australian states in encouraging private sector investment into public projects. It is encouraging that when we went overseas and met with banks and institutional investors they said, 'Good on you, Victoria. You are leading the way. You have the prescription for growth and the plan that can provide the regime for investment in public projects in your state'.

The government expects that as infrastructure projects come up for tender in the first half of next year — there will be a lot of them — the major institutional investors will work with it to provide capital and support.

Yesterday the fast rail links from the provincial centres to Melbourne were announced. It is the first of the partnership projects in which the private sector has a keen interest. There are many opportunities for property development and car parks and the revenue from rail patronage will increase in the Ballarat, Bendigo, Traralgon and Geelong corridors. That will represent the biggest overhaul of the Victorian rail network in the past 100 years, and the private sector will gain significant benefits in partnership with the government's \$550 million contribution.

It is not just about transport but about a plan for Victoria. It is about job growth around the state and not just in Melbourne or its central business district. Victorians should be applauding the fact that at 6.2 per cent the state has its lowest employment for the past 10 years and that over the past two months in excess of 30 000 jobs have been created. That is fantastic news.

The big difference between this government and its predecessor is that this government does not just congratulate itself on its achievements; it moves on and asks, 'How can jobs and growth be spread around the state? How can the government ensure that the outer suburbs, including Dandenong, Ballarat, Bendigo and Geelong, get a share of the future job growth?'. The Labor government is about building the state. It does not support or subscribe to the trickle-down plan of the previous government. Do honourable members remember the former Premier's description that if the city centre were grown, job growth would automatically spread out like ripples to the outer suburbs and regions? He said, 'Don't worry about it; eventually the jobs will be created'.

Victorians waited year after year. By the seventh year their impatience had grown. The reality was that the former government's policy was always flawed; it did not work. The Labor government is taking deliberate action to ensure that the benefits of economic growth — 6 per cent growth this financial year and 4 per cent growth anticipated over and above future budget estimates — is spread around the state to create jobs. That is what the arterial rail links are all about — spreading jobs, population and income into the regional centres in the future.

The Partnerships Victoria project provides enormous potential for growing the state. That can be seen from the response to the government's announcement on regional rail links from the provincial papers, including the *Bendigo Advertiser*, the *Geelong Advertiser*, the *Ballarat Courier*, with six pages, and the enormous coverage in the Latrobe Valley. The front pages of all provincial newspapers have applauded the

government's moves. Provincial communities understand what will help their economies to grow. When in government the opposition did not understand that, and it still does not understand it.

Where was the National Party during the past seven years? Why was it not urging its coalition partner to invest in rail? Instead it simply and silently acceded to the closure of country rail lines around the state, the very rail lines that are taking wealth, products and people to regional centres. No wonder the former government was absolutely rejected by the Victorian public!

The second major project the government recently announced was the Bio 21 project. Victoria has Australia's major biomedical research institutions and the government is proud of the important leadership the state has shown in biomedical, animal and horticulture research. The Bio 21 project will give an enormous kick-start to that industry. The announcement the Treasurer, the Minister for Health and I made recently about a \$400-million new biotechnology investment at the Parkville precinct will consolidate that good research. More importantly, the research will be commercialised so that Melbourne and areas across the state can benefit from the jobs rather than exporting that research for the benefit of others.

The \$400-million investment will go an enormous way towards consolidating that strong Victorian industry, which over the next 10 years will realise the same potential that the information and communication technology has realised over the past 5 or 6 years.

Thirdly, I refer to the comments of the shadow Treasurer and other honourable members. All the objective, independent analysis of the Victorian economy reveals that the state is performing extremely well. That contrasts with the comments made last session when all that was heard from the opposition parties was how bad the economy was going and how the indicators were not going well. How do the opposition parties explain the 6.2 per cent unemployment rate, which is the lowest for the past 10 years? How do they explain that Victoria is ahead of its target of reaching 5 per cent unemployment by 2003–04? Access Economics believes employment growth is continuing.

How do they explain an independent study by the Colonial Bank that shows that on the majority of indicators around the state, Victoria is not no. 2 or no. 3, but no. 1 in Australia? How do they explain the fact that *Wired* magazine ranked Melbourne as the no. 1 location in Australia for information technology jobs?

When it suits the opposition it says, 'Stop blaming us for what the Kennett government did in the past. Please leave us alone. You are in government now, take responsibility'. But they change the argument when it concerns the economy going well and say, 'Oh no, that came under the Kennett government'. They completely reverse the argument when it suits them, but they cannot have it both ways. The economy is going well in Victoria, and there are drives of growth.

The difference between this government and the previous government is that this government wants to grow the whole state and not just part of it. We are not a city-centric government. We believe in the outer suburbs, we believe in the regions, we believe in spreading that growth across the state.

Dr NAPHTHINE (Leader of the Opposition) — It is with pleasure that I join the debate on this matter of public importance and welcome the hosting of the World Economic Forum in Melbourne, which is an important opportunity for Victoria. I welcome the hosting of this major event in Victoria.

I give credit where credit is due, and credit is due to the former Premier of Victoria, the Honourable Jeff Kennett, the Honourable Mark Birrell and the Honourable Alan Stockdale, because they are the individuals who brought the World Economic Forum to Melbourne and Victoria. They did the hard work — the hard yards — and convinced people around the world that the World Economic Forum should have its Asia-Pacific meeting in Melbourne and Victoria. I welcome the World Economic Forum to Melbourne, and I wish it every success. I am pleased to be a participant in the forum, and I give credit where credit is due; it is certainly due to former Premier Kennett and the previous government.

I urge the organisers of the World Economic Forum and the government to ensure that there is ample opportunity for the forum and its participants to be taken to the areas of regional and rural Victoria rather than restricting its activities to Melbourne and the central business district, because it will provide enormous opportunities for growth and development in Victoria's regional and rural areas.

I also urge the Premier and his leadership team to use their influence, their close connection with the union movement, to ensure that the union movement does not in conjunction with the S11 group disrupt that forum. As the motion states, we want the forum to be a showcase for Victoria rather than an embarrassment. It is important that Premier Bracks and the federal leader of the Labor Party, Mr Beazley, implore their members

of Parliament and their union mates to stay away from the World Economic Forum so they will not be an embarrassment to Victoria and Australia. I was disappointed to read that Mr Beazley has declined to use his influence with respect to the union leaders to dissuade them from disrupting that important forum and involving themselves in the disruptive protest planned by the S11 group. I am also disappointed that the government has not taken firmer and more decisive action to stop S11 from recruiting young children in our schools from participating in that potentially dangerous and violent protest.

The opposition wants the World Economic Forum to be an opportunity to showcase Victoria. We want the 800 visitors from around the world to see the strength of Victoria rather than the strength of the Victorian union movement. We want Victoria's strength to be demonstrated to those people. We do not want to see a demonstration of weakness by the Premier and the Labor Party with respect to dealing with the union movement and the protestors.

The motion goes to the issue of the Victorian economy. When one studies whether the economy is moving forwards or backwards or how it is moving, one must look at the important references. One of those references is the budget papers. That is not to say that we can always trust the papers referred to by honourable members opposite in Parliament. They often have difficulty in presenting accurate papers to this Parliament, but we should be able to rely on the budget papers. I ask government members to read their own budget papers when they talk about the strength of the Victorian economy.

I refer them to page 47 of budget paper no. 2, which shows the figures for gross state product. It measures the growth of the state and the strength of the economy and is the single best indicator of how the economy is performing. It shows that in 1998–99 gross state product was growing at 6.2 per cent per annum, which is well ahead of the Australian national average of 4.6 per cent per annum. Guess who was in government when it was growing at 6.2 per cent per annum? Was it the Labor Party or was it the previous coalition government? It was the previous coalition government. It also shows the prediction for 1999–2000, which includes both a period of budgetary management by the previous government and a period of management by the incoming government. The growth figure for that period is not more than 6 per cent, but only 4.25 per cent. What is predicted by the government's own budget papers for the years 2000–01, the years for which they are solely responsible? It is predicted that in that period there will be 3.5 per cent growth. It is

predicted that the figure for 2001–02 and future years is 3.25 per cent. So, they are predicting a significant slow down in the economy under their management. They are predicting an economic growth rate that is not ahead of the national average, but behind it. That is what the prediction is under this government!

A slowdown in the economy is the real concern facing Victorians under the Bracks government. Under the former government the economy was on the move, bubbling along with employment growing at a fast rate, yet now a slowdown is predicted. The statement of public importance refers to employment growth, and one need only examine the figures for employment growth in the Labor Party's budget papers — its first budget — to see the slowdown. In 1998–99 employment growth was 1.9 per cent per year and under the Labor Party's management it will be 1.5 per cent. Budget paper no. 2 states that employment and economic growth will slow down.

What do the budget papers say about the number of people residing in Victoria? People left the state in droves under the previous Labor government — the biggest growth industry was the removalist industry, with 20 000 to 30 000 people moving interstate every year. It is stated at page 36 of budget paper no. 2 that in the year to the end of September 1999 Victoria attracted 5099 people from other states — that is, there was net migration growth under the former government. What do the budget papers say about the situation under the Bracks government? They talk about a net loss of 7000 persons annually. That is a massive turnaround. People are again leaving Victoria in droves.

Page 31 of budget paper no. 2 states:

Forward indicators suggest that non-residential construction is likely to decline during the next few years ... and private non-residential building approvals declining.

The government's own budget papers say that the economy is going backwards. An article by Ed Shann from Access Economics in the *Herald Sun* of 22 July refers to surveys right across the board, and states:

The survey includes seven forecasters, plus the official forecasts.

The survey average has Victorian output slowing from 4.3 per cent in 1999–2000 to 2.9 per cent in 2000–01.

The article concludes:

The challenge for the Bracks government is to deliver something better.

Dark clouds are hanging over the future of Victoria's economy, which was bubbling along under the former

government. Employment growth, investment and confidence were all strong. A change of government has brought a decline in economic growth, a decline in employment growth, confidence has dropped, and Victorians are seeing a massive increase in Workcover, massive increases in industrial disputation and a lack of major projects. The significant influence of the government is having a negative effect on the economy.

I welcome the World Economic Forum. I hope its participants see a stronger Victoria.

Mr BRUMBY (Treasurer) — It is my pleasure to support the statement on a matter of public importance made by the honourable member for Dandenong North. On behalf of all members of the Parliament of Victoria the government welcomes the World Economic Forum, which commences in Melbourne next week. It will be conducted over three days from 11 to 13 September. The house agrees that the forum represents an important opportunity for Victoria to present itself as a great location to visit and in which to do business.

Delegates will begin arriving in Melbourne in the next few days, and many will attend functions over the weekend. The Prime Minister's Olympic dinner will be held on Saturday night and other welcoming functions will be held throughout Sunday. It is a great opportunity to showcase Melbourne and the state.

Some 800 business leaders and many political leaders from around the world will be in Melbourne, and there will be a particular focus on issues in the Asia-Pacific. A media contingent of more than 200 leading international journalists will spend a week in Melbourne with many continuing on to the Sydney Olympics. They will be filing stories, and their perceptions of Melbourne and Victoria as contained in the copy they will prepare and have transmitted around the world will be crucial.

The economic benefits of the forum to Australia are significant. On the most conservative analysis possible one is looking at a net economic impact for Victoria alone of some \$6 million. I stress that that is a conservative economic impact, because the multiplier effects will mean millions of dollars more, plus the spin-offs that will come from the promotion of the state and the contact with, activity of and networks built by overseas business leaders while they are in Victoria.

The Premier and I are delegates to the conference. The government has also arranged for the Leader of the Opposition to be a delegate, and I am pleased that he will be attending the conference.

The Premier and I will speak at a number of functions on biotechnology, information technology and communications. It is a very positive initiative for Victoria.

Earlier the Premier mentioned a couple of initiatives including Partnerships Victoria that will be of interest to all delegates. Not just in Melbourne boardrooms and companies but around Australia and the world there is huge positive interest in this initiative taken by the Bracks government.

The Premier referred to Bio 21. I am delighted to advise the house that it is a project in which the state has invested \$50 million. In total the project involves a \$400 million investment, the largest biotechnology investment in Australia. Bio 21 is doing the international reputation of Victoria and Melbourne proud. We are still getting a massive level of interest from overseas companies, investors, finance houses, pharmaceutical companies such as Eli Lilly, Glaxo Wellcome/Smith Kline Beecham and others, in Bio 21. Venture capital firms such as Brookside Capital Partners from Boston have also expressed great interest.

I am particularly pleased that the federal government is also marketing Bio 21 strongly overseas. Invest Australia, which is the investment attraction arm of the federal government, has headed the front page of the August edition of its American magazine 'Victoria takes biotech lead'. That is the federal government promoting Victoria's initiatives all around the world.

It is important in this debate to note and focus on the very robust and strong economic circumstances in Victoria. It does not matter what set of statistics you look at, whether they show growth, employment or investment figures, they show that the Victorian economy is in a sound position with excellent medium-term prospects. Victoria is leading the way across Australia.

The Colonial Bank report of June 2000 known as 'State of the states' ranked the Victorian economy as the best performing state economy in Australia. Jones Lang LaSalle's July 2000 survey of investor sentiment stated that Melbourne is expected to outperform the rest of the country over the next six months. The July 2000 edition of *Wired* magazine ranked Melbourne as the no. 1 information technology location in Australia.

The Premier also mentioned the labour force figures. When the June labour force figures showed job growth of almost 20 000 we thought the figures were sensational. A month later the July figures showed job growth of almost 30 000, pushing down our

unemployment rate to 6.2 per cent. At the same time there was an increase in the participation rate of 0.4 per cent. The Bracks government is proud of that. In trend terms we can say that 4 out of every 10 new Australian jobs between April and July were created in Victoria. Under the Bracks government Victoria is the powerhouse of economic growth, new investment and job generation.

There are more figures. Last week the Australian Bureau of Statistics released building data for July. Non-residential building approvals jumped sharply over recent months to give an annual growth rate of just over 25 per cent.

Today opposition members have been heard whingeing, whining, carping and moaning about the economy, which is what they are best at. Not a single new idea from a brain-dead opposition, talking down the Victorian economy, in spite of the strongest growth, investment and labour force figures. Not only has the government received endorsements from the Colonial Bank, Jones Lang LaSalle and *Wired* magazine, the budget forecast for growth of 4.25 per cent for 1999–2000 will be comfortably exceeded. Victorian growth for 1999–2000 will exceed 4.5 per cent and will possibly reach 5 per cent.

The latest Access Economics statistics show that new projects under construction or committed in Victoria for the quarter ended December 1999 totalled \$19 million; for the March quarter 2000 they were \$458 million; and for the June quarter 2000 they were \$914 million. The figures indicate that the longer the Bracks government has been in office the more the trend figures have increased, the bigger the investment numbers are and the greater the confidence in the economy. New projects under construction in Victoria: December 1999, \$430 million; March 2000, \$1.653 billion. They are not a bad set of numbers.

The last thing I want to say is that I do not think there is a lot we can do about the international protesters here. But if you have a look at the program for the World Economic Forum you see that it is a good one. It is about sharing opportunities, sharing growth and making globalisation work.

The one thing you can say about globalisation and trade is that it has brought immeasurable economic benefits to poorer countries throughout our region of the world. When people campaign against globalisation they are campaigning against countries such as Malaysia, Thailand, China and India and the other countries that have had to lift their living standards from a low base.

They are the countries that benefit from free trade and global interaction.

Our challenge at the World Economic Forum and elsewhere is to make globalisation — —

The ACTING SPEAKER (Mr Lupton) — Order! The honourable member's time has expired.

Mr WILSON (Bennettswood) — I am delighted to join this debate on a matter of public importance. I am quite staggered that the honourable member for Dandenong North should have had the temerity to in any way suggest that the World Economic Forum (WEF) coming to Melbourne is in any way linked with the Bracks government's performance. If one were to be honest about next week's forum one would say that the conference will go ahead in Melbourne despite the Bracks government.

As the Leader of the Opposition told the house, there are only three reasons why the World Economic Forum — in this case, the Ninth East Asia–Pacific Economic Summit — is being held in Melbourne. They are former Premier Jeff Kennett; former Treasurer Alan Stockdale; and former industry minister Mark Birrell. As Premier, Jeff Kennett went to Davos on a number of occasions and told the world about Victoria and his government's achievements.

Mr Leigh interjected.

Mr WILSON — And they attacked him for it. On the last occasion he went to Davos as Premier of Victoria he brought back the news that he had secured the event that is to take place next week. The decision of the World Economic Forum to come to Melbourne was an endorsement of the Kennett government. When the decision was made no-one in downtown Davos had ever heard of Steve Bracks. My fear is that the same world economic leaders will come to Melbourne next week and leave still not knowing who Steve Bracks is.

The honourable member for Dandenong North referred to the legacy of the Kennett government. That is indeed a legitimate matter to raise in the context of the debate. Therefore, in my contribution I will place on record a number of facts testifying to the successes of the Kennett government.

History will show that in 1999 the all-important area of employment reached its highest level in Victorian history, when there were almost 300 000 more jobs than there were when Labor left office in 1992. In 1999 unemployment fell to a record low of 6.8 per cent, well below the national average of 7.1 per cent. That reflects

a fall of more than 11 per cent since the disastrous days of the Labor government in 1992.

Mr Robinson — Give us the history lesson, come on!

Mr WILSON — It is an important history lesson. In the area of economic growth, in 1998–99 Victoria was Australia's fastest growing state in manufacturing and exports. When the Kennett government left office Victoria's manufacturing was at record levels and was outpacing New South Wales. In addition, the value of state exports doubled between 1992 and 1999.

In the area of building and construction the value of new building approvals in Victoria in 1999 was double the 1992 level. In the same period private new capital expenditure also doubled. Finally, in the area of consumer confidence, when the Kennett government left office retail turnover was at a record level and motor vehicle registrations had almost doubled, from 110 000 in 1992 to 205 000 in 1999. That is a clear reflection of the go-ahead environment created by the Kennett government.

It is an impressive legacy, and I suspect the honourable member for Dandenong North shares my belief.

An article in the *Australian* of 3 December 1999 reflected on the successes of the Kennett government:

The fastest growing state in 1998–99 ... was Victoria.

Its expansion encompassed bread and circuses: retailing, construction, finance and business services, culture and recreation.

... statistics now confirm Victoria easily outstripped all others when it came to the key measure of living standards during Kennett's reign.

On average, that state's citizens are now 26 per cent better off than they were in 1991–92 — the fastest per capita income growth rate in the nation.

An article in the *Age* of 9 December quotes amazing figures, to which the Leader of the Opposition also alluded:

The net flood of Victorians emigrating to Queensland has almost stopped ... The net shift of Victorians to the sunshine state has shrunk to just 1134 in the year to June, a negligible tally compared to 18 000 five years earlier.

In new evidence of Victoria's increasing strength in the national economy, the Bureau of Statistics reported yesterday that Victoria ended the 1998–99 financial year with a net inflow of 3975 migrants from other states. A year earlier it had a net inflow of 1206, and in the 30 previous years it recorded net outflows every year.

In the context of those figures the decision was made that the World Economic Forum would come to Melbourne in September 2000. When they come to Melbourne next week the world economic leaders will find that we now have to concentrate on reviewing our economic performance and attitudes to growth.

In her contribution the Deputy Leader of the Opposition outlined some of the concerns that exist about the economic performance and policies of the Bracks government, including the concerns expressed by peak business bodies.

Mr Langdon — Although I hate to interrupt, Mr Acting Speaker, I raise a point of order on the reading of speeches. I do not mind the honourable member quoting from documents, but he seems to be reading entirely from notes.

Ms Asher — On the point of order, Mr Acting Speaker, I have been observing the honourable member for Bennettswood. He certainly has been referring to notes, but he has been quoting a range of statistics, which it would be unreasonable for anyone in this chamber to be expected to completely retain. Apart from that, as I said he is from time to time referring briefly to notes, which he is allowed to do according to the longstanding traditions of this house.

The ACTING SPEAKER (Mr Lupton) — Order! The honourable member for Bennettswood will be aware that he may not read his speeches. I will keep an eye on him.

Mr WILSON — I am prepared to table any of the documents from which I have been reading. Obviously they upset the government. Government members opposite do not like the fact that the facts I have been revealing show this government for what it really is.

In conclusion, I refer to the Yellow Pages *Small Business Index*, a survey document that reveals that peak bodies in Victoria have a great deal of concern about the Bracks government's performance. The *Age* reported on 4 September that:

... just over half the state's small businesses felt confident about their prospects for the next year. This was an improvement on the 49 per cent that were confident in May this year, but compares poorly with the national level of more than 60 per cent.

The Yellow Pages survey is another blow for the Bracks government, arriving hot on the heels of surveys by Pitcher Partners and the Victorian Employers Chamber of Commerce and Industry, both of which found that Victorian businesses had doubts about the state government's performance ...

The article quotes the remarks of Andrew Day of Pacific Access:

'However, these figures are still significantly lower than those recorded a year ago. Almost 70 per cent of small businesses in Victoria were confident about the following 12 months when surveyed at the same time last year'.

Confidence in the Bracks government's policies was also low.

Just 12 per cent of Victoria's small businesses thought that government policies were supportive — —

The ACTING SPEAKER (Mr Lupton) — Order! The honourable member's time has expired.

Ms KOSKY (Minister for Post Compulsory Education, Training and Employment) — I join with other members of this house in supporting the motion moved by the honourable member for Dandenong North. From the speeches heard to date it is clear there is agreement that Victoria is a fantastic place in which to live and that the World Economic Forum will be a chance to showcase not only Melbourne but also Victoria and to outline the benefits of the growing Victorian economy to all those who visit Melbourne and Victoria over the coming days. The forum will provide an opportunity to showcase Victoria. Both the Premier and the Treasurer have outlined extremely well the economic benefits for the continuing growing economy of the World Economic Forum being held in Victoria.

Today I will focus my comments on employment growth in Victoria and on the Bracks government's commitment to ensuring that the government grows the whole state and not only Melbourne. From listening to the chief executive officer of the World Economic Forum speak several months ago it was clear that his view is that the forum is an opportunity to not only talk about the growing global economy but also to remind large companies of the need to ensure that the economic benefits that flow from globalisation are shared across communities and not by only a few. One of the commitments the Bracks Labor Party took to the election was to grow the entire Victorian community so that the benefits that arise from globalisation are shared across communities that have missed out on such benefits in recent times. I am pleased that the government is not only continuing to be committed to that commitment but is also putting it into place.

There is terrific news on employment growth in Victoria. The Treasurer has mentioned some of this, but I will also run through it. Now more Victorians than ever before in the state's history are taking home pay packets. Furthermore, since the Bracks government

came to office 75 000 jobs have been created — in a period of less than 12 months. At the last election the opposition promised a growth of 150 000 jobs over a four-year period; in less than 12 months the Bracks government has delivered almost half of what the opposition said it would deliver over a four-year period. That is not a bad record.

Victoria also has unemployment at 6.2 per cent, which is the lowest level in the past decade. It is terrific that the unemployment level is 6.2 per cent, because it indicates that many more Victorians are in employment. However, the federal government really sets the general climate for employment growth across the country, and any changes it makes will have an impact throughout Australia. The GST, interest rates, and other policy decisions of the federal government will have an impact on some of the figures, including those for employment growth within Victoria. But this government is not prepared to just sit back, wait and respond to federal government policy changes. It will ensure that it grows the entire state and that those areas of Victoria and groups of people who have been missing out gain the benefits of economic growth. The government is committed to growing the whole state. It is clear that one of the prominent items on the agenda of the World Economic Forum will be how to ensure that economic benefits are shared by all within the community and not by a few.

Together with yesterday's announcement of an \$800 million investment in the high-speed rail service was an indication that the project would result in the growth of 4000 jobs across Victoria's regional communities. The government is clear that it needs to drive some of that investment to make sure that all of Victoria grows, as relying only on the private sector will not necessarily ensure there is growth right across Victorian communities. The government has put a number of policy and election commitments into place which will ensure that it grows the whole state in terms of employment opportunities. It knows that Victoria needs a skilled work force to be at the cutting edge and ahead of its competition and to help drive economic growth. To that end it has invested an additional \$177 million over the next four years in a training system across Victoria, acknowledging that it needed to put additional moneys into regional Victoria to ensure that regional Victoria and the entire state moves with Melbourne in its growth.

The government has also invested an additional \$158 million in targeted employment programs across Victoria. While employment has grown incredibly in Victoria, unemployment is coming down. Although teenage and youth unemployment is coming down,

youth unemployment is still sitting at 16 per cent. The government says that that is too high. If one looks at different regions around Victoria one sees that the unemployment level is well above average. That is despite the fact that for the second month in a row every region across Victoria has an unemployment figure of less than 10 per cent. Those benefits are beginning to be shared across Victoria, but the government needs to target those groups that have been missing out. To that end its targeted employment strategy has a public sector, a private sector and a community sector component because it believes the public, private and community sectors need to work together to ensure the benefits are shared. With the private sector initiatives the government is paying additional moneys as incentive payments to the private sector to focus particularly on those areas where there are skills shortages — where the jobs are but where the skills are not and where people are missing out on opportunities.

The government has made a major investment of \$35 million over the next four years to target skills and training in the skills shortage areas. I am pleased to say that 1500 of the 6000 places are targeted to regional Victoria — an acknowledgment that the government needs to be proactive in ensuring that opportunities flow through to regional Victoria. It is also putting an additional 2500 young people into training positions within the public sector, because it acknowledges that it needs to keep up its commitment to training young people in the public sector.

With the privatisation put into place under the previous government the opportunities for those training places dried up. Under the previous government very few young people were directly employed in traineeships and apprenticeships. From memory there were around 40 positions. The Bracks government is increasing that by 2500 positions over the next four years.

Part of the targeted employment strategy is a community component which brings together local government, communities, people who are seeking work, and people who have ideas and initiatives to create ongoing employment opportunities. An amount of \$55 million will be aimed at 6000 job seekers, and the projects put in place will pick up on some very exciting initiatives around all Victoria in areas such as viticulture, information technology for farmers, agriculture, and a whole range of areas, which will create ongoing employment opportunities and link them with training.

This government is putting its money where its mouth is. It does not just want to rely on growth in the private

sector to flow through to regional Victoria, as the previous government did — to the toenails, as I think the Premier referred to. It wants to ensure that regional Victoria is very much part of the growth that takes place in Victoria. I know that issue will be on the agenda at the World Economic Forum. The government is putting it on its agenda for Victoria so that regional Victoria will teach Melbourne a few lessons on how to grow the state.

Mr CLARK (Box Hill) — As I contemplated this matter of public importance I thought it might be a welcome sign that the Victorian ALP was taking a step in the right direction. I thought we would be welcoming the fact the honourable member for Dandenong North had submitted a matter of public importance for debate that referred to the hosting of the World Economic Forum. I also thought we would be hearing honourable members opposite indicating that they would be walking away from groups such as S11, not only condemning the violence they propose to use but also saying they believe the arguments against international trade and exchange put by groups such as S11 are just plain wrong.

I expected to hear government members taking a stand against the anger, ignorance and superstition of extremist groups of both the left and the right who show hatred of transnational corporations or who rave on about international banking conspiracies. I hoped to hear them supporting the liberalisation of international trade, recognising its great benefits for a small country like Australia, and acknowledging that a fortress mentality would be detrimental to all.

I thought they would also welcome the enormous benefits that the liberalisation of international trade and exchange can bring to the most impoverished developing countries. I expected to hear them talking about all those matters, recognising that, while paying proper regard to the burdens of adjustment, there were enormous gains to be made from international trade, communication and exchange.

I thought government members would recognise that greater international contact did not detract from local identity and that an international approach was not just a matter of economics but a matter of human interchange — a recognition, to use an old-fashioned phrase, of the brotherhood of man. One of the few things the Trotskyists got right was recognising that many policy issues run beyond national boundaries.

I wondered whether the matter of public importance reflected a change on the part of the members of the socialist left, whether the discussion of a matter such as

this meant they had been rolled in the caucus, or whether they had been attending study groups on Lindsay Tanner's book, *Open Australia*.

I wondered whether, for all those reasons, the MPI reflected the fact that the Victorian ALP had seen the light. However, when the debate began it was clear that the reference to the WEF was little more than a peg on which honourable members could hang a lot of arguments that they could not have otherwise put before the house because they would not have satisfied the criteria for having matters of public importance debated in this place. Not much has been said about the World Economic Forum. Instead, we have heard the usual rhetoric about the wonderful things the government is doing for the country and the state — but the rhetoric does not match the reality.

The reality is that since the change of government the foot has come off the accelerator. The state that was on the move is slowly losing pace because the government is not sustaining its forward momentum. The state has not yet come to a complete halt — just as when you take the foot off the accelerator a car's speed drops off gradually. The previous government built up the momentum not only in the financial and economic sectors of the state but also in the public service. That is why the public sector is continuing to function quite well even under the present government, why from time to time there are announcements of successful investments attracted by the Department of Regional and State Development, and why the economic indicators continue to bear up — that is, because of the momentum the state established under the former government.

However, my fear is that, the government having taken the foot off the accelerator, the state is slowing down. Previous speakers from this side of the house have elaborated on a number of instances in which that has happened, and I will speak on matters that relate to my shadow portfolio responsibilities.

The government is a feel-good, do-nothing government. When it tries to act it does not know how to, and as a result it inflicts damage on the state. The classic example is the government's handling of the Workcover premium increases. It does not seem to have contemplated the fact that if a 39 per cent-plus increase in premium rates is imposed on employers it impacts on their capacity to survive. The government's attitude simply is that it sets the rates and issues the bills and the employers pay up — end of story!

It is ironic that the wrongness of that attitude has not been recognised given that a matter of public

importance that refers to the WEF is being discussed. The MPI, and the remarks of the Premier, acknowledges the fact that Victoria exists in an international context. Far more of our productive sectors are exposed to international competition than ever before. A 39 per cent increase in Workcover premiums cannot simply be passed on to consumers, and it can be the difference between survival and going out of business. If an elaborate manufacturing business in the export market, for example, is not price competitive, it does not win international orders. It is as simple as that.

You cannot simply pile Workcover increases, restrictive industrial relations practices and union militancy onto businesses and expect them to survive. The references to the World Economic Forum and to international competitiveness are little more than lip-service.

The Minister for Major Projects and Tourism has still not committed the state to a single major project; he is the minister for completing Kennett government projects. Even the Malthouse project, for which he claims credit, was initiated as far back as 1996. When he does try to do something in the area of major projects the outcome is something like the Federation Square shard issue.

The government claims credit for the *Partnerships Victoria* booklet, but that publication is clearly a vaguer and less well written version of its predecessor, the booklet on infrastructure investment planning targets which was produced by the Kennett government.

The Minister for Planning has inflicted on the state a half-baked, ill-considered model for a new residential code. While it attempts to address some concerns it threatens to bring the housing construction industry to its knees through costs imposed on new residential development, red tape and paperwork, increased council workloads, delays, lack of appeal rights, uncertainty about when applications will be processed, travelling time for council officers in country areas, and so on. It is a model dreamt up without sufficient attention to detail and without heeding expert advice available within the department. The code will now need a major reconstruction job if a reasonable working document is to be produced. The planning area is another example of the fact that the government can come up with rhetoric but cannot deliver on reality.

Mr HULLS (Minister for Manufacturing Industry) — I think there is a problem with the loudspeaker in my office. I think I heard the honourable member for Bennettswood say that in downtown Davos

no-one knows the Premier of Victoria. I do not recall him saying, however, that in downtown Victoria no-one knows the Leader of the Opposition. What a joke for the honourable member for Bennettswood to say that no-one in Davos knows the Premier of Victoria when the Leader of the Opposition has a popularity rating of 8 per cent!

Members on the other side of the house continually tell government members how great things were under the Kennett regime and that anything good that happens in Victoria results from what was done under the Kennett regime. I say to honourable members opposite, let it go! They still have the view that the Kennett government is in office.

If things were so great under the Kennett government, why did it lose the election? It lost because things were not so great. Victoria was going backwards. It was not doing well. I urge opposition members to take the advice of senior Liberals to get out and doorknock. They will find that Kennett was not liked. Victorians did not like what he was doing, but they like what Steve Bracks and the Labor Party are doing. They like the way the economy is humming along.

The honourable member for Bennettswood was a senior adviser in the former government. He needs to understand that he is part of the problem and must let go of the Kennett aura. Let them get rid of their little Liberal Party gold badges that signify 'I am a Kennett sycophant'. It is time opposition members woke up to themselves. They lost the last election because democracy was destroyed in the state and the economy was not going as well as they would have us believe. People wanted a change.

Our Premier, Steve Bracks, is doing exactly what Victorians want. He has got the economy humming. That is why we have the World Economic Forum —

Mr Wilson interjected.

Mr HULLS — What audacity from the honourable member for Bennettswood! He says there are three reasons the World Economic Forum is coming to Victoria: Kennett, Stockdale and — wait for it — Birrell! The World Economic Forum is, in reality, coming here because delegates understand what is happening in Victoria. They can see the renewed vigour in the state and a new emphasis on manufacturing industry.

I, as the Minister for Manufacturing Industry, know how important it is that all honourable members understand what is happening with manufacturing in this state. Manufacturing is the backbone of the

Victorian economy. The sector was ignored by the former government, which was of the view that manufacturing was a dirty old smokestack industry with no future. The future, they believed, was in the dot com sector and the services sector. As important as those sectors are, honourable members must understand that, in the main, the dot com businesses are selling manufactured products. Also, a strong services sector is not possible without a strong base in manufacturing.

That is why the Bracks government has put added emphasis on manufacturing. It has opened a new Office of Manufacturing and its officers sit on the board of the Department of State and Regional Development where major decisions are made.

The government is also conducting an industry audit. Before a strategic plan is prepared government must understand where manufacturing is. The former government did not do that. When the audit is completed the government will embark on strategic plans for manufacturing sectors. There will be an automotive plan, and consideration is being given to strategic plans for the textile, clothing, footwear and leather sectors. There will be a whole range of strategic plans across industry.

The government has also set up a manufacturing industry consultative council (MICC) headed by Peter Thomas from General Motors-Holden in Victoria. That organisation will be a peak policy-making body and will advise the Minister for Manufacturing Industry. This is the first time such a body has been established, and the first time any manufacturing organisation will have so much clout. The government is getting out there listening to people involved in manufacturing.

The government is doing a whole range of other things in manufacturing. For instance, recently the government launched a Victorian rail manufacturing strategy. It had to do that because when the former government flogged off Victoria's rail stock and trams to overseas companies it did not have a local product clause in any of the contractual arrangements. In other words, all the product — that is, all the production of the state's trams and trains — was to be done overseas. Not only would that result in jobs being exported overseas, but the critical mass in Victoria would also be lost.

I am pleased to say that the government, through the hard work of the Minister for Transport in conjunction with local members in the Dandenong area and the Office of Manufacturing, has been able to claw back a substantial amount — about 42 per cent — of the production and services. The government is doing

more. It launched a Victorian rail manufacturing strategy with a whole range of initiatives, including sponsoring a recent trade mission to Europe involving representatives of some 14 Victorian companies. That resulted in an immediate contract for \$10 million and potential orders for an additional \$40 million.

The government has also established an industry agreement to market test Victorian and Australian companies against current overseas suppliers to manufacturers to increase the level of local content and enhance access to global markets. As I said, the previous government did not ensure the relevant contracts contained local content arrangements.

The government has also addressed the policy issue behind the circumstances it inherited with the rail contracts by instigating a review of local content policy, which is now nearing completion.

When in government the opposition did not understand the importance of manufacturing. In the past three quarters manufacturing sector employment has increased and is estimated to be 7 per cent higher than it was 12 months ago. Victorian manufacturing exports grew by \$1.3 billion to a record high of \$7.3 billion for 1999–2000, when Victorian exports grew by 22 per cent — that is, almost double national export growth. There is really good news in manufacturing.

Since October 1999 the Bracks government has facilitated 56 projects — about \$555 million of investment — in manufacturing in this state, and that means 3240 new jobs.

Mr Lenders — How many?

Mr HULLS — Since the Bracks government has been in office 3240 new jobs in manufacturing have been facilitated by the state government. So there is good news in manufacturing. It is no good for the opposition to be running around and talking down manufacturing and the general economy of the state. The reality is that the economy is humming along as a result of the Bracks government's policies. It is grossly hypocritical for honourable members to be saying in this place that all that occurred under the Kennett government was good and that it was the Kennett government that got the place hopping. The fact is that at the last election people made it clear at the ballot box they wanted a change — they wanted more emphasis on manufacturing and democracy to be restored — and as a result they got rid of the Kennett government.

In the last minutes available to me I have the following advice for the opposition: if opposition members ever want to recapture the government benches — my guess

is it will not be in the lifetimes of many people sitting on the other side of the house — they really need to get out there, knock on doors, ascertain what is happening in the hearts and minds of ordinary Victorians, and listen to what Victorians want. They had seven years to do something in manufacturing and they did nothing. It is grossly hypocritical for the honourable member for Bennettswood and others to talk about whether the Premier of Victoria is known in downtown Davos. At the moment the Leader of the Opposition is considered to be a joke!

The ACTING SPEAKER (Mr Lupton) — Order! The honourable member's time has expired.

Mrs FYFFE (Evelyn) — I am pleased to speak on the matter of public importance proposed by the honourable member for Dandenong North.

I am proud that the World Economic Forum will be held in Melbourne. Such events involve long-term planning and take a long time to organise. For the government to claim credit for the forum being held in Melbourne is absolutely amazing. I have listened to the Minister for Manufacturing Industry, who in his usual huffing, puffing, blustering and intimidating style has been telling honourable members how wonderful things are and how much he has increased manufacturing. On 13 June he told the Public Accounts and Estimates Committee that he predicted there would be a 20 per cent drop in investment in Victoria. That is a clear example of Victoria's going Brackwards.

The Minister for Manufacturing Industry has also quoted many statistics about people he claims are saying how wonderful it is in Victoria. I refer him to a Yellow Pages survey of 4 September that indicates that just over half of the businesses surveyed did not feel confident about their prospects for business growth and improvement. They said that when national business confidence was averaging 60 per cent. A similar survey carried out at the same time last year found that 70 per cent of businesses were confident their businesses were going to grow and said they planned to invest in the Victorian economy. Surveys conducted by Pitcher Partners and the Victorian Employers Chamber of Commerce and Industry found that Victorian businesses have doubts about any improvement in business under the government.

I listened with interest to the Premier's report to Parliament on his attendance at the forum at Davos. I remarked to my colleagues how open mouthed in awe he seemed to be at the knowledge he had gained that computer power is doubling every 18 months. The rest of the world knew that long before he went to Davos.

People in industry and business knew how computer knowledge was growing and how vital it is for this state. But do we have a minister in charge of information technology, or IT? No.

This morning many interesting things have been said by government members about the increase in investment in Victoria. I remember another member of the Labor Party who was a minister and became Premier. When this state was in dire straits, and in a black hole, and people were leaving the state in their thousands, that Premier's solution to the industrial problems was to have a gambling-led recovery. Legislation was introduced to allow for 40 000 poker machines, and the casino permits were granted under that government. That was going to provide the economic recovery for this state. I well remember those days.

The honourable member Dandenong North referred to industrial matters. His understanding of small business is absolutely enormous! There has been a debate on the matter previously and I will not bore honourable members by going over it again.

I return to the gambling-led recovery. Now we have a footy tipping competition. For goodness sake! That is not financial recovery or business, that is a smokescreen or a smoke-and-mirrors trick. The government is going back to what happened in the past because it has not learnt from what went wrong in those days. I assure honourable members that running a business under the former Labor government in the early 1990s was not fun.

The Kennett government made a tremendous investment in roads. The former South Eastern Freeway, now the Monash Freeway, was a traffic-light freeway on which cars travelled for 2 minutes and then stopped for half an hour. The Kennett government had the courage to put investment into improving the road system. It is true it had not got to the Scoresby freeway, but the money is in the kitty now to undertake those investments without Victoria having to go into debt.

This government is not making any firm promises. I thought yesterday's announcement about the express railways was going to be fantastic. I thought, 'Terrific, we are going to have fast trains to provincial cities. It will be great'. However, they are just words; there is no substance. The tenders and expressions of interest will not be let until the middle of next year. The government says it has committed \$500 000 to express railways, but what is happening? It will not go out to tender until next year. There is no bottom line; no contracts are signed. It is all words, and there is no substance to that.

If members of the government come into this house and tell us the contracts are signed and the promises will be delivered, I will stand here and applaud them. However, that will not be achieved because those promises are being made without commitment and without proper research into passenger numbers. Members of the government are just looking at votes and not being realistic about the rest of Victoria.

Food Victoria — another Kennett government initiative — has increased investment by both large and small companies in Victoria over the past few years. Victoria can be the food bowl of Asia; almost anything can be grown here. With encouragement, research and proper facilitation by the government, those things will happen. It has grown from virtually nothing to a fantastic industry that is the envy of other states.

But what is happening now? The government has kept Food Victoria, but what is it doing about getting companies to invest in it? It is doing nothing.

What is happening with tourism, which is vital for rural Victoria? The government is concentrating on the Internet and the IT part, but where is the active promotion? Visitor numbers to Victoria are dropping. Where is the proactive lobbying for small industry to come here, which is vital to our survival? If a large industry that can be controlled by the unions is not involved the government does not seem to be interested. All the government wants to do is control or to be like a nanny.

I have spoken to a number of industry people because I come from the real world where people actually mortgage their houses and lock up everything they have in order to start businesses.

Shitake mushroom are in short supply, and the demand for them in Asia is huge. They are grown in America and they are growing here, but there is a seven-year lead time to set up a factory, grow the mushrooms and have enough product to continue meeting the supply. A company that has been investigating setting up in Victoria is now hesitating because of the lack of leadership on the water issue. It needs to be confident that if it sets up this factory it will have guaranteed water supply for more than 15 years.

I am proud to have been part of the viticulture expansion in Victoria, and investors looking to come here are again questioning the water issue. The same applies to agroforestry, but it is even worse for that industry. Investors are wondering whether the government will let them harvest trees if they plant blue gum forests or any other kind of forest. They are

concerned the government will listen to small lobby groups, and that uncertainty will hold up investment.

The government predicts that 7000 people will be lost from Victoria. I remember the jokes one used to hear when travelling to Queensland: 'You're from Victoria. Did you turn out the lights?'

I remember the problems in the hospitality industry when no-one would go to restaurants because of the doom and the gloom. I can see the situation slipping back. One must be realistic; every dollar spent on business complying with change is a dollar off the bottom line.

I could talk about changes to Workcover for hours, but I will run out of time. A pharmacist in my electorate with a staff of two and a history of no claims has had a 61 per cent increase in Workcover premiums. Regardless of whether it is \$2000 or \$30 000, it comes off the bottom line. A restaurant has had an increase of 40 per cent, which is equivalent to \$5000. Do members of the government know how many meals one has to sell to make a net profit of \$5000; do they know how many nights one must open and work hard, long hours to do it? Workcover premiums cannot be claimed back; they come off the bottom line, and will lead to a cut back in employment.

Two manufacturing businesses in Evelyn have closed in the past few weeks and gone offshore, but not one word has been heard about that from the government. Both are IT businesses which are the sorts of businesses the state cannot afford to lose. I wish I heard some sincerity and seriousness from the government when talking about encouraging industry.

Mr CARLI (Coburg) — After listening to the honourable members for Evelyn, Box Hill and Bennettswood it is clear that they do not understand why the Kennett government lost the election. The previous government believed it had its foot on the accelerator and everything was going well. It now has no idea why Victorians voted against it. It governed during a period of economic growth, but it allowed only certain parts of the state to benefit and only certain people to prosper. It failed to invest in social or physical infrastructure for the longer term.

The Bracks government is governing in a period of economic growth, but it is making long-term investments, allowing all the state to develop and catering for long-term prosperity. That is the difference between the Bracks government and the previous government. It is evident in yesterday's announcement of a \$550 million investment in fast rail infrastructure

for the long-term benefit of the state. It can also be seen in the \$177 million to be invested in training over the next four years on top of what is already in place. These are investments in the long-term prosperity of the state. The government recognises that until it builds up the state's economic, social and physical infrastructure it will not be possible to maximise prosperity in this period of globalisation, when the state's economy is being increasingly integrated into the world economy.

During the previous government's period in office we saw what could best be described as uneven development in its heartland and the heartland of the National Party in particular. The Nationals actively worked and voted against the previous government because their constituents were missing out. The former government made no attempt to give them any sense that they had either a short or long-term future. That is why Victorian communities responded to Labor's promises and why the Bracks government was elected.

The promises were built on four pillars: responsible financial management, the restoration of democracy, governing for all the state and delivering improved services. Labor was successful because it gave a promise of economic growth and of returning a sense of hope to the state, ensuring that the benefits of growth were not left in the hands of a few.

In that context I welcome the World Economic Forum (WEF) to Melbourne, when the strength of the Victorian economy will be showcased to 800 world leaders. The Minister for Manufacturing Industry spoke eloquently about the strength of the manufacturing sector and its increasing integration into the world economy. Our biggest manufactured export is car engines, many of which go into Korean cars that are imported because the chain of production is global and integrated. It is important to realise that Victoria will continue to have a manufacturing sector that is increasingly integrated into the world economy.

The Treasurer talked about the future of agriculture. It is a sector in which the government sees enormous potential for growth and in which it is important to have the necessary infrastructure, particularly rail, roads and ports, to enable the delivery of agricultural goods to markets.

Victoria's service, communications and information technology sectors, which depend on a well-educated and well-trained work force, are all sectors in which the government is providing leadership. The government's message to the 800 world leaders is that Victoria's is a strong and vibrant economy. The government believes

in the state's future and is prepared to invest in its people.

The government is giving the world leaders the clear message that it believes that economic growth is a product of globalisation and that the benefits of that growth need to be shared. The state needs to prepare itself for the future. I have great confidence in the Bracks government, because it is looking to the future with its investment in railways and its partnership with private investors.

In the current year it is projected that there will be a 21 per cent increase in private investment and a 27 per cent increase in manufacturing investment, at a time of a decline in investment in the rest of the country. The government is looking to public and private sector investment to reap the benefits of globalisation. But most importantly, it is committed to distributing the wealth that is generated to all Victorians, ensuring they have decent infrastructure, decent services and a democratic state. It is not simply about the imposition of decisions made by its leader, as occurred under the Kennett government.

The Bracks government has demonstrated that Victoria is a competitive state not only for the moment but for the longer term. It is concerned about investment in people and in infrastructure, but it is also concerned about fairness of outcomes and the distribution of wealth. That sentiment is increasingly shared by the members of the WEF, who are aware of and concerned about a possible backlash against globalisation.

Previous speakers have questioned the government's attitude to the possibility of protests at the forum about issues that arise as a result of globalisation. There is deep concern in the trade union and environment movements, which the WEF is seeking to address.

I am heartened by the efforts of Klaus Schwab and Claude Smadja, the organisers of the Davos symposium, who put at the forefront the importance of ensuring that as we become more globalised international companies, transnationals, governments and non-government organisations share the opportunities that will result so that the benefits do not simply fall to the few but are widespread.

They are also equally aware of the possible backlash. Klaus Schwab states:

Economic globalisation has entered a critical phase. A mounting backlash against its effects, especially in the industrial democracies, is threatening a disruptive impact on economic activity and social stability in many countries. The mood in these democracies is one of helplessness and anxiety ...

As a result of that anxiety we have seen populist politicians emerge, such as Pauline Hanson, a whole raft of right-wing politicians in Europe and Pat Buchanan, who is a member of the reform party in the United States. They are all trying to use that anxiety about globalisation in the community. Realistically, the only way we can tackle that anxiety is by demonstrating the benefits of globalisation and ensuring that they are widespread. That is something the government is committed to and something that is certainly on the agenda for the World Economic Forum. The process is not simply about promoting globalisation; rather it is about ensuring that we have good outcomes, outcomes that we can sell as our prospects to the community and the labour movement, because for all the prosperity gained there is also a level of job destruction and rapid social and economic change. We know those things have the potential to create a backlash, particularly among the Pauline Hansons of the world. We must ensure that people feel satisfied with the outcomes of globalisation.

I have been doing some studies of the port of Melbourne. Currently, for every 1 per cent increase in economic growth in Victoria we are seeing around a 2 per cent increase in container movements both in and out of the port, which seems to indicate not only that we have an enormous appetite for imports but also that our exports are becoming increasingly dependent on foreign markets — —

The ACTING SPEAKER (Ms Barker) — Order! The honourable member's time has expired.

Mr SMITH (Glen Waverley) — It is a great pleasure to speak on this matter of public importance, because it is an opportunity to highlight the inadequacies of the government.

When one reads the wording of the matter of public importance the main word that jumps out is 'showcase'. Showcase is all the government is about; it is a government of showcasing. It is not a government of substance, but a government that is pushing itself forward all the time. As honourable members alluded to earlier, we had a government that was on the move; we had a state that was on the move. What do we have now? We have a complacent government that says Victoria is the place to be. Is the place to be in the doldrums? Is the place to be where things are slowing down?

If there is one example that should be used to get the message across to the government it is the issue of Workcover. The Workcover issue has put the brakes on the economy like nothing else. It has put the brakes on,

because the government did not understand what it was about to begin with. The Workcover figures are enormously fascinating to read. Premium rates are up by more than 39 per cent! Government members hate hearing that, which is why they are making so much noise now. They do not want to hear about it. The government is making itself out to be a showcase government, but it is really a show-off government with no substance.

By how much did the government claim Workcover premiums would increase? It said they would increase by only 17 per cent. The message we are hearing from the business community is that scores of businesses are going out of business. The government will not accept that; it claims to be a showcase government to try to put the gloss over that fact.

I have a friend who has a successful glass and joinery business in Springvale. The business employs more than 50 people in the electorate of Springvale, so the honourable member for Springvale should listen to this. I have no qualms about saying the owner, Anton Vucic, is one of my Liberal branch presidents and that he has an enormously successful business, but — —

Government members interjecting.

Mr SMITH — Government members do not care less. This man's Workcover costs have doubled, and the business is finding it difficult to keep its staff. That is the tragedy — the government does not understand business and thinks that is funny. People are being laid off work, because businesses do not have the necessary volume of work and cannot afford to keep them. More than 50 per cent — —

Government members interjecting.

Mr SMITH — The government is talking about GST. It is trying to use any excuse to take the responsibility away from itself. The government cannot face up to reality. The reality is that the impost the government has put on business is now forcing people like my friend Anton to start looking at laying off people. Government members laugh when one talks about laying off people. The honourable members for Dandenong North and Springvale are laughing. To me that is the greatest tragedy in our society. Unemployment is increasing in our society, because the government does not understand; it does not give a hoot about what business is about. The sad part is that government members sit over there and laugh while unemployment is increasing in their own electorates. To me that is the saddest thing about a government that does not understand business.

The Premier said that the bill would present Melbourne as a showcase, which gives a false sense of security. The reality is that unless the government is careful — —

Honourable members interjecting.

The ACTING SPEAKER (Ms Barker) — Order! The house should allow the honourable member for Glen Waverley to continue the debate without interjections.

Mr SMITH — The reality is that the showcase will be a flop unless the real issue of the S11 movement is looked at. The Construction, Forestry, Mining and Energy Union (CFMEU), led by Martin Kingham, is on a web site as supporting the S11 movement. Honourable members should not forget that Martin Kingham led the walkout that caused John Brumby to lose his job. The government will have to cuddle up to him somehow because the movement will not make Melbourne a showcase but an absolute disgrace. Unless the movement is looked at seriously and sensibly Melbourne will be the laughing stock of the world in the same way as Seattle was — when you switched on the television news the first item you saw was the riots happening in Seattle.

Mr Leigh — Water cannons.

Mr SMITH — Yes, water cannons. Everything that makes a place look bad will happen to Melbourne.

Mr Perton — And Mary Delahunty is supporting it!

Mr SMITH — That is another point I will come to soon.

Government members interjecting.

Mr SMITH — Members on the other side may laugh, but the government is responsible and is doing nothing about it. I am aware of the conference called this morning by the police and the responsible union movement. However, parts of the union movement are not responsible and are supporting S11. Melbourne will be the laughing stock of the world. It could have a conference as originally thought up and organised by the Kennett government, with the Bracks government — rightly, being the successor — taking the credit. However, unless the government ensures that the movement's actions are called off Melbourne will be embarrassed in the eyes of the world. Nobody wants a repeat of what happened during the visit of former President Bush, when police were beaten up in Melbourne. The police are concerned that injuries will

be suffered by personnel, and that police horses and police facilities will be hurt and damaged.

Do government members worry? Not at all. They are probably giggling about it and wanting it to happen. Who knows? They should be taking the matter as seriously as do honourable members on this side. The government needs to ensure that the forum is a showcase of which Victorians will be proud. They will not be proud to see Melbourne being denigrated on their television screens and inappropriate pictures being beamed to New York and other places because of a lack of responsibility on the part of the government.

Mr Perton interjected.

Mr SMITH — As the honourable member for Doncaster reminds me, what has the Minister for Education done about the situation? She has not successfully answered what action she has taken to stop the recruitment by Steve Jolly. The opposition is aware of 30 schools that have recruited students to take part in an event which will denigrate Melbourne. Victorians will be disappointed and ashamed. The opposition wants the government to get the message across.

As I said, the word that jumps out of the motion is ‘showcase’, but unless the government is careful the words Victorians will end up with are ‘embarrassment’ and ‘denigration’ of the city of Melbourne. The government must take the threat of the S11 movement seriously or the city will be the laughing stock of the world, not a showcase.

Mr STENSHOLT (Burwood) — The World Economic Forum will be a showcase for Victoria, not a laughing stock. Victoria will show a progressive response — —

The ACTING SPEAKER (Ms Barker) — Order! The honourable member’s time has expired.

ELECTRICITY INDUSTRY BILL

Introduction and first reading

Mr BRUMBY (Treasurer) introduced a bill to regulate the electricity supply industry and for other purposes.

Read first time.

ELECTRICITY INDUSTRY LEGISLATION (MISCELLANEOUS AMENDMENTS) BILL

Introduction and first reading

Mr BRUMBY (Treasurer) introduced a bill to amend the Electricity Industry Act 1993 as a consequence of the Electricity Industry Act 2000, to amend the Electricity Safety Act 1998, the Gas Industry Act 1994, the Office of the Regulator-General Act 1994 and the State Electricity Commission Act 1958 and other acts and for other purposes.

Read first time.

TATTERSALL CONSULTATIONS (AMENDMENT) BILL

Introduction and first reading

Mr BRUMBY (Treasurer) introduced a bill to amend the Tattersall Consultations Act 1958 to adjust taxation rates and for other purposes.

Read first time.

TRAINING AND FURTHER EDUCATION ACTS (AMENDMENT) BILL

Introduction and first reading

Ms KOSKY (Minister for Post Compulsory Education, Training and Employment) introduced a bill to amend the Adult, Community and Further Education Act 1991 to provide for the establishment of adult education institutions and their governing boards, to transfer the staff employed in the Department of Education, Employment and Training in the administration or provision of adult multicultural education services to an adult education institution to be known as Adult Multicultural Education Services and to make other amendments, to repeal the Council of Adult Education Act 1981 and to transfer the staff, property, rights and liabilities of the council to an adult education institution to be called the Centre for Adult Education, to repeal the Employment Agents Act 1983 and for other purposes.

Read first time.

PUBLIC LOTTERIES BILL

Introduction and first reading

Mr PANDAZOPOULOS (Minister for Gaming) introduced a bill to provide for the lawful conduct of public lotteries, including football pools and competitions, to repeal the Tattersall Consultations Act 1958, to entitle the promoter under that act to a public lottery licence for

consultations and soccer football pools, to make consequential amendments to other acts and for other purposes.

Read first time.

WATER INDUSTRY (AMENDMENT) BILL

Introduction and first reading

Ms GARBUTT (Minister for Environment and Conservation) introduced a bill to provide for the power for Melbourne Parks and Waterways to surrender all its land to the state, to provide for functions, powers, rights and liabilities of Melbourne Parks and Waterways to be transferred to the state, to repeal provisions of the Water Industry Act 1994 establishing Melbourne Parks and Waterways, to make further amendments to other acts, to repeal the Wattle Park Land Act 1991 and for other purposes.

Read first time.

CONSTITUTION (PROPORTIONAL REPRESENTATION) BILL

Second reading

Debate resumed from 5 September; motion of Mr BRACKS (Premier).

The ACTING SPEAKER (Ms Barker) — Order! I am of the opinion that the second reading of this bill requires to be passed by an absolute majority.

Mr LENDERS (Dandenong North) — In the limited time available to me to contribute to the debate on the Constitution (Proportional Representation) Bill I wish to refute some of the erroneous statements made by opposition members and to put the bill into historical context.

Firstly, proportional representation is the new norm of bicameral parliaments in Australia. Victoria is the only bicameral Parliament that does not have proportional representation in at least one chamber. It is an emerging trend that has been adopted without exception by both sides of politics outside this jurisdiction. There is not a single Liberal government in this country that has tried to roll back proportional representation.

Proportional representation is happening and it is the future. It is what the Liberal Party uses for its own internal rules. I rest my case by reminding the opposition, particularly the honourable member for Brighton, that in 1980 the Honourable Mark Birrell, on behalf of the Young Liberals, called for proportional

representation as a worthwhile reform of the Victorian Parliament. The opposition should now listen to the Honourable Mark Birrell, and he should be a man of his convictions and cross the floor.

I note the earlier comments made by the honourable member for Glen Waverley, who said that proportional representation somehow leads to instability. While opposition members chant the mantra that proportional representation is unstable I urge them to reflect on the following. Firstly, it has been proposed for an upper house. Secondly, this chamber is elected by single-member constituencies that are meant to stop minor parties having the balance of power, yet in this house the Independents sit on the cross benches and control the chamber.

The same thing happened at the last election of the South Australian House of Assembly and likewise with the last two elections of the Queensland Legislative Assembly. It has also happened in parliaments in New South Wales and Western Australia. It has even happened in the mother of parliaments, the House of Commons. Single-member constituencies do not guarantee majority government. Let us kill the furphy that somehow proportional representation is bad for government. On the contrary, it is good for government, and it provides scrutiny and review.

The last item I address relates to the furphy that proportional representation cuts country representation. That is the argument of cowards who have no other argument against the proposed system. The bill does not reduce country representation. The status quo remains: per head of population there will be equal representation. In fact, the proposed system will enhance country representation because country voters will get a bit of variety. Rather than feeling the stifling effects of being represented by only Liberal and National Party members, they will have the option of voting in Labor, Independents or other members — and they might even have a wider geographic spread.

I refer to Western Province to illustrate what can occur under the present system. Both upper house members live in the town of Hamilton, so to see their representatives people from Colac and elsewhere face exactly the same travelling times over the same distances that the house is being told will result from the introduction of the proposed system!

Proportional representation is good because it gives everyone a choice of representatives. It will result in balanced representation; ensure the proper scrutiny of government; and bring Victoria into line with every

other Australian jurisdiction that has a bicameral Parliament. I commend the bill to the house.

Mr SPRY (Bellarine) — In response to the remarks of the honourable member for Dandenong North about proportional representation, I point out that its adoption by other states does not mean it is necessarily right.

Firstly, I express my outrage, frustration and anger at the fact that although 25 members on the opposition side of the house wish to have a say on the bill, the government has seen fit to guillotine the debate at 4.00 p.m. tomorrow. That is an absolute disgrace given that the house is debating a bill that proposes to change the state constitution. The silence from the other side of the house confirms that even honourable members opposite are embarrassed about the situation.

In concluding my remarks in last week's debate on the other half of the upper house reform legislation, the Constitution (Amendment) Bill, I foreshadowed my desire to contribute to the debate on the bill now before the house. I do so in defence of the democratic representation of country Victorians in Parliament, which the bill directly attacks. If the bill is passed, it will have enormous import for the way we conduct democratic government in the future.

Like the Constitution (Amendment) Bill, the bill ignores the wisdom of the architects of democracy in this state. The Premier and the Attorney-General and their fledgling Labor government assume their collective wisdom outshines the wisdom of our founding fathers. Anyone reading the report of this debate would be outraged at that assumption.

However, I am not suggesting that amendments to the constitution are always inappropriate, because that is obviously not so. To the contrary, our constitution must continue to reflect contemporary social values, so it is appropriate to make adjustments to it from time to time when and if that is considered necessary. But I make the point that any change to Victoria's constitution must be demonstrably beneficial to the people of Victoria and must not — I repeat, 'must not' — be merely opportunistic and simply represent a government's grab for power — in this case, the Labor government.

The bill will have a profound effect on the structure of government and on democratic representation, especially in country Victoria. I repeat what I said in my opening remarks: it is a disgrace that debate on the bill will be guillotined tomorrow at 4 o'clock. The Labor Party will stand condemned if it does not allow the 25 or so members on the opposition side of the house to have their say.

As previous speakers have pointed out, the proposed legislation has three major thrusts — and it does not hurt to repeat them. Firstly, it seeks to reduce the number of members in the upper house from 44 to 40; secondly, it seeks to introduce a system of proportional representation to elect those members; and finally, and most importantly so far as I am concerned in prosecuting the case for country Victoria, it seeks to divide the state into eight provinces, each of which will have five members — making up the 40 members I mentioned earlier. It proposes to have five provinces in the metropolitan area and only three in country Victoria, whereas now there are eight in country Victoria.

Currently the upper house has 22 provinces with two members each, and as honourable members know their terms expire alternately at every second election. In debating the merits of proportional representation and the current preferential voting system, let us consider what would happen if the bill is passed and the members of the Legislative Council are elected by proportional representation.

The provinces proposed for country Victoria could well encompass 50 000 square kilometres, and each of them could have a constituency of 350 000 voters. According to proposed section 208I, the quota required to win a seat will be about 16.67 per cent, or not more than 17 per cent, of the total constituency. In my view that is not democracy as we know it.

As honourable members know, the proportional representation system that is used to elect the Senate often ensures that the federal government of the day cannot pass its legislation unless a minority group allows it to do so. Members of this house will be familiar with the frustrations that system causes in Canberra. It means the government of the day is often obliged to pander to minority groups. It introduces other dangerous scenarios, such as One Nation or single-issue senators having the capacity to unduly influence the legislation that passed through federal Parliament.

The history of governments elected by proportional representation is not a happy one. It leads to factionalism, changing alliances, compromises and the impotence of leaders. In my view — and I believe this is borne out by the performance of parliaments that have proportional representation — it inhibits the capacity of governments to drive the economy and their social agendas forward. The current system of electing members to the Victorian upper house is based on one vote, one value. By comparison with what is proposed, I believe it is hard to criticise.

The boundary redistributions will mean that there will be five provinces in the metropolitan area and three outside the metropolitan area. In effect, 25 members will represent the metropolitan area, compared with 15 from regional and country Victoria. Again I make the point that the proposed legislation is an attack on country Victoria because it has the potential to reduce the representation of country Victorians. It is essentially city-centric, and as a member representing a provincial area it is something to which I strongly object.

It is proposed that the provinces will cover 11 Assembly districts rather than the current 4. As an aside I point out that in the past I have had great collaboration with the Honourable Ian Cover, a Liberal upper house member whose province covers my district. Together we have been able to work effectively, as was the case with a previous upper house member, the Honourable Bill Hartigan, who sadly was not returned to power at the last election. The amount of work we did on prosecuting the case for our electors, particularly those in the Bellarine electorate, was significant, and some of our achievements will stand on the record forever.

The so-called rural and regional provinces will each include outer metropolitan areas. I reiterate that that could mean the regional provinces, which in some cases would cover over 50 000 square kilometres, would be dominated by the inner segments of the cake at the expense of the outer areas. Earlier the honourable member for Dandenong North said the two upper house members for Western Province both come from Hamilton. With the bill that will be a thing of the past, because it will be more likely that representatives of the 350 000 electors will come from areas far closer to the metropolitan area — for example, the regional province which may include Melton and Sunbury as well as Mildura and Bendigo is likely to draw its representation from the outer metropolitan areas of Melton and Sunbury rather than from the outer country areas.

I will briefly refer to the history of the Victorian system. Self-government in this state first occurred in 1851, a right granted by the Imperial Parliament in Britain. It is a system which has provided both England and Australia with stable government. I will quote from the information sheet entitled 'Democracy in Victoria', in the 1996 edition of the Parliament of Victoria's information kit:

Political stability is now the defining characteristic of the Parliament of Victoria. The adoption and then the imposition of party discipline on Victoria's parliamentarians, liberalisation of the Legislative Council, electoral reform, and stable social and economic conditions have all contributed to this development.

The significant difference is that since 1856, in accordance with the new Victorian constitution, the Legislative Council has been fully elected, as compared to being appointed in the first place, and is not fully nominated — as is, for example, the House of Lords.

It is notable that John Cain introduced the current upper house electoral model in 1987 with all-party support. The Liberals have worked with an ALP government in the past when reform has been desirable, but significantly only when Victoria's best interests were at stake. The reforms being proposed by the Bracks Labor government are not workable, nor are they — as far as I am concerned, and I speak for the majority of the people in my electorate — in the interests of the Victorian people.

Currently the Victorian upper house has a two-member system. The benefits of that are that it ensures that the Parliament of Victoria never formally dissolves and it enables Victorians to be represented by members of different parties if one party is not believed to be serving their interests. It is interesting to reflect on comments made by the honourable member for Melton when he was a member of the upper house. As I mentioned in my recent speech on the first piece of legislation to reform the upper house, the Honourable Robert Lawson, a member of the South Australian Legislative Council who is a recognised authority on the structure of government and who is generally in support of a bicameral system of government, spoke at the conference on delegated legislation and the scrutiny of bills. The Honourable Don Nardella, as he was at the time — —

An honourable member interjected.

Mr SPRY — I will go on to mention another contribution that he made in a minute, but the honourable member was recorded as saying at the conference that he found Mr Lawson's paper very good. Mr Lawson was generally in support of the bicameral system of government. The honourable member for Melton — as he is now — states:

... within Victoria the ALP got 46 per cent of the vote, but managed to get only 22 per cent of the seats —

in the upper house. That situation has been dealt with more than once in this debate. That demonstrates the good sense of the people of Victoria in ensuring that the upper house is not controlled by members of the Labor Party. It also indicates the appreciation of Victorians that the Labor Party has demonstrated its incapacity, when in control of the Treasury benches, to effectively look after the coffers of this state. If the Victorian electorate wants to confine Labor members of the upper

house to a minority for all time, that would probably be the reason why it would want to do it.

I also make the point that the honourable member for Melton actually spoke twice on the earlier part of this debate. I commend him on finding something different to say the second time from what he said the first time. His speaking twice on the one bill perhaps demonstrates his confusion about what the upper house reform is all about. Perhaps it also demonstrates his despair about the quality of Labor Party representation in the upper house. Earlier I made the comment that perhaps he and others regard the upper house, as far as the Labor Party is concerned, as simply a repository for worn-out party hacks.

It is interesting to look at the composition of upper house members and reflect on the fact that about half of the current 14 Labor Party upper house representatives were involved in the union movement as either union officials or electorate officers before being elected. By contrast, if one looks at the previous occupations of Liberal Party representatives in the upper house one will see that they are wide ranging. They include: a police officer, a teacher, journalists, a chiropractor, farmers, a local government chief executive, a real estate agent, an aircraft refueller, a plumber, a nurse educator, a business consultant, a managing director, a health department inspector, a grazier, and I could go on. But it is — —

Mr Leigh interjected.

Mr SPRY — The honourable member for Mordialloc makes the comment that there is even greater depth in the Legislative Assembly. The upper house has a very wide representation indeed.

I could go on ad infinitum, but I do not want to prolong the debate unnecessarily. I reiterate what I said earlier that about 25 speakers on this side are strongly opposed to the philosophy of the Labor government of trying to reform the upper house. It is my belief — as was expressed by the honourable member for Melton when he was a member of the other house — that reform is a euphemism for the Labor Party's ambition to completely abolish the upper house.

I simply repeat what was said earlier — at least 25 members on this side of the house want to contribute to the debate. They express their outrage at the attack on the system of representation in the important upper house of review. They are disgusted that debate on the bill will be guillotined tomorrow at 4.00 p.m.

Debate interrupted pursuant to sessional orders.

Sitting suspended 1.01 p.m. until 2.04 p.m.

DISTINGUISHED VISITOR

The SPEAKER — Order! I welcome to our gallery Annette Hurley, MP, who is the Deputy Leader of the Opposition in the South Australian Parliament. I hope she finds our question time informative.

QUESTIONS WITHOUT NOTICE

Business: government incentives

Dr NAPHTHINE (Leader of the Opposition) — I ask the Premier what incentives the government offered to secure for Victoria the \$10-million, 150-job Oracle Corporation Asia-Pacific Business Centre, which was subsequently lost to Sydney.

Mr BRACKS (Premier) — The government is continually making requests and offers for business activity in Victoria. The Treasurer and I are continually in discussion and dialogue about that. Generally, the funds utilised are those already available in the budget — for training, research and development and industry assistance. In the past 11 months, the Treasurer and Minister for State and Regional Development has been successful in bidding for projects.

Only this morning we heard about the strong performance of the Victorian economy, including the improving employment and investment outcomes.

The government bids for a large number of projects in this state — —

Honourable members interjecting.

Dr Naphthine — On a point of order, Mr Speaker, it is clear that the Premier does not realise Victoria has lost the \$10-million, 150-job Oracle Corporation Asia-Pacific Business Centre. The question was what did he offer and why did he lose it to Sydney!

The SPEAKER — Order! I will not allow the Leader of the Opposition to repeat his question. If he is raising a question of relevance I am prepared to rule. There is no point of order: the Premier was being relevant.

Mr BRACKS — There is one clear figure that is important. Since the government came to office it has created 75 000 jobs — —

Honourable members interjecting.

The SPEAKER — Order! The level of interjection is unacceptable.

Mr BRACKS — The key figures are that since the government came to office we have had record low unemployment and 75 000 new jobs have been created. What was the Kennett government's clear objective for job growth? Over a four-year period it was aiming to create 150 000 jobs. That's all!

The government has created 75 000 jobs in the last ten months alone. That is the aggregate figure — the figure that is really important to job growth in the economy.

Electricity: supply

Mr LANGUILLER (Sunshine) — I refer the Premier to the government's review of the security of supply of electricity for Victoria and ask what action the government is taking to give Victorians greater certainty and reliability of electricity supply.

Mr BRACKS (Premier) — The Minister for Energy and Resources in another place, the Honourable Candy Broad, today launched a task force report on security of the electricity supply in Victoria. The report shows several things that are important in ensuring that the state has a reduced likelihood of electricity outages in the future.

The first thing to be noted is that the task force discovered what many honourable members are already aware of — namely, that Victoria is very unusual and special in Australia and among other world economies in that over one year it has surges in demand for only 1 per cent of the time. That is very unusual, especially given the changes and fluctuations in our weather.

The situation is exacerbated during work hours. People come home from work and turn on their airconditioners, creating a surge effect that no new generation capacity could handle.

The report shows that the privatised system developed by the previous government provided no commercial incentive to create a buffer against surges in electricity demand. This government will therefore take up the recommendations in the report and accept that a new large-scale power station in Victoria to deal with situations that occur only 1 per cent of the time is not required and is not economic — and the private sector will not invest in it.

The report recommends some very sensible solutions on the demand side, however, that the government will adopt. First of all, it recommends voluntary reductions in energy use by both industry and the Victorian public.

The Minister for Energy and Resources and I today launched advertisements encouraging wise use of electrical energy that will go to air this Friday.

It is interesting to note that the last time we saw a full-scale campaign to reduce energy use in the state was the last time power generation was in public hands. It was a Labor government's whole-of-government effort to reduce energy demand. The privatised system does not encourage reduced use — in fact, it encourages the very opposite.

The campaign will have two effects: it will give more certainty over the summer period; and it will reduce greenhouse gas emissions, giving us enormous benefits in the future.

The government will encourage co-generation — which is already occurring in the state but should occur in a bigger way — and investment in facilities to manage peak demand periods. The government will also further develop the national electricity grid and ensure that the interconnect between New South Wales and Victoria is expanded in the future.

We have some solutions that the former government did not plan for or develop, and they are sensible. The Kennett government built a system that did not make buffer arrangements economic and did not account for peak energy use in Victoria.

I believe a public education campaign will generate a positive response. In addition, with better building codes and design for better energy use, co-generation and better investment by industry in generation of power to go back into the grid, Victorians can be more assured under this government of a continuation of supply than they could be under the former government which did not take account —

Honourable members interjecting.

Mr BRACKS — The last government built a system that made a buffer uneconomic. The government is taking action to redress that situation.

Snowy River

Mr RYAN (Leader of the National Party) — I ask the Premier to explain how he will keep his promise to increase flows down the Snowy River to 28 per cent given the published intention of the government of New South Wales to conduct a further study into flows for the Snowy River after corporatisation of the Snowy River hydro-electric scheme.

Mr BRACKS (Premier) — I welcome the question from the Leader of the National Party. I can inform him that the New South Wales position is now in accord with Victoria's position. Victoria is negotiating not only with New South Wales but also with the commonwealth.

Recently the Victorian Minister for Energy and Resources met with the responsible federal minister and the New South Wales Special Minister of State, Mr Della Bosca. The commonwealth is actively considering some proposals at the moment and Victoria supports that activity. It is appropriate that those matters are kept confidential until there is time to — —

Opposition members interjecting.

Mr BRACKS — It is not us! It is the federal Liberal-National government. Victoria is determined to obtain a long-term sustainable environmental flow in the Snowy River.

Our policy is to have a 28 per cent flow in the Snowy River. The government is negotiating with the New South Wales and federal governments to achieve that. It is close to achieving the exact objective it wants and will be in a position soon to make some public announcements on that.

National Gallery: Potter foundation grant

Mrs MADDIGAN (Essendon) — I refer the Premier to the importance of the new National Gallery of Victoria to the cultural future of Australia. Will the Premier inform the house of details of the unprecedented act of generosity by the Ian Potter Foundation that will provide a major boost to that important development?

Mr BRACKS (Premier) — I thank the honourable member for Essendon for her question and her long-sustained interest in arts generally and in the National Gallery of Victoria in particular.

The development of the National Gallery of Victoria is of enormous significance to the cultural life of the state and Australia. For all such developments a contribution by non-government organisations that are committed to investing in the state's cultural institutions is extremely important for the long-term viability of those institutions and for acquisitions, in respect of which the non-government sector has been enormously generous.

Today, together with the Chairman of the Trustees of the National Gallery of Victoria, Mr Steve Vizard, I was pleased to announce that the Ian Potter Foundation has made to the National Gallery of Victoria the largest

private grant ever made to a visual arts institution in Australia. I congratulate and very much welcome its contribution.

Honourable Members — Hear, hear!

Mr BRACKS — On behalf of the government of Victoria and the Trustees of the National Gallery of Victoria, I was delighted to announce that important grant from the Potter foundation and thank the foundation for its generosity over four decades, not only with this particular contribution. For over 40 years, from the origination of the gallery right through, the Potter foundation has been extremely generous and has given enormously. I note that members of the foundation are in the house. Again I thank them personally for their contribution to the state and to a viable, world-class gallery in Victoria.

The grant of \$15 million from the Potter foundation will provide outstanding support for the gallery and will be a major turning point in its history and expansion. The grant will be used to support the gallery's overall development program to ensure it can take its place as a world-leading arts institution. Funds will be directed to supporting projects such as multimedia development, new gallery spaces, acquisition programs and training and development of staff. All honourable members will agree that this magnificent support for the gallery will benefit all Australians and all future visitors to the gallery.

On behalf of the government and the people of Victoria, I thank Mr Charles Goode and the Ian Potter Foundation for the outstanding grant to the National Gallery of Victoria. I recognise and acknowledge that Lady Potter was also present today at the announcement. I thank her also for her generosity to the state.

I was also pleased to announce today that, in recognition of the Potter foundation's long association with the gallery, the government and the gallery have jointly decided to name the new gallery of Australian art at Federation Square the Ian Potter Centre. It is a fitting name, recognising the philanthropic work of the foundation and the great contribution it has made to ensuring that the gallery is the success it is today and will be in the future.

The redeveloped National Gallery of Victoria building on St Kilda Road will house the state's superb international collection and the Ian Potter Centre at Federation Square will showcase the country's finest collection of Australian art. It is an exciting development. The people of Victoria and the gallery

and its trustees are grateful to the Potter foundation for its contribution. Its philanthropic gesture is welcome.

The government encourages and urges other benefactors to note the great contribution that has been made, because soon the gallery will be seeking other public subscriptions to supplement what will be a great second gallery in Victoria.

**Education, Employment and Training:
consultancies**

Mr HONEYWOOD (Warrandyte) — My question is to the Minister for Truth in Education.

Honourable members interjecting.

The SPEAKER — Order! The honourable member will address other members by their correct titles.

Honourable members interjecting.

Mr HONEYWOOD — I note that Mr Mark Civitella ran the teachers union component of Labor's state election campaign last year, and ask: did the minister pay Mr Civitella \$20 000 for only five weeks work to develop a communications strategy for a non-existent education institution, and is that not just a crook payment to another Labor mate?

Ms DELAHUNTY (Minister for Education) — The list of consultancies that has been released to the opposition contains departmental advice on an appointment that was entered into by the department with Essential Media Communications. I am advised by the department that Essential Media Communications was employed to provide market research around the development of the leading Victorian Institute of Teaching.

An honourable member interjected.

Ms DELAHUNTY — That's right. There was nothing like that under your government — absolutely!

Honourable members interjecting.

Ms DELAHUNTY — Nothing for teachers!

Honourable members interjecting.

The SPEAKER — Order! The honourable member for Mordialloc!

Ms DELAHUNTY — When the honourable member for Warrandyte was a minister for education he described teachers as coming from the reject pool.

Honourable members interjecting.

The SPEAKER — Order! The Leader of the Opposition!

Ms DELAHUNTY — The department entered into a relationship with Essential Media Communications to provide advice as the government developed the institute of teaching in Victoria.

National Gallery: redevelopment

Mr VINEY (Frankston East) — My question is to the Minister for Major Projects and Tourism and relates for a change to some of the positive things that are happening in Victoria. Will the minister inform the house of action the government has taken to maximise local content in the building of the National Gallery of Victoria?

Mr PANDAZOPOULOS (Minister for Major Projects and Tourism) — I thank the honourable member for his question, because he knows that local content policy is about ensuring that all Victorians benefit from major government and major projects contracts. Whether it is the outer suburbs of Melbourne such as Frankston and the industrial and services area on the Frankston–Dandenong Road, or manufacturers in the services sector in country and regional Victoria, people in those areas want to make sure they get some of the action with major projects, and that those projects are for all Victorians and not just for central Melbourne.

I can inform the house that on 23 August the tender specifications closed for the complete redevelopment of the National Gallery of Victoria and that the government has committed and approved some \$121 million for that project. In respect of that call for expressions of interest, for the first time there will be a requirement in the tender specifications for a major project for a local content participation plan.

Over the next few weeks the government will determine who will win that large contract, and it is entirely appropriate that it should maximise the sourcing of Victorian and Australian content. If given the opportunity, Australian and Victorian suppliers can match imports on price and quality. The local content participation plan is designed to ensure that at the tender stage companies think about how they can maximise local content and therefore minimise imports.

A local content participation plan will maximise the opportunities for local jobs, technology transfer, skills development and regional developments. It is a way to ensure that major projects benefit all Victorians.

If we were to doorknock a hundred homes we might find that maybe only eight out of a hundred people — that is, 8 per cent — would be opposed to such a plan. However, it is very likely that 100 out of 100 people in all the homes we doorknocked would welcome this plan.

Building contractors will be required to prepare an industry participation plan that includes identifying local products and capabilities that meet contract requirements, assessing and comparing local products and capabilities with imported equivalents, selecting local products and services that meet contract requirements on an equivalent value-for-money basis and monitoring and reporting on the outcomes for local industry involvement.

One would think opposition members would have learned; maybe they do have to doorknock out there to learn to listen — —

Opposition members interjecting.

Mr PANDAZOPOULOS — They are embarrassed because not one major project the government inherited — Federation Square, the museum or the exhibition centre — had to have a local participation plan.

Mr Perton — On a point of order, Mr Speaker, I ask you to sit the minister down on the basis of the 5-minute rule or on the basis that he is debating the question or on the further basis that it is tedious repetition.

The SPEAKER — Order! I do not uphold the point of order. The Minister for Major Projects and Tourism has been speaking for 4 minutes. However, I am of the opinion that he was beginning to debate the question. He shall desist and should answer the question.

Mr PANDAZOPOULOS — Thank you, Mr Speaker; I was about to finish. As to local content, it is estimated that for every \$1 million spent on manufacturing 22 local jobs are created. The \$121 million project has the potential to create 2600 jobs.

Opposition members interjecting.

Mr PANDAZOPOULOS — I know members of the opposition are embarrassed; I know they did not have local content plans; they did not have it for rolling stock. The government is committed to local content plans for all future major projects, which will be welcomed by the manufacturing and services sector as

well as by the outer suburbs of Melbourne and country and regional Victoria.

Education, Employment and Training: consultancies

Mr HONEYWOOD (Warrantyte) — I refer the Minister for Education to the fact that she paid \$42 000 to former Labor government political adviser, Ms Kathleen Townsend, to headhunt only one education bureaucrat, Mr Michael White, and I ask whether the minister really expects us to believe she was unaware of that consultancy as well?

Honourable members interjecting.

The SPEAKER — Order! The honourable member for Wantirna! The honourable member for Mordialloc!

The Deputy Leader of the Opposition! I will not call the minister until the house comes to order.

Ms DELAHUNTY (Minister for Education) — I am glad the honourable member agrees that the appointment of Mr Michael White as the new Director of Schools is a great appointment. He will lead the government's agenda to revive education in this state after seven years of cutting and closure. When the former schools director, Mr John Pascoe, retired at the end of last year — —

Mr Honeywood interjected.

Ms DELAHUNTY — You asked the question. How about trying to listen to the answer. When Mr Pascoe retired, the department — —

Honourable members interjecting.

The SPEAKER — Order! I ask the honourable member for Warrantyte to cease interjecting. I ask the Minister for Education to cease responding to interjections. They are disorderly.

Ms DELAHUNTY — Thank you, Mr Speaker, I will take that guidance — they are disorderly. When Mr John Pascoe retired last year the Department of Education set in train processes to replace him. I am advised that the department sought competitive quotes for the job of trawling Australia, and indeed overseas, for the best possible candidate to be the Director of Schools in Victoria.

On the basis of the quotes the department selected an executive search company set up by Kathleen Townsend after she left the Office of the Status of Women where she was a federal public servant.

Following the correct processes, the department obtained three quotes and appointed one executive search company. I am reliably informed that the first client of Kathleen Townsend's Executive Solutions Pty Ltd was John Howard, the Prime Minister.

Honourable members interjecting.

The SPEAKER — Order! I ask the Deputy Premier and the Deputy Leader of the Opposition to cease interjecting across the table in that manner.

Employment and training: initiatives

Mr SEITZ (Keilor) — Will the Minister for Post Compulsory Education, Training and Employment inform the house of the latest government initiatives to increase the employment and training opportunities in Victoria that are essential for its growth?

Ms KOSKY (Minister for Post Compulsory Education, Training and Employment) — It is essential for the growth of the economy that the government invests in skills and training. A clever state is a smart state — as opposed to the other side!

I am pleased to announce the 2001 Priority Education and Training program tender. The program provides training to public community and private sectors to improve the Victorian skill base. Next year \$19.5 million will go to private sector providers to increase training opportunities, which is \$1 million more than was allocated by the previous government.

The Bracks government will also ensure greater access to the additional funds for people with disabilities, and \$1.2 million will be targeted to training them. A similar amount will be allocated for training for small business people, an initiative about which all government members in particular will be keen. An additional \$300 000 will be provided for Koori education on top of the \$11 million provided through other initiatives in training for Victoria's Koori community.

Some \$15 million of the training money will be allocated to priority skill areas, areas where more investment is needed in skills to match people with available jobs. There will be more money for training in information technology, hospitality, nursing, engineering, the automotive industry, building and construction and other areas of skills shortages.

For the first time applicants will not compete on the basis of price alone. The government will not be going for the lowest tender price; it will assess all applications on the basis of their capacity to deliver and their regional distribution. At least 35 per cent of the

program funding will go to non-metropolitan delivery and the selection process will favour organisations that are physically based in the region in which they intend to deliver the training. Unlike previous programs where Melbourne-based companies tendered to provide training in regional Victoria, the government will ensure that the training will be provided by locally based companies.

In line with the government's e-procurement policy, tenders will be lodged electronically. Rather than Department of Education, Employment and Training officers making decisions about where the funding will go, for the first time an independent panel will assess the tenders.

This is a fantastic training initiative. The program will provide \$19.5 million, \$1 million more than was previously provided, regional inclusion, transparent operations and skilling for the whole state.

Hospitals: ambulance bypass

Mr DOYLE (Malvern) — Can the Minister for Health confirm that during the past 48 hours every major metropolitan hospital has been on ambulance bypass and that there was not a single specialist intensive care bed available in the tertiary hospital system?

Mr THWAITES (Minister for Health) — I thank the shadow opposition leader for his question!

Honourable members interjecting.

The SPEAKER — Order! The Deputy Premier should address members by their correct titles.

Mr THWAITES — There is one fundamental difference between this side of the house and the other side. The government is expanding the hospital system.

The previous government closed hospital beds, but this government is putting funds into hospitals and opening beds. For seven years the previous government closed beds, but in its first year of office the Labor government is reopening beds. The government has put \$60 million into reopening beds throughout the system.

It is extraordinary that currently one of the real problems is the lack of nursing home beds, which was caused by the closure of beds by the federal colleagues of the honourable member for Malvern. As the honourable member would know, the government has an office of critical and emergency care, which is responsible for monitoring the system. The office advised me that beds are available so that if people need

critical care beds they will get them. The government, unlike the former government, will continue to boost the system instead of cutting it back.

Community Safety Week

Ms ALLAN (Bendigo East) — I refer the Minister for Police and Emergency Services to the fact that this is Community Safety Week, and I ask him to inform the house of the action the government is taking to mark this important week.

Mr HAERMEYER (Minister for Police and Emergency Services) — On Sunday at Southbank I was pleased to join the Premier in launching this year's Community Safety Week.

An honourable member interjected.

Mr HAERMEYER — Indeed, on Father's Day. This year's Community Safety Week has a focus on local action for local communities. It is about tailoring community safety programs to the needs of individual local communities. It is appropriate that the honourable member for Bendigo East asked that question, because she is the chairperson of the Bendigo Safe City Forum and has done an excellent job in working with the local community to arrange a vast multitude of events around Community Safety Week in the city of Bendigo.

No fewer than 520 activities relating to Community Safety Week will take place this year. Those activities involve more than 300 community groups and 45 local councils across Victoria. It will also involve the Victoria Police, the State Emergency Service, the Country Fire Authority, the Metropolitan Fire and Emergency Services Board, the centres against sexual assault, neighbourhood houses, schools, community organisations, the private sector and all government departments. It is a whole-of-community effort.

The government is getting the message across that community safety is not just the responsibility of the emergency agencies or, for that matter, the government. It is a whole-of-community responsibility, and the government hopes to raise awareness through Community Safety Week. The government has given specific commitments to crime prevention and community safety, and for the first time Community Safety Week has received direct financial support from government to the value of \$126 000. All ministers and departments are involved in the campaign.

Yesterday, I announced jointly with Minister Pandazopoulos a report on multicultural perspectives on crime and a grant of \$50 000 to complete the stage 3 research on the report. The

government also launched a new Metropolitan Fire and Emergency Services Board van, which was refurbished at a cost of \$70 000, to provide fire safety and awareness education to all Victorians, including children.

Today, I join the Chief Commissioner of Police in launching this year's Blue Ribbon Day campaign. I am pleased that a large number of honourable members on both sides of the house — it should be a bipartisan effort for the whole of Victoria — are showing their support for the Blue Ribbon Day campaign. Ribbons are available to honourable members and staff who do not have them. Blue Ribbon Day is coming up in the next few weeks, and the government has assisted the campaign with a grant of \$30 000. The campaign is important for showing the support of the community for Victoria Police and the great work it does. It also acknowledges those members of Victoria Police who have died in the course of duty when protecting the Victorian community and making Victoria a safer place to be.

The Minister for Aged Care also announced today that approximately \$47 000 would be made available for local programs for police community consultative committees across the state. I am also pleased to announce that the government now has representatives in North America attending the Crime Stoppers International conference to pitch the idea of bringing that conference from the North American continent to Melbourne in 2002 for the first time ever. The government hopes it will be successful in bringing the conference to Melbourne.

The government has some important community safety and crime prevention programs planned for the future. It wants to make Melbourne and Victoria not only the place to be, but also the safest place to be.

The SPEAKER — Order! The time set down for questions without notice has expired.

CONSTITUTION (PROPORTIONAL REPRESENTATION) BILL

Second reading

Debate resumed.

Mr HARDMAN (Seymour) — It is a pleasure to speak on the Constitution (Proportional Representation) Bill, which is about bringing democracy to all Victorians by giving them a vote that counts. Several indisputable facts go to the heart of why Victoria needs upper house reform.

From personal experience in Edenhope and Wagga, and as a Labor voter living in a conservative area, no matter which way I voted in the upper or lower houses the seats would always be conservative seats. I am sure that the same frustration was felt by many conservative voters living in Labor areas. The federal election was a saving factor because I could cast a vote that counted. I could mark the ballot paper for the Senate and know that my vote would count towards putting a person of my choice in the Parliament. What a contrast to the Victorian upper house where one's vote does not count in that respect. Proportional representation in the upper house would allow all Victorians to feel they were included in the state's democratic traditions regardless of where they lived.

I understand that it is in the interests of opposition members' to oppose the bill. Their party controls the upper house and it gives them security no matter how the electorate votes. As the situation presently stands, whenever there is an election 22 of the 44 upper house members are elected and the other 22 remain. The 22 who were elected in 1996 no longer reflect the sentiment of the community. In the knowledge that it would be almost a decade before voters had the opportunity to respond, coalition upper house members consistently endorsed the Kennett government's policies that harmed their constituencies. The current representation in the chamber is 14 Labor members and 30 conservative members, with the Liberal Party having a majority in its own right.

Despite receiving more than 50 per cent of the two-party preferred vote the Labor Party holds only 32 per cent of the upper house seats. The opposition is overrepresented by almost 20 per cent of members and that figure fails to meet any standards of fairness. The opposition wishes to protect the status quo because it provides it with an indisputable electoral advantage. Maturity and honesty are needed for the opposition to bite the bullet and come to the realisation that Victoria's upper house needs to become a true house of review with members from all walks of life, not just a conservative establishment.

Ms ASHER (Brighton) — In speaking on the Constitution (Amendment) Bill I referred to the real reasons versus the stated reasons as to why the Labor government wishes to introduce this amendment to the configuration of the upper house.

Earlier speakers have commented on the ALP's seeking to avoid scrutiny. If it cannot nobble the upper house it will abolish it in due course. The Premier has already made it clear that a constitutional commission reference will include abolition of the upper house. As I said, the

government does not want scrutiny because I suspect it is severely embarrassed by the quality of its ministers in the Legislative Council.

I turn now to the bill itself, which introduces proportional representation (PR) based on eight provinces of five members each. Each province would consist of 11 lower house seats — a large territory to be covered by one member. The number of upper house members would be reduced to 40. The bill also sets the way casual vacancies will be determined and reconfigures the election period.

There are several problems with the system advanced by the bill. The first is the diminution of rural and regional representation. That has been highlighted by earlier speakers so I will merely touch on the issue. The government was elected on a promise of rural and regional representation. I refer honourable members to proposed section 9(3), which is inserted by clause 22 of the bill. It states:

In allocating districts to a province, the Commissioners must ensure that 3 provinces comprise areas that are primarily areas outside the metropolitan area and 5 provinces comprise areas that are primarily within the metropolitan area.

Even the so-called three regional areas will be diluted. Outer metropolitan areas will be allowed in three city areas by law, and the use of the word 'primarily' reflects that. The absurd situation will exist where a seat designated as a regional seat will contain outer metropolitan areas, and the Labor Party is arguing with an extraordinarily convoluted piece of logic that that somehow will give regional constituencies representation. It will not.

A further anomaly that will flow from the so-called reform is that it is likely that one member of Parliament will represent both Geelong and Ballarat. I should have thought that of all the examples one could give of members of Parliament, a member representing 11 Legislative Assembly districts when it is hard enough to represent 4 districts now — —

Ms Allan interjected.

The SPEAKER — Order! The honourable member for Bendigo East is second on the government speaking list and will have her opportunity shortly.

Ms ASHER — It is virtually impossible to simultaneously represent 11 seats in the lower house.

Another particularly significant aspect concerns access of the members of the public to their elected members of Parliament. At the moment upper house members occupy offices and residences across the state, which is

in complete contrast to the New South Wales model where all upper house members of Parliament have offices in the capital city.

At the moment the Liberal and National parties have upper house members of Parliament spread across Victoria and located in Hamilton, Sale, Wodonga, Mildura — —

Ms Allan interjected.

Ms ASHER — And, as the honourable member for Bendigo East reminds me — I had almost forgotten — in Bendigo.

If in the three districts that might primarily represent regional areas there were a tendency for upper house members of Parliament to be closer to the city it would not ensure a good spread of representation or allow members of the public easy access to their elected members.

The issue of by-elections is another sticking point. The bill provides for a system that would mean that neither party would have a problem with the next in line on the party ticket being elected in the event of a by-election. However, in the event that an Independent retires or exits the Parliament, the bill proposes a countback system. That system is notoriously undemocratic. A countback system could create a situation where an Independent with completely opposite views to the Independent who is leaving office is selected and not elected to fill a vacancy.

The issues I have mentioned are two features of the bill that are not satisfactory. They demonstrate that the government has not thought through its proposals for change. The main argument advanced by the government in support of its changes to the upper house is the extraordinary claim that the upper house is undemocratic. If the upper house is undemocratic, so too is the lower house. Representatives in the upper and lower houses are elected by exactly the same means of election — a compulsory preferential voting system.

As the member for Brighton I am elected by the same voting system as a member for Higinbotham Province. Indeed, when I was a member of the upper house I was elected by the same voting system as members of the lower house. It is nonsense to argue that the method of voting in the upper house is undemocratic. The problem for the ALP is that the Liberal Party has the numbers in the upper house. I know the ALP does not like that, but that is the way people voted.

The other argument advanced by the government is that the upper house is obstructionist. It is often instructive

to look at the history of the behaviour of the upper house. Sir Henry Bolte managed to govern for many years, in particular from 1955 to 1970, without the support of an upper house. Again, during the Cain–Kirner administrations — bad though they were because of the damage they caused Victoria — 97 per cent of the bills passed through the upper house. To mount a case that the upper house has traditionally been obstructionist is not correct.

The ALP wishes to avoid upper house scrutiny. In many instances the upper house cannot win. If it votes no to something it is called obstructionist; if it votes yes it is called a rubber stamp. Ultimately all upper houses have a vital role of scrutiny, particularly on issues of budget. That aspect of this argument was covered by the Constitution (Amendment) Bill, and I will not speak twice on that bill even though the honourable member for Melton did so earlier in the debate.

I turn to the arguments against proportional representation. As members of Parliament we are interested in achieving the best results through the electoral system. Different states have taken on different styles of voting to determine their democratic configurations for both upper and lower houses. One of the arguments against proportional representation and in favour of a constituency-based form of representation, which is what both the Victorian Legislative Assembly and Legislative Council now have, is accountability. I touched on the point earlier. The current configuration of the upper house, where one upper house seat covers four lower house seats, enables accountability.

Ms Allan — Tell us how.

Ms ASHER — I will tell you how, because I have done the job. One can actually cover four lower house seats and perform the requisite constituency duties.

If a member is elected under a system of proportional representation it is easier for the elected member, but I prefer a system based on accountability where electors know who they are voting for and can vote either for or against and where members of Parliament understand that they have a direct accountability to one geographical constituency.

As I said earlier, the current configuration is manageable, but it would not be possible for members of Parliament to cover 11 lower house seats.

I refer particularly to a study on proportional representation done by Dr Richard Herr from the University of Tasmania. I also refer to an article of his headed 'Will proportional representation achieve a

greater degree of democracy in Australia?’ in a book called *For and Against — An Anthology of Public Issues in Australia*, which was edited by Richard Giles and published in 1989. Dr Herr puts a range of arguments against proportional representation based on the issue of accountability. He says at page 233 of the book:

Opponents of PR argue that the multiple membership of PR constituencies disguises the responsibility of parliamentarians to their electors. A representative from a single-member district (a non-proportional constituency) —

so it is comparable with the Victorian upper house —

has now doubt as to who are his or her electors, just as they have no doubt regarding who is their MP. The same cannot be said for PR systems.

Dr Herr goes on to refer to a survey he conducted in Tasmania. At page 234 he states:

I found that electors do not know who ‘represents’ them or whom to approach if they have a constituency problem. A parallel survey shows that MHAs —

he is talking about the Tasmanian lower house —

were almost equally perplexed on their relationship with their electors.

Accountability can only be an effective control on MPs when they know that their attention to the wishes of their electors will be rewarded with electoral support at the next election. Neither voters nor candidates can be certain of the precise effect of a vote under PR, and thus the direct impact of electoral accountability tends to be muted. This is especially true in a PR system ...

That is an interesting academic study, which I will examine further.

I have a strong view about the accountability of members of Parliament to their electors — and I mean direct accountability, not accountability that is muted, to use Dr Herr’s terminology, by virtue of PR. Dr Herr and others have written articles for the *Australasian Political Studies Association Journal*. In particular, I refer to an article written by Dr Herr, along with W. J. Hemmings and friends, called ‘Accountability and PR’. They say that those who support proportional representation:

... argue that under such a system the varied interests within the electorate are more likely to secure representation willing to respond sympathetically to the conflicting constituency aspirations. But does this presumed heightened sensitivity have unforeseen costs in terms of reduced accountability — that is, does it diminish the need for a representative to justify his actions to his electors? We believe it does ...

On the issue of accountability, at page 217 the authors state:

The surveys provide evidence to suggest that [proportional representation systems] —

although in this instance they are talking about the Hare-Clark system, his comments apply to PR systems generally —

[tend] to obscure the relationship between voter and elected representative.

It is an interesting study, and I urge honourable members to examine it and others on the subject. There is no doubt that in multimember constituencies elected by proportional representation members are far less accountable to the electors.

I encourage government members to do their own surveys and ask members of the Victorian public whether they know who their senators are. The chances are that they will know some of the members of the House of Representatives and a smattering of state members of Parliament, but they will have no idea of their Senate representatives. The reason they have no idea is that proportional representation results in a diminution of direct accountability.

Again I instance the example in the Tasmanian survey that shows the members of Parliament themselves had no idea to whom they were accountable. All the members of this chamber and the other place obviously have a clear idea of the geographical group of constituents to whom they are accountable and to whom they front up every election — or every second election, as the case may be.

Proportional representation also results in an over-representation of minorities. I refer honourable members to an editorial in the *Herald Sun* of 31 May, which asks:

Do Victorians really want to import the Senate’s frustrations into Spring Street?

...

A key reform would be to use the Senate’s proportional representation voting system, which has been responsible for giving independents and the Democrats a stranglehold on the government of the day.

The editorial continues:

... the Liberals’ obligation does not extend to allowing reforms that could paralyse government in this state.

Again, if the democratic outcome of an election is a hung Parliament where Independents have the balance of power, so be it — that is the democratic process. But a system of proportional representation that throws up an over-representation of minorities creates a situation

in which accountability is reduced, and on occasion such a system can paralyse government.

Victoria's upper house system has a range of desirable features. The numerous debates on bills in committee is a good feature of that place that I would like to see apply in this place. In the upper house ministers are obliged to answer questions on notice within 30 days. The Wednesday morning of every sitting week is set aside for opposition business, which is something we do not see in this place. As well, the standing orders give every member of the upper house the opportunity to raise an issue in the adjournment debate. All those are desirable features. Indeed, a number of the changes made to the sessional orders of this place, particularly those relating to question time, reflect practices that have applied in the other place for some time.

I am strongly in favour of the ongoing reform of parliamentary practice. I am not at all opposed to the setting up of a constitutional commission, and if one is set up I hope it will look at a viable committee system — although I note that when negotiations were going on last year, the Labor government did not want either a public accounts and estimates committee or a scrutiny of acts committee in the other house.

I will leave the final word to Meaghan Shaw, an *Age* journalist, whose article of 1 June instances the performance of upper house ministers. It particularly mentions the Honourable Monica Gould dragging out the committee debate on the Workcover bill to more than 5 hours, half of which she spent consulting her advisers because she could not answer the questions. Ms Shaw criticises the Honourable Marsha Thomson, the Honourable Candy Broad and the Honourable Justin Madden, who she says:

... are parliamentary debutantes. And it shows.

She goes on to say, and this is her opinion, not mine:

Before Labor reforms the Legislative Council, it needs to get its own house in order.

I advise the Labor Party to do so. Proportional representation means a lack of accountability and lack of adequate representation for regional and rural Victoria. The Australian Labor Party seems unable to understand that if the upper house is undemocratic, this place is as well. The Liberal Party opposes the bill.

Ms BEATTIE (Tullamarine) — I am pleased to join the debate. It is amazing how self-interest can arouse passions! The honourable member for Bellarine reminded me of the proud mother who used to claim that everybody in the marching band was out of step except her little Johnny.

The bill has a similar purpose to that of the Constitution (Amendment) Bill, which the house debated and passed last week. It seeks to ensure that the Legislative Council is representative of all Victorians. It enables the election of members of the Legislative Council using a proportional representation system similar to that used for the Australian Senate, and the new boundaries will see a reduction in the number of members of that house from 44 to 40. There will be eight electoral provinces, three of which will have a rural focus and five of which will have a more urban focus. Each province will be represented by five members, and each will consist of 11 Legislative Assembly districts.

I will refer to the province that covers my seat of Tullamarine — that is, Melbourne North. Although the bill provides for each province to have five members, already the members in Tullamarine and Melbourne North province do the work of five members. It is not a slight on their ability and representation; they are fine members. I refer to the Honourables Candy Broad and Marsha Thomson in the other place.

A successful candidate would need to achieve approximately 16.67 per cent of the valid votes cast in the metropolitan area, which could be defined as the Docklands area or the municipal councils or districts specified in the table. Clause 4 inserts proposed section 27A and provides for the filling of casual vacancies should they occur in the Legislative Council. A vacancy can be filled by a member of the political party in which the vacancy has occurred or after a recount of the votes cast at the election if a vacancy arises in a seat formerly held by a member belonging to that political party. If a vacancy cannot be filled by those methods, a by-election would need to be held. Preferential voting would apply, and voters from 11 Assembly districts would be required to vote. I have a great deal of confidence in the people of Victoria. I am sure they can handle that. The current Victorian Electoral Commission enrolment statistics suggest that about 400 000 electors would be required to cast ballots. The bill contains many other mechanical clauses.

This is truly reform legislation and I am proud to speak in the debate. Although I could discuss the bill in further detail, I am aware that many Liberal Party members want to make full contributions so I will not take up any of their time. The legislation would ensure that both houses of Parliament are called to account by the people of Victoria, ending the practice of an unrepresentative Council thwarting the will of a government that has been democratically elected by Victorians.

I do not plan to speak on the bill twice, as the honourable member for Melton did. I wish the bill a speedy passage and I urge honourable members in the other place to stop putting self-interest ahead of the interests of the Victorian people and to pass the bill.

Mrs SHARDEY (Caulfield) — It is a pleasure to participate in this debate on the constitutional reform of the upper house. It is important that opposition members participate because they need to make it clear to the Victorian public why they oppose the legislation, why they regard it as a total sham, and why it is not in the best interests of Victorians.

The proposal for the so-called reform of the upper house was initially presented in one bill. That bill was withdrawn, and subsequently two bills were introduced. That mere occurrence was enough to indicate to those on this side, and probably to the Victorian public at large, that the Labor government is very unprofessional. It must have been embarrassing for the Attorney-General to have to withdraw and rewrite the piece of legislation. He was made to look incompetent during the whole process, and I think he will be judged so.

Although the two bills are being debated separately, they affect the upper house together. I will not spend too much time on the first bill, suffice it to say that it will reduce the term served by members of the Legislative Council to one term — that is, that instead of members being elected for eight-year rotating terms, each member will be elected for one four-year term. The bill will also introduce a fixed parliamentary term of four years so that we will know on a particular day when we will be going to the polls. Mind you, if the Premier really wanted to tell us when we were next going to the polls, he could announce it today. That would suffice, instead of introducing legislation to enable it to occur. The first bill also removes the power of the upper house to block supply. That will emerge as one of the stupidest things this government has ever tried to do.

In the course of the debate on the so-called reform — I call it a grab for power — what can be observed? Firstly, I reiterate that the process of introducing the bills was somewhat of an embarrassment to the government, because it had to withdraw the original bill and then present two bills. That is what I would call a shambles and an embarrassment.

It is extraordinary that this government, which had spent seven years railing against the previous government, did not have more pressing issues than upper house reform to introduce. I should have thought

there would be a whole list of issues on which it would want to pass exciting new legislation to prove it is an innovative government. But it has not done that. When first elected its members probably thought, ‘Gosh, what will we do that will make us different?’. The Bracks government has not done anything very different. It went to John Cain and got advice from him on what sort of legislative programming it should have, and he again trotted out upper house reform.

This government is endeavouring to abolish the upper house, a house that is responsible for overseeing governments and ensuring that they are accountable, that they do the right thing and that they spend in an appropriate manner. It was the previous upper house that, under the Cain government, ultimately exposed the Victorian Economic Development Corporation and Pyramid Building Society scandals.

I was a candidate in the 1988 election. I clearly recall when the upper house started to expose the VEDC in particular. I recall handing out brochures indicating that the VEDC had been swept under the carpet. The upper house played an important role in exposing those scandals at that time. It was unfortunate that the media was not of a mind to really look at what was happening.

This government has no mandate to reform the upper house. It was not an election issue, it was not something that was discussed, and it was not something that was canvassed — and the issue has not been canvassed since. It was hidden away over the recess and then presented in this house. The government has not gone out into the community and asked for its view. I suspect that if it got the views of Victorians it would withdraw these two bills as well.

The fact that the government does not want the upper house to fulfil its role indicates that it is fearful of scrutiny and is merely grabbing for power. The bills look chillingly like previous legislation proposed at various times by the Cain government. At least it had the decency to canvass its proposals during election campaigns. Everyone knew Labor had done a deal with the Democrats, which hoped to get a seat in Parliament, in exchange of preferences.

It should be noted that the predecessors of this government and the previous government, led by John Cain and Sir Henry Bolte, managed to govern Victoria without having upper house majorities. But this government does not think it is capable of governing appropriately without an upper house majority and so wants to abolish the Legislative Council. Removing the power of the council to block supply is somewhat of a Labor obsession. I suspect that at the federal level the

Labor Party would be very happy to hop into bed with the Democrats to block supply, hoping to win an election. I think it is a matter of convenience.

The upper house losing the power to block supply would leave this government with only one mechanism by which to go to an election, if there were fixed four-year terms. Of course that would only occur if it passed a motion of no confidence in itself. That seems rather farcical, and I believe many members of Parliament have had a good old laugh at that scenario.

I will now turn specifically to the Constitution (Proportional Representation) Bill.

The bill does two things: it reduces the size of the upper house from 44 to 40, creating eight multimember electorates of five members each; and it introduces proportional representation to elect the members of the upper house.

Of the two bills, this is the most insidious, and I use that word advisedly.

Government members interjecting.

Mrs SHARDEY — I will assist those honourable members opposite who do not know the meaning of the word ‘insidious’. According to the Oxford dictionary it means ‘cunning, deceitful, full of wiles or plots; lying in wait or seeking to entrap or ensnare; underhand, sly or treacherous’. The word ‘insidious’ therefore aptly describes the proposed legislation. Proportional representation is being sold as being more democratic than the current system because it allows more than one group of voters in each electorate to be represented by the candidate they choose. That is, small groups whose votes make up a quota can get their representative into Parliament.

Supporters of proportional representation claim that small groups have a right to be represented even if, at the end of the day, the power they wield is completely out of proportion to their numbers. Instances of that can be seen in Australia. In the Senate individuals such as Senator Harradine and the Democrats have wielded a great deal of power over time. They have changed the course of events by wielding power far in excess of the number of people they represent in that place.

In simplistic terms, it appears democratic when under proportional representation the number of seats a party gains is nearly equal to its share of the vote.

Mr Lenders interjected.

Mrs SHARDEY — The honourable member raises the matter of the Independents. We should look at that down the track, but I venture to say that some would view the power wielded by the Independents in this place as being out of proportion to the number of people they represent.

What of accountability?

Ms Allan interjected.

Mrs SHARDEY — Our definitions of democracy might be different. The issue of accountability is important. As their representatives we are ultimately responsible to our communities, and if we are found wanting we can be voted out of office. That is what being a representative means: you represent your community. If you do not do that satisfactorily, you are liable to be thrown out of office.

Under single member electorates that happens frequently. However, under Labor’s plan for proportional representation and multimember electorates, the voice of rural and regional Victorians is being diluted. First, the number of rural electorates is being reduced from eight to three. The members of those electorates will not be obliged to live in country centres as they do today, where they are known by and are accountable to the people who elect them. The changed electoral boundaries will bring them close to Melbourne, which is where they will live and where they will be unknown, innocuous and unaccountable. That is a real pity.

I turn to the point about proportional representation producing fair but in my view undemocratic government, given the possibility of one or more small groups holding the balance of power and frustrating government in ways that the majority does not support. If we look at the countries around the world where proportional representation has been used extensively, we can see that it is now out of favour, particularly in Europe. It is not a system of government that produces stability — —

Mr Lenders — That is why Britain is bringing it in!

Mrs SHARDEY — Britain might be looking at that system, but at present it has a first-past-the-post voting system, so it does not even have a system of preferential voting. I am not an advocate of the British system. I support the preferential voting system which is used to elect the lower house and which should continue to be used in the upper house.

I would like to quote from an article entitled ‘Electoral reform’ that was published in 1993 in the *Economist*.

The comment at the head of the article is ‘Good government? Fairness? Or vice versa. Or both’. It refers to the fact that Britain is looking at adopting a system of proportional representation — its old system is one of first past the post — but it makes the observation that:

Italy uses systems of proportional representation (PR) that are elaborately fair. It has also had 52 governments, mostly coalitions, since 1945, all dominated by the Christian Democrats. Italian government is famously inept, its parties — not only the Christian Democrats — infamously corrupt. No wonder Italians have just voted massively to adopt the British system for three-quarters of their Senate seats; the Chamber of Deputies will probably go much the same way.

Further, in reference to proportional representation being seen as fair but not democratic, it makes the observation:

Nor is the voter picking only his representative. He votes for certain policies and — save in presidential systems — for a government; a serious one, not a bunch of clowns. A PR system could be as fair as Snow White in reflecting party support, and yet, at times, frustrate all these hopes. Would the result fairly represent the electorate?

That is one of the questions that needs to be answered.

I raise the concern that in Victoria proportional representation would give small, extremist parties the opportunity to be elected to Parliament.

Mr Lenders — The National Party!

Mrs SHARDEY — The honourable member jests, but it is a serious issue. We have seen the havoc that a small far-right party can wreak, and I refer to One Nation. As the shadow Minister for Multicultural Affairs I believe it is my responsibility to raise that issue, which is of great concern.

Recently I read an article published in October 1999 in the *Australia-Israel Review*. It makes the observation that:

One Nation stood in National Party strongholds putting the Nationals last on how-to-vote cards, and achieved between 5 per cent and 11 per cent in those seats despite very low key campaigns. Without the recognised Spencer —

that is Robin Spencer —

there was very little media or press coverage for One Nation this time around, nor does Victoria offer electoral funding, which also dented the Party’s enthusiasm for the contest.

That raises some important issues. Although One Nation did not poll well, it received up to 11 per cent in a Victorian National Party seat. That was achieved without strong leadership and with a low-key campaign, which makes an enormous difference — but

more significantly, it was achieved without any public funding.

We have seen how well One Nation can do in a state like Queensland. In Victoria we have not supported the public funding of political parties’ election campaigns, but it is Labor party policy to do so. That, combined with proportional representation, offers a real opportunity for small, far-right parties to be elected into our upper house — not only that, but one or two such members could hold the balance of power in the Parliament. The Victorian community would not accept that. Community members would reject it out of hand, and I would accept that rejection.

In countries where there is proportional representation there has been a move to the right and an elevation of far-right parties. That is not something to exaggerate but to consider and contemplate seriously.

In my role as shadow Minister for Multicultural Affairs I have the opportunity to speak to many communities, particularly in my electorate of Caulfield. Ethnic communities do not take constitutional matters lightly, and they are very concerned about the bill. I hope in the course of any future consultation ethnic communities will have the opportunity to raise their concerns.

I have spoken previously about the fact that the government has not consulted with communities on the legislation. I have not seen one government member raise any of the issues in my electorate nor among any of the communities I visit on a regular basis as part of my responsibilities within multicultural affairs. I believe we should take a serious view of that.

I reject the legislation. The Leader of the Opposition referred to an editorial in the *Herald Sun* and I also will refer to it as I conclude my contribution. The editorial takes the view that, in general, the Liberals have a responsibility not to frustrate legislation put forward by the Bracks government, which, it says, has a mandate in the Legislative Assembly. The editorial goes on to state, however, that the Liberals’ obligation does not extend to allowing reforms that could paralyse government in this state.

We do not want to paralyse government by allowing small minorities to be elected to the upper house, particularly people who represent small groups with ideas that are not at one with those of the Victorian community.

Ms ALLAN (Bendigo East) — The arguments of the Liberal and National party members on the bill are extremely frustrating and exasperating because they are wrong and those honourable members are out of

touch — both with this bill and with the other one dealing with four-year terms. Comments made in the media by members of both the Liberal and National parties show even more clearly how out of touch they are with the bill.

Two previous Liberal Party speakers hid behind a so-called concern about the decline of representation in country Victoria. They are not interested in the fact that the bill will increase representation in country Victoria, which will have three provinces and will enjoy a proportional increase in country representation in the upper house.

Claims by Liberal members that they are interested in democracy are thrown out the window when they are opposing the bill, which is all about bringing democracy into our upper house.

The National Party opposes proportional representation in the upper house because National Party members know it would mean fewer seats for them and the possible loss of its party status. Just as we saw in debate on the four-year term legislation, the National Party is again putting self-interest before good democratic reform.

In the 1999 state election members of the National Party attracted 7 per cent of the votes in the upper house in Victoria as a whole. With that vote they won 13 per cent of the seats in that chamber. That is grossly out of proportion. Under the proportional representation system the Labor Party is hoping to introduce a system whereby a candidate will need 16.6 per cent of the vote across Victoria to win a seat, as the honourable member for Tullamarine explained.

Mr Steggall interjected.

Ms ALLAN — Under that system the National Party would have about 1½ seats, and the honourable member for Swan Hill knows it. Speaking on country Victorian radio he was not able to answer questions about why the National Party was opposing the bill and was not interested in good democratic reform of the upper house.

The combined vote for the Liberal and National parties across Victoria is 47 per cent — yet members of those parties occupy 68 per cent of the seats and do silly things like block the Regional Infrastructure Development Bill on its first reading. That is shameful! Clearly, therefore, National Party members are more interested in self-interest than in democracy, and their stand on the matter shows how out of touch they are.

The honourable member for Brighton presented arguments about members being accountable to their communities. Members in the upper house know which community they are accountable to.

For many years the National Party has been the all-time great opportunist in country areas. Time and again it has grabbed country people's votes and then run down to Spring Street to vote against country Victorians. That was its style under the former government, and an example of it in North Western Province is the Honourable Ron Best who, in 1987, stood for the federal seat of Bendigo for the National Party. On losing that election he said his vote in Bendigo itself was:

... not that bad, but in the country areas where they were screaming for help they went against me. I tried to tell them, but they ignored me. Now I will go back to making money for myself.

Yet only 12 months after he failed to get into federal Parliament Mr Best stood for a state upper house seat. In doing so he took those votes from North Western Province, ran down here to Spring Street and immediately turned his back on his electorate. During the Kennett government's time in office 31 schools in his electorate were closed, as well as hospitals and train lines. That is what National Party representation has meant for country Victoria.

Mr Best is quoted as saying last November — —

Mr Steggall interjected.

Ms ALLAN — I am quoting from articles that I am more than happy to table.

The ACTING SPEAKER (Mr Richardson) — Order! I should remind the honourable member that if she is quoting from newspaper articles, for example, she should identify the source of the quotation.

Ms ALLAN — I am happy to do so. The quote of Mr Best saying he would go back to making money is from the *Bendigo Advertiser* of 13 July 1987. The article about Mr Best saying he is going to contest the seat of Bendigo East because he is spitting the dummy when the government reforms the upper house is from 29 November 1999. I am more than happy to table those articles for members opposite.

That is what it is all about: members of the National Party are not interested in good democratic reform. They are more interested, as the country landlords they are, in taking the votes, turning their backs on country Victoria, running down to Melbourne and joining with

the Liberal Party in coalition, which has time and again voted against country Victoria.

I wholeheartedly support this excellent bill. I am disappointed that the conservative parties opposite have chosen to vote against it.

Mr MULDER (Polwarth) — It is important to note the absolute tokenism and lack of commitment by the government to the debate on the bill. Members of the government have more or less made a mockery of the bill. They have cut back each of their speeches to 2 or 3 minutes, during which they have made some wild comments before sitting down in their seats.

The purpose of the Constitution (Proportional Representation) Bill is nothing more than to reduce representation in rural and regional Victoria. The electorate of Polwarth has an area of 10 000 square kilometres, and when the adjoining electorates of Warrnambool, Portland and Wimmera are added, Western Province has an area of some 60 000 square kilometres. The communities are very mixed and diverse. The communities of Lorne, Linton, Horsham and Warrnambool, which are spread throughout the province, are different from one another in their social make-up and their income-producing activities. The province has everything, including dairying, tourism, cropping, wool, sheep meat and beef. There is a maze of support services and manufacturing and processing industries throughout the area.

Anyone could imagine the pressure there is on members of this house to get around their electorates, one of which is spread over about 27 000 square kilometres. Providing effective representation involves one hell of a commitment, an awful amount of travel and a great deal of time. I do not understand how a bill can be introduced and passed that will lower the representation provided to people in rural areas.

On the importance of upper house members representing country areas, around me I have the Honourable Bruce Chamberlain and the Honourable Roger Hallam from the other place. Both have a great understanding of the issues, are always available and support the work of lower house members in representing large rural electorates. A loss of that form of representation would set back representation in rural Victoria considerably because people just cannot travel to see members of Parliament, and I cannot imagine members of Parliament travelling from outer suburban areas of Melbourne into country Victoria to discuss electorate issues with constituents.

The bill proposes cutting back the number of provinces from 22 to just 8, with only 3 in country Victoria, and to introduce proportional representation. I wonder what chance there would be of a member being elected from Warrnambool, Colac or Camperdown, or as the representative of a farming community. The population bases of Werribee, Geelong, Ballarat, Bendigo and centres around Melton and Sunbury would mean that under proportional representation members would come entirely from those areas and country Victoria would miss out on representation.

A recent newspaper article report of the Premier's remarks headed 'Bracks threatens to the upper house', states:

... Mr Bracks rejected the suggestion. 'They're basically wrong because the proportion of rural or country MPs in the upper house to city MPs will actually increase', he said.

The Premier must have the same slide rule as the Minister for Workcover, because any consideration of the population base across metropolitan and country areas shows clearly that no member would be elected in country areas. That would be a bad result for Victorians. The outcome would be a honey pot of upper house members living in the Geelong, Werribee and outer metropolitan areas.

Mr Steggall — Or the inner metropolitan areas.

Mr MULDER — You're right — or the inner metropolitan areas. It could be possible that not one member would come from an area further than about 100 kilometres from the city base of Melbourne. How anyone in their right mind could make the statement that rural representation would increase as a result of the bill being passed is beyond me. I invite honourable members to think for just a moment about country Victorians, say someone along the border, trying to get representation from an upper house member with 400 000 constituents.

Mrs Peulich — How many kilometres would that member have to travel?

Mr MULDER — He or she would have to travel a long way and could perhaps visit a few more places on the way through. The simple fact of the matter is that country people would miss out badly. Honourable members can imagine that member saying, 'I'll be in Skipton tomorrow, Linton the day after that and on the Murray River the day after, and then back to Portland, Warrnambool and Colac on the way down — and I will catch up on all the 400 000 constituents on the way through'. There would be no way of sorting it out.

Mr Steggall — Or Altona.

Mr MULDER — The member could go to Altona and pick up an issue there as well. The problem is that the result will be that members of Parliament will be city based and will have no understanding of the issues relating to rural and regional Victoria. Honourable members can imagine their ability to understand and debate issues such as those associated with farm dams and dairy deregulation.

Mr Steggall — It would be like having people like the honourable member for Bendigo East.

Mr MULDER — It would be. If the bill were passed, the decisions made in the upper house would be to the detriment of country Victorians because the members debating the measures would have no understanding of country issues.

One has to ask how the government will be able to operate if it has to start pandering to self-interest groups. It can be seen how difficult it is in this house where the government is trying to pander to the Independents. The government cannot deliver on the Snowy River, it could not deliver on Swifts Creek, and it dropped the first petrol pricing bill in one week and came back with another one. Honourable members can imagine what would happen if the same situation arose in the upper house.

The bill is about cutting country Victoria adrift from the political system. That is what it would do. It is about avoiding scrutiny of a political process with a proven record that was introduced by the then Premier, John Cain — probably on advice from the current Premier — and had bipartisan support. Passage of the bill would allow extreme minority groups to take control of the upper house and skittle the review process. The bill is about sacking rural members of Parliament who are best positioned to represent rural towns and communities. It is a grab for absolute power.

The greatest problem is that the government cannot be trusted with a cheque book. It should be happy to have in place a good auditor such as the upper house. Members need only reflect on what happened in the past with the Victorian Economic Development Corporation, Workcover and the State Bank to acknowledge that. Most people have lost some money or a wallet, but the former Labor government lost a bank! It is important to have very good auditing and review processes in place to ensure that the workings of government are monitored and scrutinised correctly.

As a rural member there is no way that I could offer any support whatever to a bill such as this, because it is to the detriment of country Victorians.

Mr LANGDON (Ivanhoe) — This is my first speech on either of the bills dealing with this subject, which possibly makes up for a previous oversight.

I wish to take up some of the comments made by the Deputy Leader of the Opposition in her contribution approximately an hour ago when she said the government had two reasons for introducing the bill: one is the stated reason and one is the real reason. I know she is a staunch Essendon supporter, so I have a great deal of confidence in many of her opinions, but this is not one of them. She did not clarify the real reason the opposition is opposing this bill, which is that it has had total control of the upper house for its entire existence.

Ms Asher — That is not right!

Mr LANGDON — You didn't have it for one brief two-week period.

The government intends to reform the upper house by introducing proportional voting. The reasons behind that are so sound and logical that it exists in every other state that has an upper house as well as in the Senate. We are the only state out of kilter, and members of the opposition are bleeding in the trenches trying to defend their position while no other state and no other conservative party believes in what they say.

Proportional voting in the upper house would not give a majority to the government. It is a well-known fact that proportional voting will take away the power from both major parties, and that is the problem the opposition has. It is used to having the power in the upper house; it believes it is its fiefdom and that its soul claim to be in that house is to run it.

I dispute the comments that have been made about the reason the upper house is needed and that the bill is only an attempt by the government to railroad through changes. This government has shown more public consultation in its 11 months than the previous government did in seven years!

Some previous speakers tried to claim that proportional voting would not work because members in the upper house would have to cover too large an area and that it would be too much work. The seat of Ivanhoe is situated in Templestowe Province, which is represented by two Liberal Party members. Both those members have offices in my electorate, obviously to counteract my good work. They moved their offices there after I

was elected; they did it, not me. I work twice as hard as they do and there are two of them! They often do not know their own local issues; they are miles behind everything. Now they are starting the old trick of using scare tactics — putting out leaflets, et cetera. I more than welcome any reform to the upper house which will make its members responsible for their electorates, not like the two upper house members with whom I share my electorate. I commend the bill to the house.

Mr STEGGALL (Swan Hill) — I join this debate with a lot of interest. Since I have been a member of this place debate on this subject has occurred on three occasions — twice when John Cain was the Premier as he attempted to change the upper house in a very similar manner to that currently being proposed. Proportional representation in the many forms in which it is used around world is a subject many representatives of country electorates have looked at closely to determine whether it offers an advantage to the people they represent.

One of the biggest weaknesses of proportional representation is the fact that it becomes a party voting operation. We all know that Labor Party members are far more dedicated to their party cause than their individual electorates. The Labor Party has a different culture and a different way of selecting members for election to Parliament. If the Labor Party was fair dinkum about trying to win some power or influence in the upper house, it would put some decent candidates up there. Over the years, the upper house has become the dumping ground for the unions and Labor hacks.

The Labor Party has not honestly tried to win a seat up there. The honourable member for Bendigo East was carrying on about North Western Province. In the last upper house election, a lady whose name I cannot remember stood for the Labor Party in that province, which takes in Bendigo East, Bendigo West, Mildura and Swan Hill. Not once did I see her advertise or travel out of Bendigo. I do not even know her name!

Ms Allan interjected.

Mr STEGGALL — She would have. The Labor Party has never been serious about winning seats in the upper house, which it has regarded as a comfortable dumping ground for its hacks. It is ironic because there were a few hiccups in my part of the world at the last election, with the Labor candidate damn near winning. It would have been a shame if she had won because the people of Swan Hill and Mildura did not have the faintest idea who she was.

If the Labor Party had been fair dinkum about trying to win in the upper house, it would have put up decent candidates and run decent campaigns — but it did not try.

There are some interesting seats in the lower house. I am a country member of Parliament, representing 45 000 constituents in an electorate the size of Israel, which has 6 million people! When country members of Parliament enter this place they are confronted by an enormous majority of metropolitan politicians. Out of the 88 seats in this house 18 are in the country. Six of them are represented by the National Party — Swan Hill, Rodney, Gippsland, Wimmera, Shepparton and Murray Valley; and five are represented by the Labor Party — Ripon, Gisborne, Morwell, Narracan and Seymour. The character of the seats of Gisborne and Narracan is changing: they are becoming lifestyle seats, given the number of electors who live there but work in Melbourne. The Liberal Party hold four country seats — Polwarth, Portland, Benambra and Warrnambool; and the Independents hold the three seats of Mildura, East Gippsland and West Gippsland.

The eight lower house provincial seats are also interesting, although the National Party and the Independents hold none of them. The Liberal Party holds the seats of Bellarine and South Barwon; and the Labor Party holds the six seats of Bendigo East and Bendigo West, Ballarat East and Ballarat West, and Geelong and Geelong North. The 62 metropolitan and outer metropolitan Melbourne seats make up the rest.

Country members like me have a great deal of difficulty raising issues in this place, and there are similar problems in the upper house.

I will run through some of the issues that the 18 country members have to handle, including the development and continued prosperity of rural industries. Australians in general like to talk about their country roots. They believe country people are rustic, rugged people. But developments in the dairy, grain, mining, meat, horticulture, wool and timber industries have a huge impact on our constituents, who ask us to raise difficult issues for debate.

Honourable members will remember the laughter when during question time yesterday I asked a question about the maintenance of a single desk for barley exports, one of the major grain issues at the moment. It is also a major concern for country people, because behind that is a challenge to the Australian Wheat Board.

Our constituents ask us to raise issues that are important to them but not to the constituents of the

62 metropolitan and provincial members. Yet all honourable members like to skite about exports, and I listened to the Premier skiting about them earlier today. More than 50 per cent of Australia's exports come from country areas, being either mining, agricultural or manufacturing based. Those sectors have strong connections with country seats.

Native title is one of those issues Melbourne loves to talk about, but by crikey it is a tough issue to resolve. This is not a chamber that likes to talk about native title, nor does it like to talk about reconciliation, except in the feel-good sense. I made a speech during a grievance debate on 31 May, the day of the Aboriginal reconciliation debate, to which Aboriginal people contributed. I said at that time, 'Please do not ask country Victoria to travel at the same pace of reconciliation as Melbourne or Sydney. We have genuine problems out there. Those problems must be overcome, but not in a party political way. It is not Melbourne or Sydney people but country people who will overcome the problems. Please understand that reconciliation is not only one of the most important but one of the toughest issues we face'.

Native title, which is being tested in the Robinvale case and which will soon after that be tested in other north-western cases, is a big challenge. The previous government made a fair amount of progress on those cases, but now that they are coming up for determination country people would like the people of Melbourne and, for God's sake, the media to try to understand just what the issues mean for them, and that includes the stakes they are playing for.

When I was watching Nelson Mandela make his statement the other day it became clear that we have to settle those issues. Country Victorians know what he was saying. The best way to settle those issues is by territorial representation through single member constituencies. Two members of the upper house represent areas that cover four lower house seats. The government should not get smart and include provincial cities.

The Premier said there will be three rurally based areas that will all have 11 seats. Currently the country is represented by only 18 lower house seats! How can we have 33 seats? The government should clearly think about its proposal, because the maths does not add up. The rhetoric on Melbourne television or in the *Herald Sun* may sound and feel good, but it does not feel good at all in country Victoria. If the honourable member for Bendigo East, Little Miss Muffett, wants to consult she should talk to people and listen to what is going on.

Governments like to talk about and push home environmental issues, but the serious environmental issues concern the 18 seats I mentioned. The issues do not arise in Melbourne, Ballarat, Bendigo or Geelong; they arise in all our country seats. If we are to dissipate the representation of those areas in the Victorian Parliament, those environmental issues will be more difficult to resolve. There is a strong desire and commitment in country Victoria to find a proper solution for those environmental issues.

The work done over the years on the Murray and Loddon rivers and any of the others one may wish to look at, the work on the salinity program that was started by the Labor Party in the 1980s and continued by the previous government, and the development of the catchment management authorities were all going in the right direction. I hope that work will continue. We need to drive those programs instead of maintaining the dominance of Melbourne. For God's sake, the country areas are not being weakened so much as the dominance of metropolitan Melbourne is gaining the ascendancy. Melbourne is becoming a honey pot for people.

We have productive areas in the country, but we need more people. In my electorate the biggest shortage is in the workers to do the jobs. We have jobs, exports and skills, but we are short of people.

The issues of education and health roll off the tongues of members of the Labor Party. They say, 'You closed the schools' or 'You closed the hospitals'. Although 13 schools were closed in my electorate under the Kennett administration, another 10 or 12 schools were closed in the area under the previous Labor government. I advise the house that another 3 schools will probably close this year. Those schools have between 10 and 16 students. The biggest school that has closed had about 30 students. What are our kids going to do to improve and be able to compete? It was a big challenge for us when we tried to get the kids in those small schools up to speed prior to going to the secondary colleges. No-one in country Victoria would ever want to see a return to those little schools again.

The challenges in health in the country are different from those in Melbourne. One challenge, which is similar to that in education, particularly tertiary education, is how to deliver a health service when there is a lack of critical mass in those areas.

Ms Davies — On a point of order, Mr Speaker, I am interested in hearing the country party's view on upper house reform. Although the issues the honourable member for Swan Hill raised are important, they are not

relevant to the debate on a bill dealing with constitutional reform.

Mrs Peulich interjected.

The SPEAKER — Order! The honourable member for Bentleigh!

I am not prepared to uphold the point of order at this time. However, I remind the Deputy Leader of the National Party that he must relate his remarks to the bill before the Chair.

Mr STEGGALL — I have raised those matters while referring to the issue of territorial representation through single member constituencies, or dual member constituencies as they are in the upper house, to point out the problems with three provinces in the upper house having Melbourne-based members representing them.

I will refer to the differences between country and metropolitan areas and the disappointments that are difficult to handle. If we do not have territorial representation it will be difficult for us to handle the issues that are dividing us at the moment because we will have fewer country members. As I was saying, of the 88 seats in this house only 18 of them are country seats.

It is difficult for me to discover whether the honourable members for Ripon, Seymour, Narracan, Gisborne and Morwell are interested in the Essendon Airport issue, whereas I know the issue is important to the honourable members for Rodney, Swan Hill and Murray Valley — not the honourable member for Mildura — and we will work to try and achieve our aims.

The honourable member for Polwarth raised the issue of single wire earth return lines, or SWERLs, in south-western Victoria. During the election the coalition government gave a commitment to provide up to \$8 million for those lines. At first the Treasurer made a statement agreeing to providing those lines in country Victoria, but later he changed his mind and said the government would spread them all over Victoria. They are the difficult territorial issues that affect the honourable members in south-western Victoria.

The International Fibre Centre in Geelong is one of the challenging issues facing the wool industry in Victoria. When we were in government we tried to lead the way in providing training needs and addressing the lack of skills in the textile industry.

It is disappointing that the Labor government is not assisting in making it work.

Mr Helper interjected.

Mr STEGGALL — The honourable member for Ripon acts strangely given he is a country member. He has not made a speech on any country issue or on any issue pertaining to his electorate. His electorate is next to mine and I know there are many issues on which he could comment. It would be pleasing if some of the National Party's country colleagues, including members of the Labor Party, lent a hand. The bill challenges the Liberal and National parties to throw away the double-member constituency-based provinces and embrace strange triangular provinces.

Proportional representation has a further tag with which most people have difficulty. Under the bill 84 per cent of the population can vote against a person but he or she can still be elected. That is a funny process to have in a democratic system. Last night the honourable member for Glen Waverley spoke about Israel and its quota of 1.5 per cent. I found it interesting that 98.5 per cent of the population can vote against a person and yet he or she can still be elected.

The Independents see and target the National Party as their no. 1 enemy. I am sorry about that because it highlights the divisions among country people as they try to settle in to the politics of the future, the huge dominance of Melbourne and the issues that run with that. This is the third time legislation such as this has been presented to the house since I have been a member. Proportional representation is Labor Party voting or party-hack voting. It is comfortable for many politicians to travel that line because if they are on top of the list they do not have to worry about running an election campaign.

The National Party opposes the legislation and its concept mainly because representation throughout country areas will diminish. That is not in the interests of country Victoria, and that is reflected in the issues and subjects I have raised today.

Mrs MADDIGAN (Essendon) — I have pleasure in joining the debate on the Constitution (Proportional Representation) Bill and supporting the government's legislation. During the debates I have listened to several speeches on both this bill and the Constitution (Amendment) Bill and have concluded that the Liberal and National parties are fearless crusaders for the status quo. Their members have supported almost to the death any change in the running of Parliament.

I am glad that Victoria's founding fathers had a slightly more modern approach to life and a greater understanding of changes. Had their views been those

of the current Liberal and National party members the current male members would still be sitting under gaslights and riding their horses to Parliament. The female members would be outside protesting in an effort to obtain the right to vote! To assume that arrangements put in place in 1851 should never change in the history of the Parliament turns its face against the changed expectations of society. People are looking for a different form of representation in Parliament.

Mr Perton interjected.

The SPEAKER — Order! The interjections of the honourable member for Doncaster are too loud.

Mrs MADDIGAN — Thank you, Mr Speaker.

Mr Perton interjected.

The SPEAKER — Order! I have just called the honourable member for Doncaster.

Mrs MADDIGAN — I find it difficult to take the honourable member for Doncaster seriously.

Mr Perton interjected.

The SPEAKER — Order! I have asked the honourable member for Doncaster to cease interjecting. He shall do so forthwith.

Mrs MADDIGAN — In the discussion on both bills, but particularly on the Constitution (Proportional Representation) Bill, former coalition government members are fearful of any democratic processes entering the forms of the house. What is there to be frightened of in proportional representation? The Liberal and National parties appear frightened to allow the people of Victoria to have a real say in the selection of parties. If I had been a National Party member listening to the contribution of the honourable member for Caulfield I would have been nervous because she seemed to be saying that only the two major parties should have the right to sit in this place — and the National Party was not one of them! On that basis the National Party should be concerned about the model.

What is wrong with allowing minor parties to share in government? What is wrong with allowing the expression of different and wider views in the Parliament as true views of the people of Victoria?

There are many situations where people become elected by very few votes. To suggest that a change to proportional representation is less fair than the current system does not take into account the way votes are cast in this state.

It is easy enough to look at one or two seats and try to suggest they represent the typical position, but honourable members know that that is not the way voting patterns operate. Looking across Victoria overall one can see that there are sufficiently large groups of people who would wish to support a party and have a member of that party elected, but because of our present system there is no chance of that happening.

I find it difficult to accept an argument that the federal Parliament has been disadvantaged by having minor parties. Whether or not one agrees with the philosophies of the minor parties there is no doubt that there is a broader representation of the views of the community and a much fairer assessment of the whole range of policies. What is frightening about that?

The only thing that is frightening is that under the current system the opposition parties perceive they have got more chance of holding seats than they might have under a fairer system. We can all understand what their problems are, but their argument says little for their concern and commitment to democratic principles in Victoria.

I am disappointed that the opposition parties have not seen fit to agree with any of the changes proposed in the two bills the government has brought into the house, even though some are minor and technical. The community will regard them as two parties that are not interested in listening to the views of the people or agreeing to changes or seeking more democratic processes.

At the last election Victorians told the opposition parties fairly effectively what they thought of their policies. After seeing the attitude of the opposition parties to this and a number of other reform bills, the people of Victoria will be glad about the decisions they made last year.

Mr ASHLEY (Bayswater) — I am pleased to join the debate on the Constitution (Proportional Representation) Bill, albeit to oppose the proposed legislation, especially as I was unable to speak on the Constitution (Amendment) Bill.

I preface my comments by saying that there is a sense in which we become very parochial in this place. We often do not see beyond ourselves and our state borders and we are not cognisant of other views or experiences. It is not a bad thing then that bills such as this are being debated, even if some of their provisions are not necessarily either to our liking, which is one thing, or to the betterment of Victoria, which is far more significant.

The Labor Party has only itself to blame for the situation it has got itself into, as has already been mentioned by the Deputy Leader of the National Party. He said, in effect, that historically the Labor Party has had a set against the upper house. It has not recruited well into that place because for years and years it saw the upper house as dispensable, not wanted, unnecessary and there to be abolished. Over time the consequence of that kind of thinking is that you wear down the talent that you make available to that chamber. The end point is that when you are caught in a dilemma you wonder how you can get yourself off the hook and reform the upper house to your liking.

There is not necessarily anything wrong about wanting to reform something to your liking or about another party wanting to resist it for its liking. However, a number of my colleagues have referred to the Constitution (Amendment) Bill and its pigeon-pair partner, the Constitution (Proportional Representation) Bill, as amounting to a grab for power.

I do not have a problem with that kind of statement, and I do not see anything sinister or reprehensible about it. It is a matter of fact. The Labor Party would do well to come clean and say, 'Yes, that's really what we're about', in much the same vein as it accused the opposition of saying that it is about not giving up its seats. The parties should come clean and let what they are about be seen.

The Labor Party is on about a grab for power because over time it has denuded the talent in the other place. There have to be ways and means of overcoming that problem. The government should not be embarrassed by the grab for power statement. Essentially the business of governing is all about grasping and using power. It is about ruling. Machiavelli was one of the first in more modern times to tease that out. What always has to be asked and contested is whether or not any attempted grab for power is legitimate and acceptable, even if it does not appear as being particularly laudable.

Those kinds of strivings and wrestlings — that is, the push for power — form much of the history of the evolution of the types of checks and balances we employ in this place, as they do in other places, as necessary defences against any desire or temptation to wield power autocratically. Checks and balances must be put under the spotlight from time to time to ensure that they are not themselves becoming barriers to better government.

The presence of the bill raises two profound issues — the exercise of power in a parliamentary democracy and

the meaningful, effective representation of different constituencies within such a democracy. The exercise of power within a society is not necessarily self-evident, despite that society's desperate need for power to be exercised on its behalf, although I believe that to be deeply true. What is certainly self-evident to society is the reality that its need for overarching authority plays right into the hands of power-hungry people, self-aggrandising groups and psychopathic types such as Nero, Adolf Hitler or George Speight.

Obviously the exercise of power in political contexts pre-dates the rise of democracy. It is something we will always have to deal with. Not only that, it is something we have always had to deal with since we walked away from caves — and probably even before that. It is expressed in the notion of the divine right of kings. It is also expressed in the machinations of Renaissance rulers, as Machiavelli described it. It is also expressed in the totalitarianism of the Soviets and the dictatorships of the Italian fascists and the Nazi regimes.

To our great benefit and relief, it is also expressed in the notion and practice of the supremacy of Parliament. Our system is based on the legal exercise of power and authority. In our system power is not usurped, it is secured by consent. That is the profound difference between democracies and other forms of government. It is about the need for power to be exercised on behalf of communities so they are stable and ordered and can make their own way and bring benefits to their people. In our system the people cede power to the party commissioned to govern, or rule. But it is my view that the legitimate use of power is not just limited by duration/set periods of time.

Unfortunately I did not get the chance to speak on this matter during the Constitution (Amendment) Bill debate, but I do not believe in fixed-term parliaments because they are antipathetic to the responsible exercise of power. Power is there to be used — and it must be used. Decisions must be taken on behalf of communities. That is why in our democratic parliamentary system, the Westminster system, advantage is always given to the governing party. It might not seem fair — and I say that from the point of view of opposition — but the advantage is always given to the governing party. As things stand it has the right to choose when it will go to election, and that is fine by me. That is far preferable to having a fixed-term parliament when a government may be dead in the water.

Responsible governments provide stability and order, or at least they aspire to providing those things. They also

aspire to providing a modicum of security and engendering confidence, and they generally do.

Our society demands order and services. It cannot abide power vacuums, and it cannot abide governments which cannot govern and which are, in one way or another, dead in the water. That is why the capacity to bring down a dead government must be preserved, as must the power to bring down a tyrannical government. When a government is not governing it must fall, and for the sake of its community the sooner it goes, the better. In exercising that power, it should always be a case of saying, 'The government is dead, long live the government!'

That brings me to the question of the meaningful representation of different constituencies. I believe the proportional representation proposed in the bill is too fragmentary. It allows for the creation of groups and movements which will never gain more than a handful of votes and which will never be part of the wider body politic. So why should any parliament exercising its power give appreciation to that reflex?

Having eight upper house seats across the state with five members in each would be too fragmentary. Not only that, the populations of those provinces would be too big and their areas too vast to ensure meaningful and sensible representation, as has been described by a number of members who have spoken before me. The issue is about representing people's vital interests, which are based around their livelihoods. If their livelihoods are highly differentiated, one from another, it is difficult for one or two members to represent such wide variation. That is why parliaments around the world have focused on the necessity for local constituencies and representation.

I do not think we can say that in the pursuit and exercise of power there is necessarily anything wrong when the outside boundaries of existing upper house seats are the outside boundaries of the four inner lower house seats. The values and votes are the same. They are simultaneous: there is no differentiation there between one set of voters and another. In fact, it would become slightly warped if you decreased the number of members from 44 to 40. That would change the boundaries and alter the reflection of voter interests, so it might do a disservice, rather than a service, on its own account — and that is apart from the provinces being too vast for proper and meaningful representation.

I grant that there are forms of proportional representation that can achieve good outcomes.

Mr Ingram — Like what?

Mr ASHLEY — The Nordic system of proportional representation allows the dominant groups in those countries to be represented in their parliamentary forums. However, it does not provide for the representation of tiny parties. That does not mean there is no place for Independents; it simply means there is no place for tiny fragmentary parties of the left or right, which proportional representation of the sort proposed in the bill fosters.

The second reason I am not in favour of this form of proportional representation — and we must carefully consider any form of proportional representation — is that if it breaks the body politic down into fragments, the chances of making meaningful policy are constantly debilitated.

The great virtue of the Westminster system is that it is based on a two-party system. Of course it has its weaknesses — we know that — but its virtue lies in enabling the two major parties to represent wide bodies of opinion. That allows the representatives of extremes at either end to be pulled into having a say, to be taken into account and consulted and to be drawn into the body politic, rather than being forever fragmented and pushed to the edge of society into a misfit category. The two-party system has a lot to recommend it, particularly in representing the totality of the society. In fact, that is what it is all about, and that is why in the long term Independents come and go while the two major parties continue to embrace the wider constituencies in society.

The other reason for taking the two-party system seriously and not allowing it to be eroded was well stated by a character called Enoch Powell, which might sound amazing. Enoch Powell got one thing terribly wrong, but he got one thing terribly right. He understood that in a parliamentary democracy it is important to recognise that public opinion is always on the move, that it never stands still. Powell said he did not want a system that prevented, slowed down or blocked off the movement of opinion within society. It was therefore no problem to him that the government might be conservative one day but Labour the next. For Enoch Powell it allowed the natural flow of opinion to slosh across society, enabling the community to be represented by that which it believed would best serve its interests at any point in time.

What Enoch Powell got very wrong was the belief that bringing different kinds of people into the United Kingdom would set up siege mentalities and groups that would not become part of the wider community. He suggested they would block the movement of

opinion within society; they would either not move with or would stay out of that society. That has been proved in Britain as it has been proved in most Western countries to be demonstrably wrong. It proves that people from different cultures who move to a country to settle and take up mainstream culture and activities go with the flow and become part of the two-party representation system.

I am most concerned that we do not embark upon a course of action that will fragment our communities into single-issue groups or slightly more than single-issue groups that can never be fully represented and have a full say because they are blocking off one another. That kind of process fragments the capacity of parties to make decisions on behalf of their communities or on behalf of broad constituencies because they end up doing deals with one another to try to maintain a position of power — which is what parliamentary politics is all about — against the most significant and basic interests of their communities.

Essentially in the end members of Parliament are either guided by and responsive to their constituents, or are caught up in their factions and inter-party wrangles and wrestlings, which take over from the notion of good and decent government, and bringing about good outcomes for their communities. I cannot commend the bill to the house.

Ms DAVIES (Gippsland West) — I am pleased to speak following that thoughtful contribution from the honourable member for Bayswater. I found his discussion of the exercise of power very interesting, particularly his comments that the exercise of power can fall into the hands of psychopathic types. He also discussed the concepts of the divine right of kings, totalitarianism and dictatorship.

I must say that over the previous seven years Victoria had a government which functioned totally as a dictatorship. The upper house in its current form was completely unable to prevent that, which was a failure of parliamentary democracy and a reason why the change is needed for which this bill provides.

I hope all members will contribute to this debate on the Constitution (Proportional Representation) Bill. I note that so far this year there have been more parliamentary sitting days and more amendments, negotiations and discussions than there ever were in the previous Parliament. We have a better democracy now than we had before. The bill alters the form of election to the Legislative Council to one of proportional representation. It sets up eight provinces with five members each, making a total of 40 members instead of

the current 44. That is a small reduction in the total number of politicians in our Parliament, which is probably a not unwelcome lessening of the burden on the public purse.

Under the proposed system each province would contain 11 Assembly seats. The five representatives for each province should and would consider it their duty to cover the total area between them. Proportional representation as a voting system means that members will be elected to the Legislative Council in proportion to the total amount of votes they can attract. I regard having a different form of election for representatives of the lower and upper houses as necessary to counteract some of the imbalances which exist because of the current set-up of seats. I note and acknowledge that the current set-up of seats was put in place by a previous Labor government. Perhaps it was part of concessions it had to agree to to rid Victoria of an even worse set-up that existed before the changes.

It should be noted that Independents statewide are now polling a higher proportion of votes than the National Party, yet there is a vast number of National Party representatives in the Legislative Council. In a Morgan poll of July 2000 the National Party statewide vote was at 2.5 per cent, yet the party has 6.8 per cent of Assembly seats. I do not dispute that representation in the Legislative Assembly. I suspect it is perhaps an endangered representation, but feel positive National Party members now realise that they have to fight for their seats.

The National Party has 13.6 per cent of the Legislative Council seats, which is double its proportion of lower house seats. That is a vast overrepresentation and has only been possible because the length of the terms currently enjoyed by upper house members are six to eight years, which is outrageous and unacceptable and has been very much part of their past capacity to ride into Parliament on the backs of the efforts of their lower house members.

I am very impatient with the repetition of National Party members that somehow the National Party is needed because it is the country voice. I am sorry, but the experience of the past eight years has completely put paid to that concept. National Party members have been a failure and a waste of time and money.

Proportional representation should make the Legislative Council more proportionally representative. That is certainly necessary. The Legislative Council would work best as a house of review if the numbers were more evenly balanced, as representing the more even balance of the statewide vote overall, and particularly if

it was not permanently in the control of one party. As I have said before, the Legislative Council may currently be in a position and have the will to operate as a house of review. It would only be a danger if we ever change back to having another coalition government.

Under the proposed system there would be five members per province. That would mean that each representative would have a comparatively high quota of 16 per cent, which is high in most people's perception of what the quota should be for proportional representatives. That would mean it would be very hard for smaller parties — and Independents — to be elected — much harder than it would be under the system in New South Wales, for example, where I believe the quota is about 4 per cent.

However, it is not impossible. It would mean that any member who is from a smaller party or who is an Independent would have to be very good. The member would have to campaign and work very hard, and appeal to a broad range of people and a broad range of those people's ideas. I see that as a good thing and as a positive. I had hoped the Liberal Party would also have seen that as a positive and that it might have encouraged its members to consider the reforms more than they were able to consider the reforms proposed by the first bill introduced into this house.

I support the amendment proposed by the honourable member for Gippsland East, who will be entering the debate later. If there is a casual vacancy in the Legislative Council it should be filled not by way of party nomination, but by a countback, regardless of whether the member belongs to a party or is an Independent. All members of Parliament should have been through that process. I do not accept the nomination to Parliament of people who have not been through the basic democratic process.

I also support the amendment that rejects above-the-line voting. I spent considerable time considering this matter. I acknowledge that just putting '1' above the line is much easier. However, it is a comfortable option that makes it easy for parties to manipulate their preferences.

Under the proposed system, no province will have so many candidates as to make putting a number in every box difficult or unworkable. In that sense it is different from the set-up in New South Wales and the Senate, where the total number of candidates can be so immense as to make below-the-line voting too much of a challenge. Five members in each of eight provinces is not unworkable: it is not unreasonable to expect people

to put a number beside every number on the ballot paper.

Clause 22 in part 4 deals with electoral boundaries. It requires the electoral commissioners to ensure that three provinces are primarily rural and five provinces are primarily metropolitan. There is no proposal for a gerrymander. There will be a redistribution before the next election, which will make the seats in the Legislative Assembly more evenly balanced, based on one vote, one value. Under the legislation each province will comprise 11 assembly seats, so the same principle of one vote, one value will apply. I repeat: there is no gerrymander.

In the current situation there is a great deal of talk about the parties needing the country voice. At present the Legislative Council has a large number of provinces which are part metropolitan and part rural, which is unavoidable. It has always been the case, and it will probably be the case in this instance as well. The bill specifies that the provinces must be primarily metropolitan or primarily rural.

Gippsland West is part of a province made up of three metropolitan seats and one rural seat. The fact that one party's upper house members came down to Gippsland West and started to do some work had nothing to do with their desire to represent the people. It was the loss of a seat that had become marginal that convinced them that they had better get off their backsides.

If seats are marginal enough, the upper house members will work. If the numbers in the Legislative Council are more evenly balanced and more representative of opinion statewide, the Legislative Council will work better than it does now. It will work as a proper house of review, regardless of who is in government.

I had hoped that this bill would be more acceptable to the opposition parties than the first bill. I am disappointed that both the Liberal Party and the National Party put their own narrow party interests so much to the fore that they would not even consider the possibility of reform or come up with any ideas for discussion. That is sad.

If they wish to get back into government — and I truly hope that one day they will be in a position to get back into government — they would be able to function better with a reformed upper house.

Honourable members interjecting.

Ms DAVIES — I truly believe that with a properly functioning upper house the Liberal–National coalition would still be in government today, because some

members of that place would not have been as cowed or as sycophantic as the majority and would have put a stop to the previous government's excesses.

The very form of the upper house and the way it used to function was the seed that led to the destruction of the former government — a sad event for its members and for that government.

I would like to make sure that there is an upper house in the future that is able to function as a house of review regardless of what party is in government. That will happen one day, I believe, and I would like to be a part of it. I hope to take part in further public discussions on the bill over the next few years and, as I said, look forward one day to seeing an upper house in Victoria that is able to function properly.

Mr VOGELS (Warrnambool) — It is with pleasure that I take part in this debate on the Constitution (Proportional Representation) Bill.

If passed, the bill will provide for the election of members to the Legislative Council using a proportional representation system, a reduction in the number of members in the Legislative Council from 44 to 40 and the filling of casual vacancies in the Legislative Council consistent with the intention of the electorate.

Labor keeps suggesting that the election of members to the upper house by proportional representation would make the upper house more democratic. Its real motivation, however, is that the voters of Victoria will never otherwise give Labor the control of the upper house, as the Labor Party has rightly worked out.

Why is this so? Simply because, although the voters are prepared to give the ALP a go at forming government in the lower house, they do not trust it with complete control. The bill is therefore a second-best solution for Labor: if it cannot control the upper house in its own right it will try the next best thing and get up some Independents or a minority single-issue party and then, perhaps, buy their support. The most recent government to head down that track was that of New Zealand, and its economy has gone from being one of the strongest in the region to one of the weakest.

It is no coincidence that whenever proportional voting takes place unstable and poorly performing government results. A good example of that close to home is the federal Senate, where a few Independents and a minority party — now the Australian Democrats, and before that the Democratic Labor Party — can hold Liberal and Labor governments to ransom. That is not the way to good government. Do we really want to see

some flash-in-the-pan fruitcake get elected, someone who has been chosen on one popular issue and gains control of the upper house? I think not.

Proportional representation leads to instability because the party that has the most chance of getting a majority consorts with and conducts all sorts of deals with minor parties and Independents to gain control. When a majority party has to pander to the whims of a few Independents or one-issue candidates government becomes weak.

As honourable members can see already in this house — and let me say the three Independents in this chamber won their seats fairly and squarely — it is easy for one group to blame another when there is a failure.

The Legislative Council in Victoria is democratically elected. The upper house is elected on one vote for one value and on electoral boundaries set by an independent process. There is no fairer system.

Each upper house seat covers four lower house seats. The upper house province that corresponds to my electorate is Western Province, which is represented well by the President of the Legislative Council, the Honourable Bruce Chamberlain, and the Honourable Roger Hallam. Both members live around Hamilton in the middle of their electoral boundaries so they are very easy to contact. Along with the members representing the four lower house seats of Warrnambool, Portland, Polwarth and Wimmera they make a great team for the south-western region of Victoria, and the team has provided effective long-term local representation.

The idea of having eight provinces with five members each, based in metropolitan Melbourne, plus three provinces in rural and regional Victoria will disenfranchise rural Victoria. The seats will stretch from Werribee to Nelson on the South Australian border, from Dandenong to Mallacoota in the east, and probably from Seymour to Swan Hill. You do not have to be Einstein to work out where most of the population in the three so-called rural seats will be: they will be in places that are less than 100 kilometres from the Melbourne CBD.

The bill proposes to fill casual vacancies in a way that is consistent with the intention of the electorate, but the system it proposes is flawed. It will generate the kind of thing that is happening now in the Senate, where casual vacancies are filled by party hacks, either from Trades Hall Council or, in the case of a One Nation candidate, from an order coming from Queensland.

Mr Hamilton — How do the Liberals fill theirs?

Mr VOGELS — I don't know.

Let me conclude by saying the current system has provided stable governments — coalition, Liberal and Labor governments — for decades. I agree with the shadow Attorney-General, the honourable member for Berwick, who said that if you are going to make a major change to the constitution you consult first and bring in a bill second.

The constitution of Victoria has served Victorians well for many years. Good change is not made in a hurry; it is better to get lots of expert advice along the way, then appoint a commission of independent jurists who understand the intricacies of the constitution. Let them go out and ask the people what they think. After those consultations the jurists can report back with a set of guidelines and recommendations to the Parliament. By then the issues have been widely canvassed in the community and properly put to the people for judgment. That process makes sense. Until we are prepared to do that we should stick with what we have.

The upper house has a fair and democratic system, using the same electoral system as the lower house with one vote having one value and using independently drawn electoral boundaries. It provides checks and balances, and that is why the people of Victoria vote differently for the Council from the way they vote for the Assembly. The people do not trust the government with the finances of their state.

The Labor Party has an appalling record for fiscal responsibility — it will take it no time to squander the surplus it inherited from the previous government. Under the present democratic system, however, at least it will have to answer to someone.

The bill should be defeated.

Mr MAXFIELD (Narracan) — I rise in support of the Constitution (Proportional Representation) Bill, which deals with reform of the upper house.

Many of us think and talk about upper house reform, and there has been significant discussion about it in the community over a long time. Many honourable members have debated the issues in the house and the legislation has been discussed at many community functions. People have written to newspapers. Some members of the opposition, for example, have written drivel in the newspapers suggesting that ALP policy is completely different from what is proposed in the bill. How in the hell that could be, I do not know. It says something about honourable members opposite.

Do we need reform of the upper house? Does the upper house reflect the views of our community? Does it reflect what happens when an election occurs? At the last state elections the ALP polled a tad over 50 per cent of the vote — that is, a majority of people on a two-party preferred basis voted for Labor. Compare that with the number of seats won by the ALP in the upper house. Did the election result in the upper house reflecting the will of the people when they went into the ballot box? The answer has to be no.

How can we suggest that the views of the people cannot be properly considered? People should have representation based on how they vote. The democratic system is a wonderful institution and we must value, cherish and nurture it. Instead we have a complete mismatch between the number of people elected to the upper house and the will of the people. We therefore have an obligation to protect democracy, because we value it immensely.

Honourable members should consider how the Kennett government operated during its seven years in government. Did the upper house call former Premier Kennett to account when his bills strayed too far from the community's views and breached his election commitments? For example, when he said that workers would not be worse off under his proposed industrial relations legislation but it was clear that it would seriously and dramatically damage the entitlements of workers, did the upper house act as a house of review? Did its members say to the Kennett government 'No, that is not what you promised in your election campaign, we will not support it'? Sadly, no, they did not.

Recently members of the upper house made the comment about a bill that, 'There is a mandate for reform of Workcover, so we'd better pass it'. As I said, when Premier Kennett introduced legislation that did not reflect what was promised during an election campaign, did they say no? They said, 'We'll pass the legislation to strip workers of their rights. We'll ensure workers will be worse off'. It is very sad that the upper house was unable to do its job when the Kennett government had total control of both houses, and that it was used and abused as a rubber stamp. It was a case of what Jeffrey wanted, Jeffrey got.

The eight-year term for upper house members is too long. Some opposition upper house members clearly consider they have hit the jackpot. They were elected for eight years but have they been seen during that time? Only rarely, and usually when they were saying 'Yes' to the Kennett government. Eight-year terms do not result in people being accountable because they can

rest during most of that time and work hard in the year prior to the election. They can say, 'Until then I'll play golf on Wednesday afternoons and take it easy'. Clearly the current system of eight-year terms does not make members accountable. Members of Parliament must be accountable to the electors, and members who are elected for four-year terms know they must account at the end of that time and have to work hard.

Finally, reform of the upper house of this state is desperately needed. An upper house is needed that reflects the views of the community.

Mr PLOWMAN (Benambra) — In her contribution in support of the bill the honourable member for Gippsland West talked about only the past eight years. Neither of the last two speakers in favour of the bill have been able to look back over the some 150 years that the upper house has been in existence. Unless they give consideration to the structure of the upper house over its whole period and not only over the past eight years or the past two governments, speakers do not do the debate justice. Many of the thoughts and aspirations that were expressed in the comments of Labor members were fallacious because they reflect short-term wisdom and not long-term effects.

I will not comment much on the contribution of the honourable member for Narracan, except to observe that he talked about the value of democracy. I do not know of anything that reflects democracy better than a system based on one vote, one value. If people vote for a member of the upper house on the same basis as they vote for a member of the lower house they get what they want. At the last election people voted differently for one house than for the other because they saw a great difference in the value of the two houses. The upper house is a house of review, with checks and balances, and that is why the electors voted as they did.

I was fortunate to be in Adelaide in 1997 at the Australasian and Pacific conference on delegated legislation and the scrutiny of bills and to hear the Honourable Robert Lawson, QC, MLC, who delivered a paper on the future of upper houses. Fortunately that was three years ago, and I have had a chance to cogitate on that paper. It was a well-delivered paper and every delegate at the conference was appreciative of the work that had been put into considering the background and the value of upper houses throughout Australia and the world. Although I did not agree with everything Mr Lawson said, I was most impressed by his perceptive analysis of use of upper houses and the logical presentation of the facts.

I have considered the alternatives over the past three years. During that time I came to believe strongly that the upper house in Victoria represents one of the most democratic of chambers. It is a true house of review, and over the past 150 years it has provided the checks and balances that have made Victoria one of the most democratic systems in Australia's history.

It appears that the introduction of the two constitution amendment bills — this bill and the Constitution (Amendment) Bill that has been passed by this house but will undoubtedly be rejected in the upper house — is a subterfuge for the government's real agenda. Despite what government members say, the real agenda is to do away with the upper house — that is, to throw up the options for review and then say, 'Because you weren't prepared to accept the options we presented to you, we want to keep up our sleeve the right to abolish the upper house'. They are referring to the upper house, which provides the checks and balances that have proved so valuable to democracy in Victoria.

I quote from a speech made a few weeks ago by the Premier of Victoria when he delivered the Michael Joseph Savage memorial lecture at La Trobe University at Wodonga. The oration is usually delivered over three-quarters of an hour or an hour. After having talked about Joseph Savage for 5 minutes, the Premier spoke for 10 minutes about the reform of the upper house, the subject of his choice, and then sat down. He obviously did not have his heart in it, and he obviously does not have his heart in the bill. If the Premier, having major legislation before the house, believed in what he was doing and saying he would have delivered an oration of at least three-quarters of an hour and fleshed out the arguments that might have given the audience a belief there was some value in changing a system that has worked well. He did not do so.

I suggest that the Premier just does not have his heart in the proposed legislation. He said:

... Labor's plan for upper house reform is not a policy in isolation ... It is about ... strengthening the accountability of governments ...

It is part of our commitment to improving the checks and balances against executive power.

I emphasise the final statement. The greatest check against executive power is, in fact, withholding supply in the upper house.

Since 1856 that has happened only seven times, and on five of those occasions the government was not brought down but was required to do something by the upper house. In other words, it is the ultimate check. I suggest the Premier does not really understand the benefit of the

check the upper house has had over the Victorian government over 150 years.

The Premier went on to say:

... Australians have consistently indicated that they like upper houses that scrutinise the actions of the government of the day.

How will the bill change that? How will it change the opportunity for the upper house to scrutinise?

He continued:

... they prefer upper houses that are not controlled solely by either the government of the day or the opposition.

I do not believe that is so. One has only to look at the position in the Senate when Senators Harradine, Colston and Brown had this country in their hands. What did the public think about that? They certainly did not like it.

The Premier is not correct in suggesting the public wants an upper house where minorities can govern the democratically elected government, but that is what he said in his speech to La Trobe University at Wodonga.

He went on to say:

They don't like upper houses that obstruct the government.

If one looks back over the 10 years when Labor was in power and the conservative parties had control of the upper house, one sees that 97 per cent of all the legislation that passed through the lower house was accepted by the upper house — hardly a house of obstruction when the opposition controlled it. If one looks at the history of the upper house one sees that no matter which party has held control of the upper house it has never been used as an obstructionist house.

The Premier went on:

They want an upper house that lets the elected government get on with the job — but that holds it to account.

That is exactly what the Victorian upper house does: it lets the government get on with the job. It has been shown that that has occurred, and it certainly holds the government to account.

The speech continued:

I am personally strongly opposed to the abolition of the upper house.

I was delighted to hear that. However what does the Labor Party really think about the abolition of the upper house?

I quote again from the Australasian and Pacific conference on delegated legislation and the scrutiny of bills, when Mr Nardella, who was then a member of the upper house, said:

Our party's policy is to reform the upper house. My personal view is that we abolish it.

If most Labor members of both this chamber and the other place were honest about it, that is exactly what they want to do — they want to abolish it. However, if the bicameral system was abolished it would be a most detrimental move for democracy in Victoria.

The Premier went on in his speech to talk about New Zealand:

New Zealanders ... voted to introduce a radical form of proportional representation.

So they did.

Today, the New Zealand system makes it almost impossible for one party to govern alone.

Only a matter of months after the New Zealanders accepted the new system of mixed member proportional (MMP) representation, they would have gladly gone back to a preferential form of election because they realised it took four months for that first government to form — and during that time the bureaucracy held all the strings. It was obviously a system that could not achieve things. The honourable member for Warrnambool quite rightly said that, although New Zealand was a very strong economy in this part of the world, since moving to proportional representation its economic strength had dropped considerably because the government does not have the strength to govern.

Proportional representation in either house, but particularly in an upper house that could block and obstruct, would be devastating to the creative ability of a government to achieve what it wanted to achieve.

Mr Haermeyer interjected.

Mr PLOWMAN — If the Minister for Police and Emergency Services thought about it, he, too, would recognise that if the government were frustrated in what it wanted to do by an upper house governed by minority groups or even individuals such as federal Senators Harradine and Bob Brown, it would greatly reduce its power to govern in the way it believed it should. In an oration at Latrobe University the Premier stated:

People want and expect a democracy with appropriate checks and balances, a democracy where the power of the executive

government is contained and where decision-makers are held to account.

I believe we have that in Victoria, and the history of the Parliament of Victoria shows it to have been the case for 150 years. The Premier went on to state:

Under Labor's plan an ALP supporter in Shepparton —

his words —

would be able to elect an MP from his or her preferred party for the first time.

Frankly Mr Acting Speaker, I do not think you would be too enamoured with that suggestion. The Labor government has not had the ability to take that action in the past and it wants the opportunity to do it in the future: it wants to engineer a situation to achieve it. The current system is absolutely democratic. If the honourable member opposite wanted to leave his seat of Burwood and come to Shepparton and contest that seat, he could if he was good enough be the next member for Shepparton. But I promise he would not achieve it because the voters in that electorate do not want a Labor member and they have shown clearly that they do not. It would not occur.

The Premier's style of mandate argues that upper house members keep their seats for eight years but that is simply not true. They do not have eight-year terms. At present the term of the upper house is between six and eight years. When do two governments ever run their full terms? It is most unusual for any government to run its full term when an option term is available. Two governments would never do that consecutively. The upper house members would have eight-year terms only if part of the government's recommendation to have fixed terms in the lower house applied. I do not believe honourable members should accept either resolution.

In his oration the Premier further stated:

Victorians deserve an upper house where the members have the capacity to represent the interests of their communities...

I am a country person, as is the honourable member for Gippsland East. How can the representation of country people be improved if only three electorates represent country areas? The Premier says he wants to see representation improved. If anything the situation would be reversed. The Premier's oration at Latrobe University denies the logic that is needed in this debate.

The bicameral system dates back to William the Conqueror in 1066 — the start of the Westminster system. Politicians have long complained about the obstructionist ability of upper houses. Australia recently

had a Prime Minister who labelled the Senate as an unrepresentative swill. That is nothing new. If one looks back at the revolutionary period in France one finds that Abbé Sieyès, who was a constitutional lawyer at the time wrote:

If a second chamber dissents from the first, it is mischievous.

In our terminology that is unrepresentative swill.

If it agrees, it is superfluous.

In the terms of the Premier of the day it would be non-representative.

Going back even further, the Roman republic was described as the 'most consistently prudent and sagacious body that has ever administered public affairs'. It would be stretching a point to say that the upper house is the most prudent and sagacious body but maybe in time this executive government will see the benefits of an upper house that scrutinises and curbs the actions of a lower house.

Going back to history again, when Jefferson was talking to George Washington, he asked why Washington had agreed to a bicameral system for Congress. Washington replied, 'Why do you pour the coffee into your saucer?'. Apparently that was the custom at the time. The response was, 'To cool it'. Washington responded, 'So we pour the legislation into the senatorial saucer to cool it'. The bicameral system has shown that it can do just that. It is there to provide that opportunity.

A slightly different approach was taken by the ancient Goths in Germany. They had the wise custom of debating everything twice, once when they were drunk and once when they were sober. They did it when they were drunk so that their counsels would not want for vigour and they did it when they were sober so that they might not want for discretion. In Victoria's case I am not sure which house would be given the option of being drunk or sober! It was a most interesting custom, but the Goths had a strong democratic system.

All Australian states once had bicameral systems. Queensland abolished its upper house in 1922 after years of deliberation. It is interesting that Queensland and New Zealand have both abolished their upper houses, neither of which was elected.

Their upper houses were unelected bodies, so there was some justification for their abolition. Some of the excesses in Queensland highlighted in the Fitzgerald inquiry may not have occurred if the state had maintained its bicameral system.

I have never protested publicly in my life, but the provision the government wants to introduce which would allow metropolitan voters to completely control the upper house is absolutely undemocratic, and I will use my democratic right on every occasion to protest against it.

Mr STENSHOLT (Burwood) — I support the Constitution (Proportional Representation) Bill. The honourable member for Benambra has provided the house with a potted summary of the past 150 years, to which I will refer later.

According to an article that appears on the Parliamentary Library web site, the Legislative Council was originally assigned two major responsibilities: the first was to protect the interests of property owners, the wealthy and the educated; and the second was to check the inevitably more radical Legislative Assembly by acting as a house of review. Fortunately, the first responsibility is now gone. It was only 50 years ago when all people were first able to vote for members of the Legislative Council. However, I support the idea of review.

This is a simple bill for increased democracy in Victoria. The bill is easy to understand and support. It contains two simple principles. The first is to reduce the number of members in the Legislative Council from 44 to 40. That will certainly involve cost savings. I should have thought there was little doubt in the minds of the electorate about that. I am sure it will lead to a large saving in ongoing costs, and the electorate will support that first principle.

The second principle is proportional representation, which involves five elected members in eight provinces. It will mean there will be a one-vote, one-value system, so that people's votes will count to elect who they want to represent them in the Legislative Council. It will mean better representation, because more people will be represented. Rather than a little less than 50 per cent of electors not having their vote count, it would only require a quota of 16.6 per cent to get someone elected. Candidates would need to get one-sixth of the vote, which would allow for greater inclusiveness — in other words, a more open and democratic system than we now have. Representation would more closely reflect the votes cast and would be more in proportion to what the voters choose. I believe the voters see that as being a fair thing. The logic of those two simple propositions is clear.

Proportional representation is not new. The honourable member for Benambra took us back 150 years. It is interesting that the first Legislative Council in Victoria

consisted of six provinces of five members. The founding fathers of the Victorian Parliament must have thought having five members was a good idea, which indicates the wisdom of this bill.

In 1988 the previous member representing the electorate I represent, the electorate of Burwood, was the then Leader of the Opposition. At that time he supported proportional representation in the Legislative Council. He got rolled by his mates in the Liberal Party, but he supported a single statewide electorate, which would have meant a quota of 4.3 per cent. That would probably have meant that some fringe groups would have been elected to the upper house. The government's proposal is to have eight provinces of five members, which will mean that a significant proportion of the votes — 16.6 per cent — would be required in reasonably sized areas — that is, each comprising one-eighth of the state — to elect members to represent all areas of the state, including the country and regional areas of Victoria.

As I said, it is a simple bill, and I urge the house to support it.

Mrs PEULICH (Bentleigh) — I am delighted to take part in the debate on the Constitution (Proportional Representation) Bill and support the Liberal Party in opposing this reform of what I believe is an important principle. I do not believe the institution of Parliament can be restructured and reformed so dramatically without the input of the Victorian people. Having been born in a communist regime I know the value of a vote and free speech. Democracy is a fragile principle that needs to be protected by the broad wisdom of the community through open and informed debate.

It is interesting that yesterday a vote was taken in this place to defeat an amendment that would allow every honourable member of this house to express and represent the views of their communities, and that all members of the government supported by two Independents voted for what was essentially a gag on the debate. I give the Premier credit for seeing the irony of supporting a gag on debate of legislation that supposedly was intended to improve democracy rather than diminish it. At least he saw the hypocrisy of that. Opposition members appreciate the opportunity the government has given for us to voice the views of our communities and electorates.

During the debate on the Constitution (Amendment) Bill I spoke about the need for a house of review. That principle is supported by the majority of the states in Australia, which have the longer Senate-type terms to ensure that the fragile institution of democracy is

protected against short-term political objectives and fluctuations, the emergence of an autocrat or another sort of revolutionary, and the sorts of people we have seen in the fragile democracies of Eastern Europe, including my country of birth.

Those are the sorts of movements that can see the rise of people who would be represented by someone like Hanson. For that reason alone democracy deserves the protection of a house of review that sits for longer terms than those in the lower house.

Longer terms not only provide a continuity of service to a community but they also protect that important institution which is often taken for granted — democracy. Many of my friends do not take it for granted. My husband voted for the first time in his life when he migrated to Australia at the age of 34. As the first exercise of his democratic vote he voted for his wife.

Mr Leigh — Are you sure?

Mrs PEULICH — I certainly hope so. I am still married to the same person! The principle of a house of review not being a mirror image of the lower house is an important protection of Australia's most important institution, which has provided its people with tolerance and political and economic stability and which has opened its arms to the displaced people and refugees who have made this country their home.

The upper house system is not a system that entrenches a particular political party. What is important is not only getting a majority of the votes but also getting them in the right seats. It reflects poorly on the Labor Party that it is unable to develop a strategy to target particular seats and to find candidates who are willing to work and win the votes. It has shown it is possible to win upper house seats when its members have got off their butts and done the work.

Mr Steggall — They do not do it very well.

Mrs PEULICH — They do not do it very well because they are used to number crunching rather than doing the grassroots work.

Mr Steggall — That is why they want proportional representation.

Mrs PEULICH — Absolutely! As I said, to diminish the capacity of the upper house as a house of review is to expose democracy to the idiosyncratic whims of the government of the day for short-term political considerations. In its present form the upper house enhances democracy.

I give credit to my upper house colleague the Honourable John Ross, who put out a newsletter that looked at some of the forms of the house that are not enjoyed by lower house members. He says that the Labor government wants a blank cheque and lists some of the forms of the upper house that are important aspects of the democratic process. The Labor Party used some of those forms very effectively when the Kennett government was in power and that was one of the reasons it got its issues up to be effectively reported in the media, which led to a change of government. Many of those issues were run in the upper house.

No debates or bills are guillotined in the upper house as they are in the Assembly. It is a tragedy that debate on important legislation such as the Drugs, Poisons and Controlled Substances (Injecting Facilities Trial) Bill is being guillotined. It is shameful that local communities are denied a voice because their members of Parliament — irrespective of whether they are Labor, Liberal, National or Independent — have no opportunity to speak on critical legislation or proposals that have not had adequate community consultation.

No speech by a member is gagged in the upper house, and no time limits are imposed. During the first term of the former Kennett government one debate lasted for 27 hours. In that house the opposition, be it Liberal or Labor, is guaranteed three hours every Wednesday in every week Parliament sits to debate motions that scrutinise the government of the day.

Unlike the lower house, where members battle for a position to get their items up, any hardworking member in the upper house can raise a matter in the adjournment debate and have it addressed by the relevant minister. To say that it is not democratic for local communities to have their concerns addressed and problems attended to in that way is a farce. It is a castration of local democracies to change a system where those forms — —

Mrs Shardey interjected.

Mrs PEULICH — The honourable member for Caulfield said it was a bit rough. Free speech is a critical pillar of democracy and there are fewer restraints on free speech in the upper house.

Ms Lindell interjected.

Mrs PEULICH — The honourable member for Carrum, who is one of those members who does not do her grassroots work and who already has constituents complaining about her inaccessibility — they say she is not on the ground and they are not well represented — sits there and criticises. She should hang her head in

shame because she is part of a government that wants to restructure parliamentary democracy for expedient short-term reasons without consulting the people of Carrum.

Mr Haermeyer interjected.

Mrs PEULICH — God forbid if the current Minister for Police and Emergency Services should ever become the government leader! He talks about dictators, which is one reason why a house of review with long terms is needed to prevent the adoption of the sorts of revolutionary ideas that many government members treasure in their hearts.

Questions on notice in the upper house must be answered within 30 days. In the lower house — and we have already seen some examples — the government does not care and does not answer questions. The upper house enhances democracy rather than diminishes it in many other respects.

A government member interjected.

Mrs PEULICH — That is not changing the subject. I am getting on with the bill.

The history of governments that have been formed as a result of proportional representation is not a happy one. The honourable members for Caulfield and Brighton referred — as did the illuminating address of the honourable member for Bayswater — to the uncertainty, instability, constant factional deals, changes of alliances and compromises that often lead to government impotence under proportional representation.

An honourable member interjected.

Mrs PEULICH — I am using a similar line of metaphors. We must retain the ability to trigger an election and make sure that there is a capacity to get rid of a corrupt, lazy or ineffective government.

The current voting system has provided stable government for decades. The proposed system would lead to the election of extremist minority parties exercising the sort of disproportionate power that has been applied by the Independents in return for who knows what — secret deals made in misty, smoky rooms, probably out in the chook shed. The publicly released Independents charter is not worth the paper on which it is written. We do not have the unwritten charters and agreements that have been made between the government and the Independents.

The most important and disturbing aspect of the legislation is that rural Victorians would be neutered by the proposed legislation. Local communities would certainly pay the price. They would end up with less representation and far less access to members of Parliament than they enjoy under the current system.

We have heard that local members of Parliament who are geographically linked to their communities in the upper house and represent four lower house seats have a direct relationship with the people they represent. Some communities may be represented by both Liberal and Labor members. That sort of access would be impossible under the proposed system because offices would be centrally located in the most populous of newly created seats. There is no doubt that local communities would pay the price. The proposed system would be less representative and far less democratic.

The argument for the legislation is based on a false premise. The current system is democratic. It is based on the one-vote, one-value system with independently drawn electoral boundaries. Electorates are fairly small and local parliamentarians are solely responsible to the people who elect them. The Independents probably feel that sense of responsibility, which at times must weigh heavily on their shoulders.

What sort of responsibility would members feel under a proportional representation system? Perhaps it would be easy to pass the buck or claim no responsibility and say, 'Look it wasn't up to me. I was outvoted'. We have seen some of the wild swings that have made safe seats marginal and vice versa.

An honourable member interjected.

Mrs PEULICH — It is democracy. That is the reason for the notion that tying members of Parliament to smaller geographic areas is the best system and leads to the greatest degree of accountability to local communities. The government's proposal completely loses sight of that important principle. The current system is far more accountable than that proposed under proportional representation, which would not represent rural areas and communities adequately or provide access to individual constituents.

The upper house is a democratic safeguard. Democracy is slow, but the most important aspect of democracy is its element of free speech, which we have seen exercised lavishly in the upper house, unlike the situation in the Legislative Assembly. The honourable member for Melton said the upper house is ineffectual because it cannot amend legislation. That has been used both as a criticism and in defence of the upper house.

Some people have said it is obstructionist, yet when we look at the figures we see that that power is rarely exercised except in situations where important principles need to be protected, where there is no mandate or there has been no consultation. At the end of the day, when that power is exercised that political party is held accountable.

Another criticism levelled at the upper house is that it is a rubber stamp. Even without legislative amendments it is important to air ideas, and we saw how the airing of ideas in the upper house led to a fairly significant shift in opinions and the political climate in Victoria over the past five years.

I am not so sure that those criticisms and the premises on which this legislation is founded hold water. I do not believe they do. The upper house has been proven to work effectively for Labor as well as for Liberal politicians. If political parties find it frustrating not to be able to get their members elected, perhaps they ought to revise their strategies and develop a more astute way of focusing on key seats with hardworking candidates who can win the votes.

As I said, I oppose the principle of proportional representation. It leads to an undermining of democracy, which needs to be protected and nurtured. The Legislative Council is an important house of review.

There has been no consultation on the bill. Victorians are the ones who should decide the form of the institutions that represent them. To introduce this sort of legislation without that sort of input is the height of arrogance. The government, which has come in on a platform of providing a different style of leadership, should hang its head in shame.

The proposal of getting rid of by-elections is astonishing. There is no doubt that it is a diminution of democracy. From whichever angle one looks at it, the proposals fall far short of the mark. I am very happy to be able to oppose the bill and defend the existing system.

Mr INGRAM (Gippsland East) — I am pleased to speak on the Constitution (Proportional Representation) Bill. The reform of the Legislative Council was one of the key planks put forward in the Independents charter.

It is something in which I believe very strongly. We need a Legislative Council that is a real house of review.

The Legislative Council failed country people during the last Parliament. Government members in the upper

house did not stand up for the rights of their constituents, so it is ironic that opposition members are today saying that any changes to the upper house would destroy its ability to look after country people.

Honourable members should examine how the upper house failed to protect country people against the withdrawal of services and the like during the seven years of the Kennett government. I might add the upper house also did nothing to protect Victorians during the 10 years of the previous Labor government, when outrageous debts were imposed on Victorians. Did the upper house look after country people, let alone city people, in that time? During that era the upper house was controlled by the conservatives, who should have looked after the people of Victoria better than they did.

The upper house has some problems and needs to be reformed. The bill is the second upper house reform bill to be introduced in this place. The first, dealing with four-year parliamentary terms and the blocking of supply, was passed last week. Instead of being withdrawn the original bill, the Constitution Reform Bill, should have been debated so that the government and the opposition could examine it, try to work out their differences and reach some agreement on the issues. Its withdrawal meant that honourable members did not have the opportunity of debating it in the house.

I turn to the positions of the major parties on the bill. Both major parties and the National Party have come into the debate with fairly entrenched views. The Liberal Party is opposing the bill because it has a vested interest: it has control of the upper house and wants to keep it that way. I would probably agree with Liberal Party members if I were in their position!

The National Party opposes the bill because it believes reform of the upper house would reduce the opportunities for country people to have a voice. Again I refer to the failure of the conservative parties to look after country people during the seven years of the Kennett government and stress that the current system is not protecting country people's rights.

In truth, the best reform of the upper house would give the National Party the ability to take a sizeable chunk of the vote and become a player in the upper house, enabling it to better respect the values and protect the rights of their constituents. But to do that under a proportional representation system the National Party would have to stand alone and be a party in its own right. I am sure the honourable member for Murray Valley would agree that that is what the National Party should be — an independent party looking after the

rights of country people — because that was its original charter.

The principal argument mounted against the bill is that the upper house's system of representation should be retained. However, compared with my seat of Gippsland East the two local upper house members cover only a slightly larger area, yet their province includes a number of lower house seats. Basically Gippsland East has three local members of Parliament, but the local member of Parliament really belongs in the Legislative Assembly. The role of the upper house is to act as a house that reviews legislation — and that is the point many honourable members are missing. If we have good lower house members who represent their constituents well, we do not need upper house members to duplicate their work. Instead we need a house that reviews legislation, and I question whether the Victorian upper house has ever done that.

The purpose of the bill is to introduce a system of proportional representation (PR) in and alter the composition of the upper house, reducing the number of members from 44 to 40. I have circulated some proposed amendments to the bill, which I will briefly outline, although I hope to speak on them at length during the committee stage. I hope the bill will go into committee, unlike the Constitution (Amendment) Bill, which dealt with four-year parliamentary terms and the blocking of supply. It is extremely disappointing that honourable members did not have the opportunity to debate that bill in committee because I had proposed to move an amendment that would have preserved the ability of the upper house to block supply. I am sure many honourable members on the conservative side of Parliament would have agreed with that amendment.

I understand that there is some psychological scarring on the Labor side as a result of the dismissal of the Whitlam federal government, and I also understand its view about upper houses having the ability to block supply. However, if the upper house is to be retained as a proper house of review of legislation it needs to have influence and power.

My amendments to the Constitution (Proportional Representation) Bill will, firstly, provide for a system for filling casual vacancies. The system proposed in the bill is set up so that the major parties can simply fill the vacancies with party hacks or people to whom they owe political debts. My amendment proposes that when a member retires or dies before completing a full term the member is replaced based on a countback of votes as though he or she had not been in the ballot at the time. I believe that is fair for all members of Parliament. If the member were an Independent, he or she could not

simply be replaced because there would be no party from which to choose a replacement. The system should be fair for everyone, and the same conditions would apply to members of political parties as would apply to Independent members. I reject the system in the bill, so I propose going to a countback.

I am not too sure whether my amendment relating to above-the-line voting will be supported by the major parties. Voting above the line does not give a real indication of what a vote is about. Under the system proposed by the bill a limited number of candidates would be standing so voters could easily fill in all the squares, as they do with the standard ballot paper for Victorian parliamentary elections. The provision for above-the-line voting is about nothing more than allowing people to vote by proxy. In effect, it increases the powers of political parties enormously. I do not need to remind the house of the presence that political parties can exert simply by virtue of the power to preselect candidates. Just a couple of examples include branch stacking and the donations made to political parties.

Honourable members interjecting.

Mr INGRAM — I notice I gained a response to my reference to branch stacking. Major parties are frequently embroiled in allegations of branch stacking and many members of Parliament, particularly in the upper house, are there because they have paid their dues to their party.

Above-the-line voting really does not allow people to scrutinise the members of Parliament they are voting for. I will speak more on my proposed amendments during the committee stage of the bill.

The bill proposes that there be a proportional representation system consisting of eight provinces with five members. In that system the required quota to elect a member would be 16.6 per cent. The required quota proposed in the original bill that was withdrawn was 12.5 per cent. A lot of debate has gone on about this, and I have listened with interest to some of the arguments against PR — for example, that PR would allow radical groups to get into Parliament.

An honourable member interjected.

Mr INGRAM — Yes, or radical individuals. Another comment was that proportional representation is not democratic. The proportional representation system is in place in most upper houses, yet it was said to be not democratic.

An honourable member interjected.

Mr INGRAM — What groups would get elected in an upper house with a 16 per cent or 12 per cent quota?

An honourable member interjected.

Mr INGRAM — But I was elected in my seat with well over 50 per cent. Currently there is a huge debate going on in Gippsland about Basslink. If the proposed system is introduced I think a candidate would get up on Basslink.

Opposition members interjecting.

Mr INGRAM — What is wrong with that? It will enable the election of people who have issues to raise. Opposition members apparently believe that is not democratic. It will enable groups of people to say, 'We are not happy with the system'.

Currently debate is raging throughout country Australia about fuel prices. I am sure that if there were an election held now under the proportional representation system, a candidate would be elected to the upper house on a platform based on a fair deal for country people on fuel prices. That is not undemocratic. It would allow people to have a point of view and to raise it at an election. Under the proposed system the quota required is 16.6 per cent. I am not talking about radical groups here; I am talking about people who have support from a large proportion of the people of an area. The opposition cannot call that undemocratic.

I can understand the fundamental view against proportional representation. Look at what happened with the shire amalgamations in East Gippsland, where there are a couple of large wards. An exhaustive preferential voting system was put in place there because of the fundamental view that proportional representation was not democratic. If honourable members look at that exhaustive preferential system they will see that it has some real flaws. Any member who has looked at some of the last — —

Opposition members interjecting.

Mr INGRAM — Opposition members are concerned that under this situation we would not have — —

Mr Wilson interjected.

The ACTING SPEAKER (Mr Kilgour) — Order! The honourable member for Bennettswood will get the call at a later time.

Mr INGRAM — Let us look at proportional representation around Australia. The upper house in

South Australia has a statewide electorate with a quota of 8.3 per cent; in Western Australia it has five-member regions with a quota of 16.6 per cent; in New South Wales it has a low quota of 4.5 per cent which allows some minority groups to get up; in Tasmania it has a quota of 16.6 per cent; and in the commonwealth it has a normal quota of 14.2 per cent and a double dissolution quota of 7.69 per cent. With the quota of 16.6 per cent proposed by this legislation radical groups will not be getting up.

With its upper house reform the government wants to have a house that reviews legislation differently from the way major parties review legislation. I refer honourable members to the history of the Victorian upper house. Originally it was a house of land, because it was supposed to look at legislation differently. The upper house in the commonwealth — the Senate — was originally a states house; it was there to look after the rights of the states. However, over time the major parties have got control of the houses. Before that happened the federal houses of Parliament worked better.

Let us ensure that the upper house is a real house of review that looks at legislation differently. One way of doing that is by introducing proportional representation. Some honourable members have expressed concern about the upper house not being representative of country areas. We just have to find the right model of upper house reform. It appears that this bill will not pass in the other place, and that is fine. But if that is the case, this and a number of other proposals should go to the people to see what they decide. That is probably the right way to go about it.

The problem with that is that the community has a major problem with the upper house. I would not support the abolition of the upper house, but if that option were put to the people they may support it because they would see it as an easy opportunity to abolish the upper house. I do not think that is the right way to go. We need an upper house, and we need the checks and balances, but it must have an independent view of legislation.

I refer honourable members to the way legislation is handled now. Legislation passes through the lower house, goes to the upper house but is then looked at differently. With Labor in government the upper house blocks some legislation, amends some legislation, and occasionally it allows fairly ordinary legislation to pass. I have discussed that with some upper house members, who have said that they have let legislation go through so that the government looks bad. However, when the conservatives were in government — —

Honourable members interjecting.

Mr INGRAM — And occasionally it does not need any help. When the conservatives are in power the upper house is basically a rubber stamp.

An honourable member interjected.

Mr INGRAM — Of course I am a conservative member of this house — an Independent conservative. I am very happy to speak on this bill. I do not know whether it is the perfect way to do this, and I propose to move some amendments to it, which I hope to get support on. I do know that the upper house in Victoria needs to be reviewed and looked at in a very clear light. I would like to think members of this house would forget their party views and look at the issue in an honest and clear light, and that the Labor Party would give up its opposition to the blocking of supply. If the upper house is to function properly it needs the power to be a real house of review. I would also like to think the opposition would get rid of its negative attitude towards proportional representation. Then perhaps we can have a clearer view of the bill during the committee stage.

Mr JASPER (Murray Valley) — I am delighted to join the debate on the Constitution (Proportional Representation) Bill. I advise honourable members who did not read my speech on the Constitution (Amendment) Bill that perhaps they should, because what I will present tonight is the second part to follow the speech I made last week on that bill.

Last week when I spoke on the other bill I clearly said that I believed the two bills should have been debated concurrently. Because they rely on each other I believe their joint impact on the Legislative Council should have been considered at the same time.

I also spoke about general principles and about my strong support for the Westminster system of government and the bicameral nature of the Victorian Parliament. I also spoke about the importance of country members to try to give the house an understanding of what happens in country Victoria.

I listened with interest to the comments of previous speakers and wish to respond to some of them. For instance, the honourable member for Dandenong North said that the bill would guarantee stable government. I challenge the honourable member to indicate in what way the government of Victoria has been unstable.

He referred to many members of the house as cowards. I have never been referred to as a coward. I believe his description was inappropriate — certainly as it applied

to country members! — and I reject it entirely. He went on to say that the proposed changes to the upper house would enhance the representation provided across the state. I also reject that comment and will try to explain, in the time available, my reasons for doing so.

I have always supported strong and robust debate. In my time in the Parliament I have listened to a generation of debates. I hold all governments responsible for the changes that have taken place in the way the house debates legislation. When I entered Parliament over 20 years ago every member of this place had the opportunity to make a valuable contribution to debates on legislation. On most bills the house went into committee, where there was further debate on particular clauses.

If during a second-reading debate honourable members talked in detail about the clauses of a bill, the Presiding Officer would bring them into line, reminding them that they should be talking about the principles of the bill, not its detail.

Throughout the 1980s and the 1990s the system has changed. All governments now aim to put legislation through the Parliament as quickly as possible, restricting debate in the process. During the reign of the previous government debates were restricted. We saw the introduction of the government business program — which apparently also operates in South Australia — whereby the house is told on a Tuesday how many bills have to be passed by 4.00 p.m. on the Thursday, and any bills that have not been debated by then are passed automatically. That is totally inappropriate. It is one of the reasons why we need a strong upper house that is a house of review.

The honourable member for Dandenong North should look at the history of government in Italy. That country has had more than 50 governments since the war. After an election, a number of disparate parties come together, form a coalition and proceed to govern, and 12 to 18 months down the track they split up and go back to the people.

So who runs the government — and who runs Italy? The answer is the bureaucrats. Australia has stable government, and the party system has been one of its strengths. I would hate to see any Australian Parliament end up in the same situation as the Italian Parliament since the Second World War. Changes are needed, including opportunities for more debate. Honourable members need to be given the opportunity to review how bills are brought before the Parliament and how they are debated.

I listened with great interest to the honourable member for Bendigo East, who has been in Parliament only a short time. She is still wearing rose-coloured glasses and remains a little wet behind the ears. The comments she made showed she has no understanding of what is happening in country Victoria. The honourable member must be reading from notes given to her by senior members of the government. She spoke about the opportunistic attitudes of members of the National Party and about the National Party turning on its constituents.

I aim to represent the electorate of Murray Valley to the best of my ability, and I have sought to do so over the 20 years I have been in Parliament. There is no doubt that has brought me into conflict with a Premier of the day and with my own party, but we need to stick to our principles. It is the National Party's objective to represent the interests of country people. I have never wavered from that. I seek to represent country people and the electorate of Murray Valley.

The honourable member for Bendigo East spoke about the government closing down schools, hospitals and police stations. I challenge the honourable member to come up to Murray Valley and have a look around. Let her see what is going on in north-eastern Victoria and then tell me again nothing is going on in the Murray Valley. The electorate has continuing development.

The Murray Valley electorate includes 35 schools. I ask metropolitan members how many schools they have in their electorates. How many schools does the honourable member for Dandenong North have in his electorate?

Mr Howard interjected.

Mr Lenders — I have 19.

Mr JASPER — Yes, exactly.

The ACTING SPEAKER (Mr Kilgour) — Order! The honourable member for Murray Valley should ignore interjections. The honourable member for Ballarat East will get the call next.

Mr JASPER — The honourable member for Ballarat East has no understanding of what is going on in country Victoria. I suggest he come up to north-eastern Victoria and see what is going on. In answer to his question, four schools were closed in the Murray Valley electorate, and each of them had between six and eight students. The schools could not be retained, so they were successfully closed. Everton Upper Primary School, which had six students, was integrated into Everton School 5 kilometres down the

road. Bobinawarra East Primary School also had six students, two of whom were driven about 20 kilometres to school from Wangaratta because the school had a very good teacher, Wayne Anderson. A bus went past the school to Markwood Primary School, so I had to support the closure. Bobinawarra East was closed very successfully.

Burramine is a wonderful area of my electorate. Burramine South Primary School had only seven students, so the parents and teachers asked me to go to a meeting to help them retain the school. I attended the meeting along with 40 or 50 other people. Before I left someone who knew me very well rang me and said, 'At an appropriate time during the evening ask if everyone is supporting the school'. At the meeting we heard a very strong case for supporting the school and its seven students.

An honourable member interjected.

Mr JASPER — I am responding to your question.

Honourable members interjecting.

Mr Trezise — On a point of order, Mr Acting Speaker, I would like to know the relevance of the Burramine school to proportional representation in the upper house of the Parliament.

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

Mr JASPER — I would like the honourable member for Geelong to talk to his father to get an understanding of what happens within the Parliament. Then he will find out what a good member is. I have the highest respect for that former member, the Honourable Neil Trezise. He represented the area well despite being a Labor member. He knew how to cooperate.

To finish the story, one lady at the school was leading the charge to keep the school open. When I asked whether everyone was supporting the school so it could remain open there was silence. It seemed like minutes to me but it was probably about 30 seconds. The lady leading the charge to keep the school open because of its importance to the area admitted she was home-teaching her own child! I said, 'You have wrecked your argument straightaway'. It emerged that two or three other parents in the area were also home-teaching their children. I said, 'You want me to keep Burramine South school open for six students and you are not supporting the school!'. I highlight that incident to indicate to the house the sort of representation members give their electors in Murray

Valley. I visit all of my 35 schools and support them all.

The honourable member for Bendigo East spoke of the closure of hospitals. Ridiculous! She should get her facts straight. Murray Valley hospitals include the hospitals at Numurkah, Cobram, Yarrawonga and Wangaratta and Glenview Community Care at Rutherglen. Glenview provides a range of health services. A 14-bed acute-care hospital was closed at Rutherglen back in the 1980s. And who by? By the previous Labor government! My brother was chairman of the hospital committee that supported the closure and the subsequent development of Glenview. In the end it was a success story for Rutherglen. Don't tell me the hospitals in the Murray Valley electorate are closing; none has closed. Our hospitals produce a high standard of health service.

Of course I want still more. We all want additional services; but honourable members should not come into the house and make generalised comments about country Victoria when they do not understand what is happening.

Honourable members make statements I cannot agree with at all. The honourable member for Gippsland West — —

Mr Hamilton — Why not send a cheerio to mum and dad as well?

Mr JASPER — My parents were great people. They gave me a great start in life, but they have both passed on so I cannot do that. My parents were the greatest parents you could ever have. They battled hard in a small business to give me an education and a start in life. I will talk of that on another occasion. Honourable members on the other side do not understand what happens in country Victoria and in business. The strength of the Victorian economy is in private enterprise, not in government endeavours. We know the government wants to employ everyone — it has done so in the past, in the 1980s for example, and look what happened. They had a debt of \$32 billion. Now it is back to \$5 billion.

What a sanctimonious speech from the honourable member for Gippsland West! She told us what we should be doing, and I wrote down a few of her suggestions. She spoke about the interests of country people and about the hollow statements made by some other honourable members. She should be here listening to my comments. I do not think she has ever visited my electorate. I would like her to come up there so I could show her around.

The honourable member spoke about full representation and about fighting for seats. We have always had to fight for our seats. I have always worked to get the best result I can for my electorate. I get support because of the work I do within the electorate of Murray Valley, and I will continue to do that.

I became impatient with some of the outrageous and unacceptable comments made by the honourable member for Gippsland West. She said, 'I'm impatient with the National Party'. Why should she be impatient with the National Party? She should continue to represent Gippsland West, if that is what she wants to do. She need not worry about me in Murray Valley or other members of the National Party. We will be going forward. We have had our troubles — everybody has troubles — but members of the National Party will meet theirs head on. I still firmly believe the National Party is the best party to represent country people. When I hear the sorts of comments made by the honourable members for Bendigo East and Gippsland West — and even the honourable member for Gippsland East — I wonder.

Another thing that has not been recognised by the honourable member for Bendigo East is that everybody has and is entitled to have an opinion. People do not always have to agree with what others say, but they could give recognition where it is due. I get angry when I hear comments such as, 'Nothing happened in the seven years from 1992 to 1999'. I admit that I was not a white-haired boy, so to speak, with some members in the then coalition ranks. However, I freely acknowledge that enormous changes were made in the state of Victoria. The former government made progress in Victoria and I supported that strongly. The Labor government would be wise to give credit where it is due.

Mr Batchelor interjected.

The ACTING SPEAKER (Mr Kilgour) — Order! The Leader of the House is out of his place and disorderly.

Mr JASPER — The Leader of the House talks about transport in country Victoria and what he is doing for trains. He should not forget north-eastern Victoria. I will raise that on another occasion. He says, 'We're looking after all of Victoria', but he is not looking after the north-east yet! In the last 3 minutes available to me I will speak directly on the bill. I oppose the proposed legislation outright. Such a measure cannot be supported. There can be no doubt that under the proposal representation for country people will diminish.

Mr Lupton — It will disappear!

Mr JASPER — It will certainly diminish — let's give them some credit! — and it will probably disappear. The honourable member for Gippsland East said the upper house must be a house of review. I suggest to him that it has been a house of review.

In my contribution last week I spoke on the strength of the system that operates in Victoria — a Legislative Assembly that reviews and passes proposed legislation, which then goes to the upper house. The upper house has been a strong house of review despite a new system that requires that certain bills be passed in the Assembly by 4.00 p.m. on Thursdays. Over a long time the upper house has done its work satisfactorily. During debate on the earlier bill I also talked about John Cain, who did not control both houses except for a few weeks. I believe he welcomed that so he could handle some of the extremists in the Labor Party and the legislation they proposed.

The honourable member for Gippsland East also said that the party system did not produce stable government. I suggest that the party system in Victoria has produced stable government. He went on to say there is a need to support minority and small interest groups so they can be represented in the Legislative Council. I suggest he consider the system that operates in the Australian Capital Territory. One of the parties there was the Tomato Party! There have been all sorts of single-issue groups in the ACT and it has not had stable government.

In conclusion, the bill should and will ultimately be rejected. I am not opposed at any time to reviewing and improving the system of government, but a complete debate and a better debating system is required so that all honourable members can contribute and the best legislation possible is achieved for Victoria. The proposed changes, including the introduction of proportional representation, will not help country Victoria.

The ACTING SPEAKER (Mr Kilgour) — Order! The honourable member's time has expired.

Mr HOWARD (Ballarat East) — I am pleased to speak on the Constitution (Proportional Representation) Bill. It is interesting to reflect on the quality of the comments made this evening even by the honourable member for Murray Valley. When he talked about the need to improve the quality of debate in this house he was absolutely accurate.

Since the introduction of the bill many complaints have been made about the government's not allowing

sufficient time for debate. However, honourable members who have listened to the garbage presented during the debate know that it has not been a healthy debate. Some useful comments have been made, but most of the speeches, especially by those on the other side, have been full of irrelevant detail and bluster and have been hot-winded misrepresentations of the issues. Rarely has the genuine reform of Parliament been discussed in any intelligent way.

The bill is about reform of the upper house and how best Parliament can be made to work. The government's bill is a sensible and practical measure. It recognises that the way the upper and lower houses work has not been in the best interests of Parliament. When an essentially two-party system in the lower house — currently it is a three-party system — is reflected in the upper house it does not ensure that the upper house acts as a house of review. If the upper house reflects the format of the lower house it is in effect a rubber stamp. If the parties in the upper house are in a different format from that in the lower house, the upper house will act as a house of frustration but will not genuinely challenge the bills that come from the lower house.

The bill proposes enhancing what currently exists and recognises that in the continuation of the upper house with a different dynamic there is a chance of ensuring that the upper house can be a house of review and can provide genuine value to the people of Victoria.

The bill recognises that by moving to a system similar to that which operates in federal Parliament Victoria can have a different dynamic in its upper house — it can include minor parties and Independents and not just reflect the two-party system that operates in the lower house. That different dynamic can provide an opportunity to challenge what happens in the lower house in a healthy way. Victoria should not have a party political system in the upper house that tries to neglect the system of government, as happened during the seven years of the Kennett government. The Kennett government was able to take an arrogant position in the lower house.

However, at the election last year it was obvious it had got quite out of touch and as a result it lost office. If the upper house had clearly challenged the government in the lower house, the then government might have been forced to keep its feet on the ground a bit more. Perhaps people on the other side of the house now regret that when they were in government they were not challenged to be more reflective of the views of the people of Victoria.

Like the Constitution (Amendment) Bill that was passed by the house last week, the bill is a sensible and practical measure for the genuine reform of Parliament. I urge honourable members on both sides of the house to support it. The contributions from members on the other side have demonstrated how irrelevant Parliament can become when its members do not reflect on genuine reform. The bill would provide for the healthy reform of Parliament and would ensure the people of Victoria get good value from their representation.

Mr KOTSIRAS (Bulleen) — It is a pleasure to speak on the Constitution (Proportional Legislation) Bill. The supposed purpose of the bill is to reduce the size of the Legislative Council to 40 members and to provide for the election of those members by proportional representation (PR). However, the real reason is so the Labor Party can have complete power. It is a grab for power and nothing more.

If the Labor Party had control of the upper house it would not be bringing the bill into the house. The only reason it is doing it is to have complete and utter power.

An honourable member interjected.

Mr KOTSIRAS — I agree that at times legislation must be looked at and changed if it becomes old or stale. The current system has served us well and has worked over many years. It has provided stable government for many years. Indeed, the two upper house members for Templestowe Province, in which my electorate is situated, work very hard for their constituents.

Governments from both political sides have served without having control of the upper house. In fact, the opposition-controlled upper house passed 97 per cent of legislation introduced by the Cain and Kirner governments.

The Legislative Council is fair and democratic; it uses the same electoral system as the lower house with one vote, one value.

The upper house provides the safeguard and the checks and balances that are needed by our society. The bill could result in extremist minority groups controlling the upper house, as was the case with Pauline Hanson's One Nation party.

I shall read from an article in the *Bulletin*:

Hanson is an accidental politician, thrown up by popular resentment at the economic pain inflicted by those committed to the 'big picture' of global markets. Hansonism is only a danger if our political leaders abandon their public

responsibility to lead, and instead wait to garner political gains flowing from populist stoking of community prejudice.

It goes on:

While the majority of people believe Hanson incites racial intolerance and is bad for Australia, more than one-third, drawn from all major parties as well as Independents, believe her One Nation party is a good thing for the country overall.

What do members of parties such as One Nation stand for? I shall read again from the *Bulletin* interview with Pauline Hanson:

'My fear is that if we keep going the way that we're going, as my mother has said for many years, the yellow race will rule the world because they have a different culture. A different way of life. In some of those countries they don't believe in democracy'. She pauses, as if some image of an Asian invasion has passed before her eyes. 'It's very frightening'. Can she think of something, a single benefit, that Asian migration has brought to this country?'. There is a long pause. 'I suppose everyone's got something to offer. It's like the Germans and Italians ... The Germans opened up the farmlands, they're wonderful farmers'. Another pause. 'The Chinese worked the gold mines'. She can think of no more modern contribution.

What does she think of our diversity?

Why should we, the taxpayer, pay for them to maintain their own language? They're coming out here to Australia. Our language is English. That's that.

There is a danger of members of One Nation being elected into the upper house. In fact, at the last election Michael Freshwater of One Nation received 6.3 per cent of the vote in Gippsland East, while Dorothy Hutton received 10.78 per cent in Rodney and Bill Croft obtained 5.05 per cent in Swan Hill. There is a danger that people from extremist right wing groups might get into the upper house. So proportional representation is dangerous, and that is being shown in other parts of the world.

I quote again:

PR is not just a voting system. It is also about the particular political culture that arises out of that system. And it is with that political culture that voters across Europe are increasingly voicing disapproval ... Voter disillusionment with the mainstream political parties is being expressed by declining voter turn-out, on the one hand, and the rise of the protest vote, on the other, both of which have favoured the extreme right.

Sitting suspended 6.29 p.m. until 8.02 p.m.

Mr KOTSIRAS — As I was saying before the suspension of the sitting, the Legislative Council is elected fairly and democratically. It uses the same electoral system as the lower house, based on one vote, one value. The upper house scrutinies all the

government's legislation, including the budget. The current system is stable and has been for many years.

The upper house needs to continue to attract members from different age groups and diverse backgrounds so it can be representative of the Victorian community. Unfortunately the bill would reduce the number of provinces to eight, each of which would return five members. That would reduce the total number of upper house members to 40, diminishing the representation of regional and rural electorates. The bill would ensure that Council members represented their political parties rather than their constituents, which is what Labor wants to achieve. The bill will do nothing for country Victoria.

At the last election the Liberal Party polled 9908 votes in the lower house seat of Dandenong North whereas in the upper house seat of Eumemmerring Province it polled 10 990 votes. That shows that people do not vote for the same parties in the upper house and the lower house.

It is difficult for me to support the bill when the only reason it has been introduced is to enable the Labor Party to gain complete power. The government would not have introduced the bill if it had had control of the upper house. In those circumstances the Liberal Party cannot support the bill, and neither can I.

Ms LINDELL (Carrum) — I am pleased to speak on the Constitution (Proportional Representation) Bill. The bill formed part of the election platform which the Labor Party took to the people of Victoria to restore democracy and for which it received overwhelming support. There were several components of the plan to restore democracy, including the restitution of the powers of the Auditor-General, strengthening the Freedom of Information Act, removing teaching order 140 and reinstating injured workers' access to common law. Victorians have appreciated all of the changes.

The bill proposes two changes to the Legislative Council, one to reduce its membership from 44 to 40 members and the other to introduce proportional representation. Few people in Carrum have any problems with the proposal to reduce the number of politicians who represent them. There is nothing in the bill that would see the Council operate in any way other than the way it has for many years. Depending on the side of the fence one sits on, it acts as either a house of review or a rubber stamp. For the seven years of the former Kennett government it was nothing but a rubber stamp, but I do not want to go down the track of the former workings of the house.

I want to make some points about why proportional representation should be used to elect the members of the Legislative Council. Proportional representation would allow most voters to elect the candidates they choose. Although I accept that most people vote for one of the three major parties, for many people their choice of party is neither Liberal, Labor nor National.

Proportional representation will give those people a chance to be represented by a person of their choice. It will not mean a lack of or an undermining of democracy but rather an expansion of democracy. I do not believe the minor parties will cause any threat. Instead, they may put a challenge to the major parties to be more inclusive and to talk and listen to the communities they profess to represent. Because minor parties occasionally attract a substantial vote, that should be considered not as a threat but as a challenge to members of the major political parties to be more responsive and open and to consult more fully.

I was interested in the contribution of the honourable member for Murray Valley. As a frequent visitor to his electorate I know the esteem in which he is held. He is a fierce fighter for his constituents, and having served them well over many years he is perhaps a living treasure. Although he spoke for the entire 20 minutes about how stridently he fought for his constituents, at no stage did he mention how stridently their two upper house representatives fought for them. Several times I asked him how many schools the upper house representatives had visited, but he could not answer me. I do not know whether he would even know who they are or whether his constituents would know who they are.

Although it is fine for the honourable member for Murray Valley to come into this place and tell us about how hard he works, the debate is about changes to the Legislative Council, and as such I would have thought he could provide the house with just an inkling of the work done and the contribution made by the upper house members in his electorate.

If we look at the work done by the upper house during the past seven years — the years of the Kennett government — we see that not one bill was blocked or changed. Opposition members have said that the Legislative Council is a house of review, so I find it amazing that not a single change or a suggestion of change was made to more than 700 bills.

An honourable member interjected.

Ms LINDELL — One wonders what upper house members were reviewing. I remember the role the

upper house played during the last years of the Kirner government. Perhaps we should scrutinise — —

The ACTING SPEAKER (Mr Phillips) — Order! I ask honourable members to keep their voices lower. It is difficult for the Chair to hear the honourable member.

Ms LINDELL — During the years of the Kennett government the upper house rubber-stamped more than 700 bills. There was no review.

An honourable member interjected.

Ms LINDELL — As my colleague the wonderful, hardworking member for Richmond has asked, what were they reviewing? One may ponder on that question. Were they reviewing the sale of the State Electricity Commission? If so, how much time did it take for them to review it? Did it take them much time to review the removal of workers' common-law rights or the closure of country train lines? What were they reviewing, and how much time did they take to review some of those hated bills? Did they review the abolition of certain local councils when commissioners were put in their place? Did they review the denial of democracy to local ratepayers when some local councils were removed? I do not believe they did. You would think they could have suggested some changes to 700 bills.

The ACTING SPEAKER (Mr Phillips) — Order! The 8.00 p.m. to 9.00 p.m. timeslot seems to be the most difficult time for hearing debate, because honourable members have just returned to the house after dinner and the sitting is getting close to its end. I ask honourable members to keep their voices lower, because the honourable member for Carrum is having difficulty addressing the Chair.

Ms LINDELL — As I was saying, little thought or review was given to any bill that came before the upper house during the seven years of the former Kennett government.

I do not need to consider the actions of the upper house during the years of the Cain and Kirner governments, because surely the rubber-stamping that occurred over the past seven years is enough for most reasonable, rational people to consider that a change is necessary to revitalise democracy and provide greater representation in the upper house so as to reflect Victoria's diversity and to give a chance to the small parties — —

Mr Wynne interjected.

Ms LINDELL — Also the Independents. I thank the honourable member for Richmond.

The ACTING SPEAKER (Mr Phillips) — Order! I ask the honourable members at the table to lower their voices. The honourable member for Carrum may find it easier if she moved back slightly from the microphone.

Ms LINDELL — Thank you for that advice, Mr Acting Speaker. As I said, honourable members should not be afraid of the idea of having minor parties represented in one chamber of the Parliament. I think the honourable member for Murray Valley said that opinions in this house differ. However, with the exception of the Independents only three opinions are expressed — Labor opinions, Liberal opinions and National opinions — and on many occasions there does not seem to be much difference between the opinions of the Liberal and National parties. The views of the Independents are refreshing.

Honourable members interjecting.

The ACTING SPEAKER (Mr Phillips) — Order! Opposition members should lower their voices. The level of noise makes it difficult for the honourable member for Carrum to complete her speech.

Ms LINDELL — Thank you for your protection, Mr Acting Speaker. The debate in the chamber has been greatly improved by a diversity of views, and honourable members opposite should not fear a greater range of views being expressed in the upper house.

Honourable members interjecting.

Ms LINDELL — I am sorry, Mr Acting Speaker, I was foolishly listening to interjections.

The ACTING SPEAKER (Mr Phillips) — Order! I suggest to the honourable member for Carrum that she should not be interrupted by interjections, because they are disorderly.

Ms LINDELL — I am trying hard, Mr Acting Speaker. I conclude my remarks by challenging the opposition to consider other views. A significant number of Victorians do not choose to vote for the three major parties and have a right to be represented by a member of their choice. I urge the opposition to rethink its position and join with the Labor Party in supporting the bill.

Mr McINTOSH (Kew) — I move:

That the debate be adjourned.

House divided on Mr McIntosh's motion:

Ayes, 40

Asher, Ms
Ashley, Mr

Maclellan, Mr
Maughan, Mr (*Teller*)

Baillieu, Mr	Mulder, Mr
Burke, Ms	Naphine, Dr
Clark, Mr	Paterson, Mr
Cooper, Mr	Perton, Mr
Dean, Dr	Peulich, Mrs
Delahunty, Mr	Phillips, Mr
Dixon, Mr	Plowman, Mr
Doyle, Mr	Richardson, Mr
Elliott, Mrs	Rowe, Mr
Fyffe, Mrs	Ryan, Mr
Honeywood, Mr	Shardey, Mrs
Kilgour, Mr	Smith, Mr (<i>Teller</i>)
Kotsiras, Mr	Spry, Mr
Leigh, Mr	Steggall, Mr
Lupton, Mr	Thompson, Mr
McArthur, Mr	Vogels, Mr
McCall, Ms	Wells, Mr
McIntosh, Mr	Wilson, Mr

Noes, 46

Allan, Ms	Kosky, Ms
Allen, Ms	Langdon, Mr (<i>Teller</i>)
Barker, Ms	Languiller, Mr
Batchelor, Mr	Leighton, Mr
Beattie, Ms	Lenders, Mr
Bracks, Mr	Lim, Mr
Brumby, Mr	Lindell, Ms
Cameron, Mr	Loney, Mr
Campbell, Ms	Maddigan, Mrs
Carli, Mr	Maxfield, Mr
Davies, Ms	Mildenhall, Mr
Delahunty, Ms	Nardella, Mr
Duncan, Ms (<i>Teller</i>)	Overington, Ms
Garbutt, Ms	Pandazopoulos, Mr
Gillett, Ms	Pike, Ms
Haermeyer, Mr	Robinson, Mr
Hamilton, Mr	Savage, Mr
Hardman, Mr	Seitz, Mr
Helper, Mr	Stensholt, Mr
Holding, Mr	Thwaites, Mr
Howard, Mr	Treize, Mr
Hulls, Mr	Viney, Mr
Ingram, Mr	Wynne, Mr

Motion negatived.

Debate resumed.

Mr McINTOSH (Kew) — The debate has been full of misconceptions and perhaps half-truths; but most importantly, it has been full of the mythology that members of the government want to weave through the debate. In my contribution I shall examine some of the myths they have been peddling in the community about proportional representation and the reform, as they call it, of the upper house.

It is most important to remember that this place and the other place are the major public and democratic institutions of this state. They do not belong to me or my party, and they do not belong to the government or to the government party. Instead, they belong to the people of Victoria. It is interesting that there has been little or no public consultation on the reform. I have not

been inundated with letters or correspondence or telephone calls or constituents coming to my office to talk to me about constitutional reform or the reform of the upper house.

The government has absolutely failed to engage the people of Victoria in this debate. It is shameful that it proposes to tinker with our democratic institutions without including the people. Of course, this is not the first time Labor has sought to do so. Indeed, the government party has form in that regard. In recent times it has attempted to reform the upper house in 1987, 1988, 1990, at the end of last year — that bill was withdrawn — and now in 2000 with this bill, so this is Labor's fifth attempt.

I do not care what the government says, it does not have a mandate to reform the upper house. I say that because it is only a minority government and upper house reform became an issue only when, after the election and after the people of Victoria cast their votes, it became part of the Independents' charter. That is when it became important to the Labor Party and a deal was done. The conduct of the debate shows that the government is merely going through the motions without even engaging the people of Victoria. It does not care, because all it wants to do is preserve its position as the government of this state. That is why there has been no real public debate.

Although it may loosely form part of the Labor Party's election platform, the issue was certainly never discussed before the election. There were many other issues, and reform of the Workcover authority may have been one, but certainly upper house reform was not. The government's introduction of the bill and its handling of the debate demonstrates that it is trying to bulldoze the people of Victoria under the guise of democratic reform.

The upper house is not undemocratic, despite the mythology that government members are trying to perpetrate. Just look at the facts. So far as is humanly possible, members of this place are elected in the same way as members of the other place — that is, based on one vote, one value — albeit that they represent slightly larger seats. The size of those seats is determined by an independent arbiter, the Victorian Electoral Commission, not by the government, the opposition or even Parliament. It is based on the premise that all Victorians vote for their parliamentarians based on one vote, one value. To me that is a central plank of any democratic house.

It is absurd that we are considering this proposal when the system that is used to elect members of this house

and the other place is based on a Labor model that was introduced by John Cain, Jr, as Premier, and passed in 1988 with bipartisan support.

In arguing that the upper house is undemocratic the government is somehow suggesting that although it received slightly more than 50 per cent of the vote in the upper house it received only one-third of the seats. At the last election 24 upper house seats were contested because of the by-elections in Melbourne and Ballarat. Labor got 50 per cent of the vote and won 12 seats — precisely half the number of seats contested. That demonstrates that the system is perfectly democratic, because the size of the vote was reflected precisely in the number of seats won. Even if there had been a differential vote, the people of Victoria are entitled to vote differently for this place as opposed to the other house. Most importantly, it is patronising to suggest they are not entitled to do so.

The suggestion that the upper house is somehow unaccountable seems to me to be totally absurd. One has to ask, 'Accountable to whom — the government?'. Upper house members are accountable to the electors of Victoria in precisely the same way that the members of this house are. The electors are the ones who determine who is accountable.

Ours is a system of responsible government, where the government of the day and its ministers are responsible to the house, not vice versa. Certainly nobody has demonstrated any major reason to reform that aspect. Ministers in this house are constantly under scrutiny, as they are elsewhere, in question time, through questions on notice and in adjournment debates.

The suggestion that the proposed reforms are better for the people of rural Victoria is again a complete and utter myth. At present 9 of the 22 two-member upper house provinces are based on rural constituencies — in other words, not quite half. The government wants to reduce the number of provinces to eight, each returning five members, with three provinces being primarily but not totally based in rural regions. Each province will comprise 11 contiguous Assembly seats. It is impossible to envisage a situation in which the three rural provinces will not have elements of metropolitan Melbourne or regional Victoria in them.

The government proposes to create super electorates of 50 000 square kilometres, represented by five members — presumably divided along party lines — each of whom will be based in major regional centres such as Geelong, Ballarat, Bendigo and Traralgon. At present upper house members have offices in places like Mildura, Hamilton and Sale — and I could go on.

The honourable member for Bentleigh made the point that our accountability to Victorians is based upon geographical electorates and that they are one of the greatest maintainers of democracy. If they are increased to areas of up to 50 000 square hectares — one-third of the state — it will be impossible to manifest any form of democratic process given the way Victorians have assumed their members of Parliament should behave. Sectional interests will also be created, based on certain aspects in large regional towns, to the detriment of ordinary rural voters in the outer areas of the super electorates.

I raise an issue concerning the process of by-elections. If the bill is passed by-elections will disappear. If a casual vacancy occurs, electors will not have the ability or the right to select their replacement member in the upper house. There will be a countback which, according to the honourable member for Gippsland East, will make it more democratic. To suggest that seems demonstrably absurd.

What will happen when the countback occurs? The member would stand aside and the votes would be recounted then and there. Even if an Independent got up, it might be somebody on the complete other side of politics. People could go from having a representative who wants to save the whales to having a representative of One Nation. It is a misconceived suggestion that the only way to maintain democracy in this state is to abolish by-elections and have a countback system for casual vacancies. The expense of maintaining the ballot papers and other things for each of the seats seems incredible.

Many honourable members have suggested the upper house is some form of a privileged club. I do not know about Labor members, but I certainly know about the two upper house members in my electorate: they work enormously hard and are dedicated to their electorates and the people of Victoria. I stress that the upper house is not some form of club. Honourable members should look at the statistics. The upper house has members who are under 30 years of age. The bulk of its members are aged between 30 and 50 years; only three members are in excess of 60 years of age. It is representative of major sections of the community. Other speakers have also talked about the former occupations of the upper house members. I will run through some of those.

An honourable member interjected.

Mr McINTOSH — Regrettably that is not the case in all circumstances. Before they entered Parliament 9 upper house members — from both sides — ran

small businesses, and there were 3 teachers, 4 farmers, 4 union officials, and 6 lawyers.

An honourable member interjected.

Mr McINTOSH — We need some more real lawyers, don't we? There was even a chiropractor, a journalist, a plumber, a police officer, a scientist, and a vigneron. A member of this house was also a vigneron; it seems to be a highly represented area.

There was another suggestion that the upper house is some form of a men's club. That is a myth. I advise honourable members that 27 per cent of the members in the upper house are women, and 25 per cent of the members in this place are women. When that is compared to other professions and occupations it demonstrates how well the people of Victoria are doing in returning people from such different occupations, ages and agendas.

I refer particularly to women. The results of recent research provided to me by the library indicates that 13 per cent of people on company boards in this country are women — less than the percentage of women in the upper house; 4 per cent of people employed in senior management positions in public companies are women; 10 per cent of Federal Court judges are women; 18 per cent of dentists are women; and 32 per cent of doctors are women. Some honourable members may ask, 'What does that have to do with the bill?'. It has a lot to do with the bill because the government wants to reform the major institution upstairs — the upper house — alleging that it is not democratic because it is some form of an exclusive club. It is not.

From the outset I indicated that you are about bulldozing a piece of legislation through the house. For a start, you gagged the debate. Now you are demonstrating all the hallmarks of a government that says, 'We have the numbers. We may not have all the Independents, but we will always have at least one of them'. You have the numbers, and you are prepared to bulldoze anything through.

I have been here for most of the day listening to speaker after speaker from the opposition, all of whom are passionate about the bill, passionate about the institution of democracy in this state and passionate about this Parliament. What did I hear from the other side? Time and again speaker after speaker — for 1 minute, 2 minutes or 3 minutes — simply regurgitated the party line. They gave no in-depth analysis and had no real interest in debating the bill.

You know you have the numbers and that it does not matter. This process — —

An honourable member interjected.

Mr McINTOSH — You are the government now. Do something about it!

Mr Robinson — On a point of order, Mr Speaker, on numerous occasions in his contribution the honourable member for Kew has refused to speak through the Chair. I ask you to bring him back to order.

The SPEAKER — Order! I do not uphold the point of order, but I remind the house that all honourable members must speak through the Chair and in the third person.

Mr McINTOSH — I freely admit that I am passionate about the matter. I do not want the democratic institutions of this state tinkered with based upon the numbers of this house, without proper public consultation or public debate. The government has gone about the process in a poor and demonstrably bad way — —

An Honourable Member — Arrogant.

Mr McINTOSH — An arrogant way. The bill must be opposed.

Ms BARKER (Oakleigh) — I wish to make a small but significant contribution to the debate on the bill. I often say that it is not how long you can speak but what you say when you do.

The primary purpose of the Constitution (Proportional Representation) Bill is to reform the upper house by introducing proportional representation and reducing the membership of the Legislative Council. I will deal mainly with the introduction of proportional representation.

I listened carefully to the honourable member for Kew. He talked about the need to take the issue out into the public arena and to have some discussion and debate about it. I advise the honourable member that the government has actually done that.

An Honourable Member — When?

Ms BARKER — I have actually done that. I believe it is very important to inform people about legislation that is before the chamber and to give them a chance to comment on it. Following the introduction of the bills into the chamber the government publicised the fact in the local papers and generated discussion at a local level. I should also say that the Labor Party's position

on the matter has been clear for a long time. I refer to the February 1999 document entitled *Labor — New Solutions*, which states:

We will introduce proportional representation into the Victorian upper house so people who vote for candidates other than those of the two major parties can be represented in Parliament.

So it has been clearly visible and out in the public arena for a considerable time.

I also feel passionate about introducing proportional representation into the Legislative Council. We have achieved greater democracy in the Legislative Assembly through the election of the Independents. It is healthy to have members whose political persuasions are different from those of the major political parties representing their constituents in this place.

I listened carefully to the comments of the honourable member for Kew about the misconceptions he alleged the Labor government was peddling in the community. I went to my constituents on the matter and sought a reaction from my upper house members, the two members for Waverley Province, who are both members of the Liberal Party.

I will quote from an article in the *Waverley Gazette* of 11 July, which was in reply to the information I put out about the importance of the proposed changes to Victoria. The article states:

Ms Luckins, who is a member of the Victorian Constitutional Review Committee, said the government's proposed reforms would make the upper house less democratic and less representative because there would be fewer, bigger electorates.

'I've visited New South Wales and New Zealand to see how their upper houses work and in New South Wales, where they have a system ... similar to what Labor wants here, all the members have offices in Parliament House. They don't have electoral offices.

With these reforms upper house members would have less to do with their constituents — it would be more a state perspective'.

Mr Brideson said he would maintain his position of 'total opposition' to the government's agenda.

He said Ms Barker had shown an 'incredible lack of knowledge about how the upper house works'.

The upper house was an excellent facility for the scrutiny of government legislation and there was no reason to change it, he said.

I generated a lot of debate in my local area. I noted Mrs Luckins's comments about visiting New South Wales and New Zealand to see how their upper houses work. I had discussions with a number of my

constituents who said, 'That's strange, because I can't recall New Zealand having an upper house since the 1950s'.

In an article in the *Oakleigh-Monash Times* of 9 August the Honourable Maree Luckins clarified some remarks that had been attributed to her, saying:

I am quoted as saying, 'I've visited New South Wales and New Zealand to see how their upper houses work ...

This quote was incorrect. During the conversation I said I had visited the jurisdictions to study how proportional representation worked.

She had been misquoted, and the opportunity was there to correct any matters which were wrong in the newspaper articles.

Mr Brideson said I had no knowledge of the way the upper house worked, so I thought of looking up the Victorian Constitutional Review Committee, of which Mrs Luckins is a member. I thought I should see for myself what it was reviewing and how it could contribute to the debate on bringing in proportional representation.

I enjoy using the Internet, and I was excited about finding out more about the committee. I used a number of search engines, including Wombat, to search for the Victorian Constitutional Review Committee. The response to my search in Australia and New Zealand was, 'Sorry, your search yielded no results'.

Honourable members interjecting.

Ms BARKER — I used Go Eureka to do a global search for the Victorian Constitutional Review Committee in any language — again, no results. The opposition talks about the government being out there peddling misconceptions. What is the Victorian Constitutional Review Committee?

Opposition members interjecting.

Ms BARKER — Some people thought this was a very important committee, but it does not exist! Opposition members are trying to appear as though they know something about the debate, but they do not!

In conclusion, I thought I would find a reference to the committee in the *Directory of Australian Associations, July 2000–November 2000*.

Mrs Shardey interjected.

Ms BARKER — I find it interesting that the honourable member for Caulfield says, 'Calm down' when the house has heard so many passionate

contributions from the other side about how Labor is peddling misconceptions and not taking the debate out there. When I took the debate out there what did I find? A Liberal member of the upper house claiming to be on a committee that does not exist. I think the honourable member for Bentleigh will raise a point of order in a moment, so I will get through this as best I can!

The Victorian Constitutional Review Committee sounds like a wonderful committee. In my searches I found references to the Victorian Canoe Association, the Victorian Chess Association and the Victoria Chicken Meat Council Association, but there is no reference to the Victorian Constitutional Review Committee.

Mrs Peulich — The honourable member correctly anticipated my point of order, Mr Speaker, because she is reflecting on a member of another house, which is against standing orders. Even though she could not find the information on the Internet, it does not mean the member in the other place has not been forthright. I suggest that you rule the honourable member for Oakleigh out of order.

The SPEAKER — Order! There is a fine line to observe in deciding whether a member is impugning or reflecting on another member. I will not uphold the point of order, but I caution the honourable member for Oakleigh and all members of the house to desist from impugning or reflecting on other members.

Ms BARKER — Thank you Mr Speaker. I am not trying to impugn another member. I am merely saying this sounds like an important committee that should be studied. Let us have an informed debate — and if it is out there in the community, I am happy to examine it. My problem is that I cannot find it anywhere.

Members opposite make the idea of proportional representation sound new and revolutionary, something never tried before anywhere in Australia; but there are plenty of examples of it working well in other jurisdictions. What is there to be frightened of? It introduces a bit of democracy into the voting system.

Honourable members interjecting.

Ms BARKER — Yes, I am passionate about proportional representation. The bill is essential, and it would be wonderful to have some other people in the Victorian Legislative Council representing other constituencies.

In conclusion I would like to say that if the Honourable Maree Luckins can point me to a Victorian Constitutional Review Committee I would be happy to

have some discussions with it. I might even join it. The only problem is that neither I nor any of my constituents can find it.

Mr PATERSON (South Barwon) — I am grateful for your ruling, Mr Speaker, when you indicated to the house that debate on the two constitution bills can range far and wide. Perhaps this debate will cross the divide between the two bills and provide some common discussion of both the Constitution (Proportional Representation) Bill and the Constitution (Amendment) Bill.

The bill before the house, the Constitution (Proportional Representation) Bill, reduces the size of the Legislative Council to 40 members and provides for the election of those members by proportional representation.

I have been a member of this house since 1992 and it has been a pleasure to work with my upper house colleagues representing the Geelong Province. From 1992 I worked successfully with the Honourable Bill Hartigan who, regrettably, was unsuccessful at the last election. More recently I have worked with the new member for Geelong Province, the Honourable Ian Cover. Lower house members always gain significant strength and confidence in debate on a range of issues from the backing of another local member.

It is important that the upper house member has a grasp of the local issues that typify the lower house electorate. Under the proposed legislation that would no longer be the case. The members representing the new upper house super electorates would not necessarily understand the significance of issues occupying the minds of people in a lower house electorate. In the case of Geelong, if the government's proposed changes were accepted members in the upper house seat might well not come from the Geelong area at all even though, as honourable members will appreciate, Geelong is a significant population centre.

Significant issues that I have worked on with the Honourable Ian Cover have gained prominence as a result of that collaboration and have been put strongly to the government of the day — whether to a coalition, a Liberal or a Labor government. Under the government's proposed changes, however, issues such as the proposed local government restructure in Geelong might no longer be able to be prosecuted. The issue of the Torquay Country Fire Authority is another such issue, as is the issue of coastal management in Surf Coast Shire.

It needs to be understood that matters such as council restructure are significant issues for the people of

Geelong. Without proper consultation the current government can, as we have seen, weigh into the matter, ignoring local feeling, and completely overhaul local government in Geelong — despite the significant consultation processes that have taken place.

Honourable members would be interested to know that the council undertook a consultation process in which more than 60 per cent of the people who made submissions to the council restructure process were found to favour the two-tier structure of local government in Geelong — that is, with councillors at large as well as councillors elected to particular wards. The government has decided to ignore that public consultation process — —

Mr Wynne interjected.

Mr PATERSON — Government members are very defensive about the fact, but in Geelong they decided to ignore the council consultation process. It now appears the government will accept a move back to a ward structure with a system of 12 wards. The relevance of that issue to the debate is that when upper house members come from the local region they are able — —

Mr Trezise interjected.

Mr PATERSON — I will take up the interjection of the honourable member for Geelong shortly. Upper house members who come from the local region are able to participate in debate from a local perspective. If they are from Geelong they have a different perspective from upper house members from Ballarat or Hamilton. For instance, as the Honourable Ian Cover lives in Barwon Heads and I live in Bellbrae, between Torquay and Anglesea, we have a local feel for local issues.

It is interesting to observe that the government has totally ignored the consultation process in local government. Honourable members might be interested in a transcript of a phone call made this afternoon to Steve Price on 3AW. Ann, a caller from Geelong, said:

I wish the minister had listened to the voice of the people in Geelong when he made his decision that we would go back to ward councils. We actually had a consultation process here and 60 per cent of the people wrote in favour of the dual system we have.

Price questioned the figure, asking, ‘Sixty per cent?’.

Mr Cameron — On a point of order, Mr Speaker, while it is very interesting that the honourable member enthusiastically supports proportional representation at local council level, he is nevertheless straying from the bill. I ask you to bring him back to the bill.

The SPEAKER — Order! I do not uphold the point of order. I ask the honourable member to keep within the confines of the debate, which is on the bill before the house.

Mr PATERSON — Once again through that point of order the Minister for Local Government has indicated his ignorance. The theme I am developing is that it is important that a local member of the upper house is aware of and involved in local issues, and council restructuring is an important local issue. The debate which is running in Geelong and which was clearly running on 3AW this afternoon indicates that it is an important issue for Geelong. People from Geelong are ringing 3AW indicating that the government is ignoring the consultation process.

As I said, the transcript shows that Steve Price questioned the figure of 60 per cent. Ann, the talkback caller, went on:

Sixty per cent. And we had ... we’ve only had it for two and a half years. We had people like the chamber of commerce behind it who have 600 members. The council voted on it. 5 ... I vote it went through by, that we would go back to the old system ... and the minister has approved it.

Mr Wynne — My point of order, Mr Speaker, goes to the question of relevance. In his contribution thus far the honourable member has spent an inordinate amount of time dealing with the question of the structure of the City of Greater Geelong. The house is not debating a local government bill but a bill about reforms to the upper house. I ask you to bring him back to the bill or sit him down.

The SPEAKER — Order! I do not uphold the point of order. I have been listening carefully to the honourable member for South Barwon. He is exploring an alternative option by referring to a local government model. I expect that he will relate that to the bill. There is no point of order. I will continue to hear him but I do ask him to make sure he relates his comments to the bill.

Mr PATERSON — It is a great tragedy that a former Lord Mayor of Melbourne would try to gag debate on a very important issue of local government as it relates to the representation of upper house members on important local government issues. Members of Parliament represent their local constituents on local issues. It may be news to the honourable member for Richmond that local government is a responsibility of the state government and therefore a responsibility of upper house members.

Other issues on which I have been pleased to have had the support of the Honourable Ian Cover include the

Torquay Country Fire Authority project. It is interesting that the Minister for Police and Emergency Services is prattling in his usual inane way but still has not confirmed to the people of the surf coast that the Torquay CFA project will go ahead this financial year. The people of Torquay and Jan Juc are very keen for the project to proceed.

Mr Pandazopoulos — On a point of order, the honourable member is now clearly straying from the subject of the debate. The Torquay CFA is very important but anyone in the house would wonder how it relates to the bill.

Mr PATERSON — On the point of order, Mr Speaker, as you have ruled the last two points of order out of order, the significance of the issues I am raising is the support that can be given to lower house members by an upper house member who is elected from the local region.

The SPEAKER — Order! I am not prepared to uphold this point of order, either, but the patience of the Chair is waning and I ask the honourable member to continue to relate his remarks to the bill before the house.

Mr PATERSON — Mr Speaker, it is a great pleasure to continue in the debate. I appreciate your ruling the points of order out of order. It is interesting that the government is again trying to gag the debate, as it has done tonight on other issues.

The bill underscores the astounding incompetence of the government. Tonight honourable members have seen the government try to gag further debate on the drugs issue. We will see what happens to that debate but it was extremely disappointing. It should be placed on the record that the Independents voted with the government when the opposition attempted to move debate on to the drugs bill, knowing and understanding that the guillotine was due to come down on the debates on the constitution and drugs bills tomorrow afternoon.

It must be understood by members of the house — as I am sure it is by most — and by members of the public that the current system in the upper house was introduced by former Premier John Cain, the doyen or grandfather of the current Labor government. As honourable members know, John Cain continues to weigh into issues and clearly to exert great influence on the current government. It is therefore interesting to note that back in the 1980s it was his government that introduced the current system.

The government is obviously quite confused about the proposed legislation. For evidence of that one need only

refer to the now-infamous 3AW interview, when the Premier was plainly confused in comparing other systems of government as they relate to the proposed legislation. Only a few weeks ago the Premier said on 3AW:

We did a survey of about 100 countries, their duration and length of term of office of elected officials, and not one of those countries has an eight-year term. If you look around Australia there's no-one with an eight-year term.

There's a couple — one in Turkey and one somewhere else — that have an eight-year term or a seven-year term ...

Of course, as we now know, nothing could be further from the truth. The New South Wales Parliament has fixed four-year terms, thus all lower house members are elected for four years. Half of the Legislative Council is elected at each election; thus the New South Wales upper house members have fixed eight-year terms. New South Wales — no, it is not Turkey — is just to the north of Victoria, as honourable members would understand. South Australia has a minimum three-year term with a maximum of four years between elections. Of course, in that state lower house members are elected for four years. Half of the Legislative Council is elected at each election and therefore have eight-year terms. I do not think South Australia could be compared with Turkey.

An honourable member interjected.

Mr PATERSON — We all know who the turkey is in this debate!

Honourable members understand the system in the United Kingdom.

If the Premier was so obsessed with fixed four-year terms he would come into the house right now and announce the date of the next election at the four-year mark.

The current legislation does not prevent the Premier locking in four years for the current government. I contend that, on the four-year issue as well as for other reasons, the bill is a total waste of time.

Mr Ingram — On a point of order, Mr Speaker, the honourable member for South Barwon should understand that this bill is not about four-year terms. That bill has already been passed by this house. I ask you, Sir, to bring him back to the bill.

Mr PATERSON — On the point of order, Mr Speaker, the Independent Labor member for Gippsland East clearly was not in the house when I —

Honourable members interjecting.

The SPEAKER — Order! The honourable member shall address members by their correct titles.

Mr PATERSON — I quite plainly reiterated the ruling of the Chair, which was to indicate that the two bills were clearly interlinked and that debate may cross between the two.

The SPEAKER — Order! I do not uphold the point of order, but I point out to the honourable member for South Barwon that that decision by the Chair is no longer applicable because the other bill is no longer before this house. I ask him, as I have done on numerous occasions this evening, to continue to relate his remarks to the bill before the house

Mr PATERSON — I appreciate the contribution of the Labor Independent member for Gippsland East. Of course it is another attempt to gag debate, and I hope his constituents understand that.

Underlying the introduction of the legislation by the government is its total embarrassment with its performance in the upper house. Its ultimate aim is to get rid of the upper house because it is so embarrassed by the performance of its members in that place, particularly the ministers. Meaghan Shaw pointed out in the *Age* not all that long ago that:

The Bracks government this week resumed its push to reform the upper house.

That was on 1 June.

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

Mr McARTHUR (Monbulk) — It is a pleasure to join this debate, truncated and gagged though it will be. Despite the best efforts of the Liberal Party, the National Party and the honourable member for Mildura to convince the government that this debate should not be gagged, that is what will occur. It is an absolute farce for the Premier of this state to say he is a supporter of democracy, openness and accountability and then issue instructions which will see the most important piece of legislation this house has debated for many decades guillotined so that a significant number of members will be unable to make their views known to the Parliament and to Victorians.

The government intends to apply the gag at 4.00 p.m. tomorrow. It is forcing the debate to continue through the night. It wants to force the bill through the house in the dead of night, away from public scrutiny, out of the sight of the media so that the boot-licking lickspittle

and sycophants of Steve Bracks can get away with their treachery, their connivance and their deceit away from the public eye.

There is no reason for the gag. There is no urgency about the bill. There is no deadline that means the house must deal with the bill before 4.00 p.m. tomorrow. Honourable members are not facing an election before Christmas. The house is not even facing an election in the next three years! There is no constitutional crisis that must be resolved. There is no public lack of confidence in the Parliament that is creating the need for this sort of urgent remedy. There is no reason for haste other than the Premier's desire to rush the bill through.

He seeks to avoid scrutiny and will apply the gag to deny members the chance to contribute to the debate. The Leader of the House said the bill has been on the notice paper since the autumn session so people have had plenty of time to look at it.

Mr Savage — On a point of order, Mr Speaker, the honourable member for Monbulk is referring to the gag, not the bill. I ask you to ask him to make his comments relevant to the bill.

The SPEAKER — Order! I do not uphold the point of order at this time. However, I ask the honourable member for Monbulk to come back to the bill.

Mr McARTHUR — I am happy to debate the bill, Mr Speaker. I merely want to make sure that honourable members and members of the public who happen to read *Hansard* are well aware of what is going on in this place tonight and who is responsible. The Premier pretends to be squeaky clean, open, honest and accountable, but he is deceiving the people of Victoria and he is conning the Parliament.

Mr Haermeyer — On a point of order, Mr Speaker, it is improper for the honourable member for Monbulk to make imputations against the Premier. He has been speaking for a considerable time and has said absolutely nothing about the substance of the bill.

The SPEAKER — Order! I do not uphold the point of order. As I said earlier, there is a fine line between impugning or reflecting upon members of this house. On this occasion the Chair is not prepared to rule that way. However, I do once again ask the honourable member for Monbulk, who has canvassed issues other than the bill up until now, to come back to the bill.

Mr McARTHUR — I am happy to do that, Mr Speaker, but I note how they squeal when they are hit.

Mr Perton — And they squirm!

Mr McARTHUR — And they don't like it.

The SPEAKER — Order! The honourable member for Doncaster is not assisting.

Mr McARTHUR — Let us look at how the upper house operates. The Labor Party's great lie is that the upper house is undemocratic. Labor says that it has a gerrymander and that Labor candidates cannot win seats there in an ordinary election under the current rules. The Labor Party's great lie is that the system is rigged against it.

Mr Haermeyer — On a point of order, Mr Speaker, the honourable member for Monbulk has now twice used the word 'lie'. It is unparliamentary.

Mr McARTHUR — On the point of order, Mr Speaker, it is only an unparliamentary expression when it is used in reference to a member of Parliament, not in relation to a group, a party or an organisation.

The SPEAKER — Order! I do not uphold the point of order. There have been similar rulings in similar situations along those lines in the past. However, I caution the honourable member for Monbulk to be wise about how he uses that terminology.

Mr Perton interjected.

The SPEAKER — Order! The honourable member for Doncaster shall cease interjecting.

Mr McARTHUR — Thank you, Mr Speaker, for your ruling. I am indeed aware of the rulings and precedents of the house and I will abide by them carefully, unlike the Minister for Police and Emergency Services, who cannot resist squealing when he is hit, just like the petulant little brat that he is.

The SPEAKER — Order! It is also the responsibility of the Chair to ensure that members use temperate language to allow proper debate to continue. I ask the honourable member for Monbulk to come back to debating the bill.

Mr McARTHUR — If the words 'petulant' and 'brat' are intemperate, I withdraw them.

The house needs to consider the great lie perpetrated by the Labor Party that the current system in the upper house is unfair. Let us look at how the upper house operates. It has 22 provinces, each comprising exactly 4 lower house or Assembly seats. It operates on a one-vote, one-value principle. The Labor Party is wedded to that principle, which it believes is fair. It

believes it can win elections based on that system. However, it seems to believe that it cannot win elections in the Legislative Council on that principle and therefore believes the upper house system of voting is unfair. It claims that because the current system is difficult for Labor to win, the system must be at fault. It says the system must be changed to make it possible for the Labor Party to win. It wants to take its bat and ball and go home until the rules are changed to suit it.

That is the action of a petulant and juvenile organisation. It is not an unfair system. The one-vote, one-value system that operates in the lower house is a perfectly acceptable system to have operating in the upper house.

It is not a case of the Labor Party not being able to win an election in the lower house; it is a case of Victorians not trusting the Labor Party to have control of the upper house. For some considerable time the people of Victoria have voted differently in the upper house from the way they have voted in the lower house. I will give three examples from recent history.

In 1985 during the time of the great democrat, John Cain, the man the Labor Party lauded, looked up to and revered as a great statesman of democracy, the Labor Party was successful in winning seats in the lower house. In 1985 the Labor Party won all four lower house seats in Nunawading Province: the seats of Box Hill, Warrandyte, Ringwood, and Mitcham were all held by the Labor Party. Despite the fact that the public of Victoria elected a Labor member in every one of those Assembly seats they returned a Liberal member, the Honourable Rosemary Varty, in the upper house. At that time, despite the fact that a member of this place, who was at that stage the secretary of the Victorian branch of the ALP, and a number of Labor members of this place secretly conspired but were later exposed in attempts to defraud the electoral system — —

Mr Haermeyer — On a point of order, Mr Speaker, the honourable member for Monbulk has perpetrated an outrageous insinuation against the Minister for Transport, and I ask that you call on him to withdraw it.

Mr McARTHUR — On the point of order, Mr Speaker, I mentioned no names of any members of Parliament, either current or past, but I am happy to do so if the minister wishes.

The SPEAKER — Order! I do not uphold the point of order. However, I caution the honourable member for Monbulk not to proceed down that path and to come back to debating the bill.

Mr McARTHUR — I do not intend to go any further on that issue other than to say that those four lower house seats were won in the 1985 election by the Labor Party, yet the Labor Party failed to win the upper house province that exactly covered those four lower house seats. Why did that happen at the commencement of the second term of the great democrat, John Cain? Because Victorians do not trust the Labor Party with the cheque book. They do not trust the Labor Party to manage the state's resources properly.

Let us consider what happened in September 1999. Of the four lower house seats that comprise Gippsland Province, the seat of Narracan was won by the ALP with 52.5 per cent of the vote on a two-party preferred basis, the seat of Morwell was won by the ALP with 58.9 per cent of the vote on a two-party preferred basis, the seat of Gippsland East was won by an Independent with 52.6 per cent of the vote going against the then coalition, and the seat of Gippsland South was won with 57.5 per cent of the vote by the National Party, which was then part of the coalition.

The average non-coalition vote across the province was 51.6 per cent, yet despite the fact the Liberal Party did not hold one of the four lower house seats in that province, the Liberal Party won the Gippsland Province upper house seat, and the Honourable Phil Davis in another place is now the member for that province with a 1.9 per cent variance from the average two-party preferred vote in the four lower house seats.

I turn now to North Western Province at the other end of the state. Of the four lower house seats that comprise that province, the seat of Mildura is held by an Independent with a non-coalition vote of 63.24 per cent, the seat of Swan Hill is held by the National Party with a coalition two-party preferred vote of 61.36 per cent, the seat of Bendigo East is held by the Labor Party with 53.08 per cent of the vote, and the seat of Bendigo West is held by the Labor Party with 61.26 per cent of the vote. The non-coalition average vote in those four seats was 54.05 per cent, yet despite the fact that the vote went against the coalition in the lower house seats the same 150 000 people voted to elect the Honourable Barry Bishop with a 55.3 per cent margin in the upper house.

It is clear from those three examples that even if the boundaries, rules and process are the same, the people vote differently. Labor Party members do not like that. They do not like the fact that Victorians do not trust them. In upper house elections the people of Victoria often have a bob each way —

Mr Delahunty interjected.

Mr McARTHUR — As my colleague the honourable member for Wimmera said, they take out insurance — the fire and flood insurance. They say, 'We will give the Labor Party a chance in the lower house, but' — and it is a big but — 'we will hedge our bets. We will cast our votes in the upper house seats for the coalition because we know the Liberal and National parties know how to add up'. That is the attitude Victorians take when they vote in upper house elections. They have taken that attitude for decades, and because the Labor Party does not like that it wants to change the rules.

The Labor Party pays rhetorical attention to rural and regional Victoria, yet it wants to strip upper house representation from rural and regional Victoria. The Labor Party will do that by carving rural and regional Victoria into three provinces, each of which will return five members. I will lay London to a brick that if that ever happens — and God forbid that it does — few of those 15 elected members in the three rural and regional provinces will come from country towns.

There would not be a member from Waitchie in the upper house as there is now — a member for North Western Province. There would not be a member from Gippsland towns such as Sale. There would not be an upper house member from a town such as Hamilton. There would not be any upper house members from any small towns in country Victoria because the three-province rural system would mean that each of those provinces would infringe on the outer metropolitan area and would include several major regional centres. The inevitable result would be that the successful candidates for the major parties would come from places such as Werribee and Melton, the outer eastern fringes of Melbourne and the major regional centres, but not from country towns.

I spent the first 40 years of my life — I am proud of it — in a little town called Hattah, which has four houses, one petrol pump and is a very small place. I love the fact that country Victoria does not trust the Labor Party with the cheque book. Labor says it believes in one vote, one value and that the one-vote, one-value system is fair and winnable. It also believes that that system operates perfectly well in the Assembly. It is prepared to protect and preserve a system that returns one member at each election for each electoral district in the lower house, yet in the upper house it says that one vote, one value in a single member per election return is unfair and not winnable.

Despite that contradiction Labor believes it can con the people of Victoria into accepting that a change to rules that have worked well for so long is a good idea. It

believes it can win in the Assembly, but does not believe it can win in the Council with the same rules applying in both places. Why is that so? Because the Labor Party has failed to successfully campaign for Legislative Council seats — it has been unsuccessful in winning them. The people of Victoria who put all of us in this place, who put their trust in us to manage the affairs of the state on a long-term basis, the people who put their trust in Steve Bracks on 18 September last year — partially, because they did not give him an absolute or even a simple majority in the lower house — do not put their trust in his party to control the upper house. They are very wise not to do so because it would be a risky situation.

Those few short weeks in 1985 when the Labor Party controlled the upper house caused enormous economic damage to Victoria and structural damage to businesses for decades. It is only in the past couple of years that the state has managed to recover financially and economically from that mismanagement and vandalism.

The people of Victoria are well served by the current Legislative Council system. They can put their trust in the current system and honourable members should act to preserve it. I will certainly be voting that way.

Ms BURKE (Pahran) — Honourable members are debating the Constitution (Proportional Representation) Bill, the primary purpose of which is to reform the upper house by introducing proportional representation and reducing the membership of the Legislative Council.

I will confine my remarks to the number of members in the Legislative Council because that is of particular interest to me. I have followed the issue of how many members of Parliament represent populations for some time. The Victorian Legislative Council existed before the Legislative Assembly. It was formed in 1851 and its importance was that it represented all of Victoria. In 1856 the Legislative Assembly was formed and the whole process of the Westminster system of government began. After studying many governments I very much admire that system, which has existed for many years. Both the Parliament of Victoria and the federal Parliament have a written constitution — unlike England, which has no written constitution. The upper house is often mocked, probably because of events that have taken place in the Senate over previous years as well as the debate that has gone on more in the minds of representatives than in the minds of the people.

The Legislative Assembly is the common people's house, providing the opportunity for people to stand on

day-to-day issues. However, the subsequent review of its decisions by the upper house is important and is often overlooked. It is often disregarded for political expediency and not respected as much as it should, given how well it has worked in Australia for so long.

Victoria's Legislative Council is made up of 44 members and the Legislative Assembly is made up of 88 members, which is an interesting representation when one looks at other countries.

Earlier speakers in the debate talked about the lack of representation and the unfairness and said that the voting system does not work. Strangely enough, political systems in all countries throughout the world have a desire to achieve adequate representation for both rural and urban areas.

There are many groupings of people in a society: social, economic, ethnic, indigenous, religious, occupational and cultural. No system can ideally represent all those groupings, but there are other equalisers in the system dependent on the society, the country, the political system or the choices made by constituents when they vote. We work with what we have. Our democratic system has shown that our system works.

A country's social and geographical features and the size of its population affect the size of its legislature. Central to the theory of representational democracy is the idea that legislators represent populations irrespective of the various social and other characteristics of those populations.

The different tasks of the individual legislator can be much simplified by ensuring that he or she does not have to represent too large a section of the total population and by ensuring that that population is not dispersed over too wide an area. The size of the various legislatures reflects those concerns.

I will speak further on that because I have been through the experience. Bringing down the number of politicians is an obsession in this country. Although we do not want to be overgoverned, we also have to be careful that we do not interfere with a system that is working.

As someone who has been involved in local government reform, which included reducing the number of councils, I can speak of the pain I felt, particularly for people in rural areas, when they lost part of their communities as councils were amalgamated into larger local government units. In an area such as Mildura, where the shire is as big as Tasmania, people felt the pain of not having representation when a number of shires were

amalgamated into just one. On the one hand we think we have to be more modern and lower our numbers, but on the other hand the community is saying to us that the numbers are important.

We are also seeing it in the European Union, where the United Kingdom has established a new parliament in Scotland and an assembly in Wales because the people felt they did not have enough representation. You would think that after taking on all the governments involved in Europe they would be going smaller, but the people of the world are saying, 'As technology grows we want to be closer to our representatives who represent us in the law making, government and power of our country'.

To reduce the Legislative Council from 44 seats to 40 seems of no advantage at all. It simply disadvantages the rural areas that are crying out for more representation, not less.

It is interesting to look at the statistics on the ratio of elected members to constituents throughout Australia. In New South Wales it is 1:30 000; Victoria, 1:24 000; Queensland, 1:21 000; Western Australia, 1:14 000; South Australia, 1:15 000; and Tasmania, 1:665 people. There is never a necessarily right number.

There has been no mandate from the people saying that they are unhappy with the upper house numbers. It is a big call to propose a change in the numbers or the voting system considering that the community has not called for it and is not screaming that it is unhappy with the present system.

Preferential representation is the same system as exists in this house: one vote, one value. This house has three Independents and representation by the National, Liberal and Labor parties, yet the upper house does not. But that is the democratic choice of the people. The same voting system allows them to put the Independents up if that is what they wish, but they have not done so.

The issue of the term of the Council is also interesting. Another thing I learnt from my experience in local government is that the community is not unhappy about longer terms so long as there is some chance for people to have a vote within the eight-year period. Some of the elected members and the continuation of the four-year term can be voted out if that is what the community wishes, but people like to have consistency of members over a period of time. Those sorts of requests have come to me in local government. People want to have the two years, have an election, have a further two years and then have another election so that half the council

can be voted in and the other half can stay with their chance coming up a year later.

While we talk about representation in this chamber, the real representation is out in the field and not in the house. The importance of this house is in the debate that takes place in this chamber and the recording of that debate. Anyone with any intelligence understands the numbers in this house. If the government of the day wants the bill to go through, debate on it is guillotined. The importance of this house is in the debate. The numbers are important where the representatives are out with the people and where the people have a connection with those numbers to ensure that their views are sought and can then be debated in the house.

Care is needed. Lowering the numbers in a house might seem the right way to go, but it may not necessarily be what the community wants.

I believe there is a global feeling in favour of increased representation. Whether we like it or not, it is the way the people wish to go. All the technology in the world will not take away the desire of members of the community to have representatives who stick up for them, who are not too busy to see them and with whom they can make contact. They want to make sure their points of view are put across.

Let us examine the representation in the commonwealth Senate, which is an interesting model.

Mr Batchelor — It is elected using proportional representation.

Ms BURKE — Whether its members are elected by proportional representation or by preferential voting, the interesting point is that the 6.3 million people of New South Wales have 12 senators while the 471 000 people of Tasmania also have 12 senators.

In talking about the preferential voting system that is used to elect members of both houses in this state, I have touched on the fact that Independents have been elected to this place but not to the upper house. One of the fascinating things about the preferential system is that the majority of electors get their preferred candidates — and they know exactly what they are doing as they vote. In this house there is a certain variance between the Independents, the Nationals and the Liberals.

The Scrutiny of Acts and Regulations Committee report on the bill makes one wonder why it was introduced. Clause 22 amends section 9 of the Electoral Boundaries Commission Act by providing that of the proposed eight provinces in the Council, three will be primarily

in rural areas and five will be primarily in urban areas. Although I recognise that more people live in urban areas, there is a need to increase the number of members, not reduce them just so the government can say to the public, 'Haven't we been wonderful! We gave taken four of your politicians away' because these days it is politically correct to hate politicians.

Electorate such as Mildura and East Gippsland, which are bigger than Israel or Tasmania, will not have enough upper house representatives. How will they get around to talk to their constituents? I know the honourable member for Gippsland East is having a hard time trying to get around to talk to all the people in his electorate. Despite that, here we are talking about the upper house having only three provinces to cover rural Victoria. It is outrageous and discriminatory that the government is proposing to take members away from their communities just because they are in rural areas. I cannot believe that a government that gave an almost theatrical performance about its commitment to rural areas should introduce as one of its pieces of legislation a bill to reduce representation in the house of review — the very house that it wants to ensure is able to debate issues and scrutinise legislation.

One of the most important aspects of the upper house is its review function. The delays between the introduction of a bill and its second and third readings give the media and the broader public time to examine its provisions. As a member of Parliament I feel comfortable in the knowledge that people have had time to understand the legislation that is on the agenda and when it is being debated.

The more the government reduces the representation in the upper house the more disgraceful the situation will become. I am reminded that the public gallery in this house was built when Victoria had a very small population. We still have the same sized gallery, but we are proposing to decrease the number of members. I would rather see the construction of larger public galleries so more people could see what goes on in Parliament than have the number of members decreased.

Government members have made some interesting comments on the bill. Some have said they want to change the system so Victoria can have what the Labor Party thinks is the best form of democracy. The fact that the people voted in the representatives they wanted in both the upper house and the lower house seems to have been lost on them. Those government members think that if the numbers do not go their way they can change the system until they do, under the guise that it is more democratic. That happens in local government

all the time. Some people who believe the system is not democratic change it to suit their idea of democracy — until another lot of people decide that that is undemocratic and change to a system that they believe is democratic.

It is vital that the upper house has the right to block supply. The upper house is the house of review, and the budget is the most important item it deals with.

Recently I read an editorial in the press that talked about the upper house. It said — I think it is a valid point — that the Liberal Party has never abused the powers of the upper house when the people have given it the opportunity of being in a position to do so. It is obviously terribly hard for government members to accept that the people voted a majority of Liberals into the upper house. After the last election a number of new Labor members were elected to the upper house as well, but it is pertinent to remember why we got the numbers in the upper house. It has to do with the legacy of the Cain–Kirner years, which brought the state down to a point where we were all ashamed of it. After that the people made their choice in the upper house, telling Labor that they wanted to make sure the Cain–Kirner years never happened again. This time they have said they will happily vote them in.

Sir Henry Bolte was Premier for 17 years, and except for two years he never had the numbers in the upper house. He is an example of a good politician who, to be successful, had to compromise and work with the system.

The system has worked so far and I do not see why it should be interfered with. The government does not have a mandate to change the upper house. The Westminster system is well and truly above Labor politics. The people have told Labor that, and they will continue to do so. I look forward to seeing the upper house retaining its present status and continuing to work for the good of the people of Victoria, as it has done since 1851.

Mr DELAHUNTY (Wimmera) — I am pleased to have the opportunity to contribute to the debate on the Constitution (Proportional Representation) Bill. The debate on the other measure, the Constitution (Amendment) Bill, was curtailed before I had the opportunity to have an input on behalf of my electors. It is interesting to note that an amendment to the federal constitution requires the passing of a referendum, yet in Victoria debate on a constitutional change has been guillotined before all members of the chamber have had the opportunity to put their views on behalf of their electorates.

However, as I said, I am pleased that I have been given the opportunity to contribute to the debate. Constitutional changes should always be based on what will work in a — —

Debate interrupted pursuant to sessional orders.

The SPEAKER — Order! The time appointed under sessional orders for me to interrupt the business of the house has arrived.

Mr BATCHELOR (Minister for Transport) — I move:

That the sitting be continued.

House divided on Mr Batchelor's motion:

Ayes, 46

Allan, Ms	Kosky, Ms
Allen, Ms	Langdon, Mr (<i>Teller</i>)
Barker, Ms	Languiller, Mr
Batchelor, Mr	Leighton, Mr
Beattie, Ms	Lenders, Mr
Bracks, Mr	Lim, Mr
Brumby, Mr	Lindell, Ms
Cameron, Mr	Loney, Mr
Campbell, Ms	Maddigan, Mrs
Carli, Mr	Maxfield, Mr
Davies, Ms	Mildenhall, Mr
Delahunty, Ms	Nardella, Mr
Duncan, Ms	Overington, Ms
Garbutt, Ms	Pandazopoulos, Mr
Gillett, Ms	Pike, Ms
Haermeyer, Mr	Robinson, Mr
Hamilton, Mr	Savage, Mr
Hardman, Mr	Seitz, Mr
Helper, Mr	Stensholt, Mr
Holding, Mr	Thwaites, Mr
Howard, Mr	Treize, Mr (<i>Teller</i>)
Hulls, Mr	Viney, Mr
Ingram, Mr	Wynne, Mr

Noes, 41

Asher, Ms	Maclellan, Mr
Ashley, Mr	Maughan, Mr (<i>Teller</i>)
Baillieu, Mr	Mulder, Mr
Burke, Ms	Naphine, Dr
Clark, Mr	Paterson, Mr
Cooper, Mr	Perton, Mr
Dean, Dr	Peulich, Mrs
Delahunty, Mr	Phillips, Mr
Dixon, Mr	Plowman, Mr
Doyle, Mr	Richardson, Mr
Elliott, Mrs	Rowe, Mr
Fyffe, Mrs	Ryan, Mr
Honeywood, Mr	Shardey, Mrs
Jasper, Mr	Smith, Mr (<i>Teller</i>)
Kilgour, Mr	Spry, Mr
Kotsiras, Mr	Steggall, Mr
Leigh, Mr	Thompson, Mr
Lupton, Mr	Vogels, Mr
McArthur, Mr	Wells, Mr
McCall, Ms	Wilson, Mr
McIntosh, Mr	

Motion agreed to.

Debate resumed.

Mr DELAHUNTY (Wimmera) — The Constitution (Proportional Representation) Bill is the second part of a package, the first part being the Constitution (Amendment) Bill. It is interesting to note that part of this bill takes away part of the bill that was passed last week. The purpose of the bill is to reform the upper house by introducing proportional representation and to reduce the membership of the Legislative Council, and that would have to be in rural and regional Victoria.

Ms Davies interjected.

Mr DELAHUNTY — The honourable member for Gippsland West asks why. It is obvious: constitutional changes should always be based on what will work in political crises and be enduring. They should not be made at times such as these when things are moving along reasonably well. There is no evidence that our constitution is not working satisfactorily. Except for a couple of weeks, the Cain and Kirner governments did not have a majority in the upper house, but they were able to work with it. For 17 years the Bolte government did not have control of the upper house, but it was able to work with it because, as we all know, it is a house of review.

Being a sportsperson I have played a lot of cards. I can remember playing with many people who, if they cannot win, change the rules — in other words, they spit the dummy. That is what Labor is trying to do. The Labor Party says the upper house is undemocratic. That is misleading because the upper house is elected in exactly the same way as the lower house, based on one vote, one value. If you get the votes you get across the line. You need only 50 per cent plus 1 and you are in.

Western Province, which comprises nearly 60 000 square kilometres, is the largest province in the state. It covers the lower house electorates of Wimmera, my electorate, which is 27 308 square kilometres; Portland, which is 17 501 square kilometres; Polwarth, which is 9894 square kilometres; and Warrnambool, which is 5223 square kilometres. The smallest electorate in the upper house is Monash Province, which comprises 73 square kilometres. You could get around that electorate on a pushbike. It will be very difficult to get around those proposed rural electorates.

As I said, Western Province comprises 60 000 square kilometres. East Yarra comprises 83 square kilometres; Melbourne comprises 83 square kilometres; Monash, as I said, comprises 73 square kilometres; and Waverley

comprises 98 square kilometres. If the changes proposed in the bill were agreed to, those country provinces would be much bigger.

If the government had any gumption it would provide maps showing what is likely to occur if the bill is passed.

Mr Ingram interjected.

Mr DELAHUNTY — The honourable member for Gippsland West has just about lost his voice. They do not have to, but government members could give us some idea of how the bill is likely to work. I will certainly give the house some idea of how I think it will work: the Powercor areas are about the same size as the provinces proposed in the bill.

The bill provides for eight provinces of five members each covering 11 lower house seats. The bill states that three of those would have to be primarily rural — and the word is ‘primarily’. There are 24 non-metropolitan seats in the lower house, including those covering the electorates of Evelyn and Pakenham. As we all know there will be a redistribution before the next election. Indications are that three lower house rural seats will be lost to the metropolitan area, so there will be further loss of representation in rural Victoria.

It is evident that to meet the requirements of the bill a large slab of the outer Melbourne area will be included in the three primarily rural provinces, which will cover 33 lower house seats. People in Kaniva might be in the same province as people in Geelong — —

The ACTING SPEAKER (Mr Nardella) — Order! It is difficult to hear the honourable member for Wimmera. Members who wish to talk should leave the chamber.

Mr DELAHUNTY — Thank you, Mr Acting Speaker. I have coached football teams so having to yell a bit is not a worry — although we did not have to yell too much in barracking for Essendon on Saturday!

If we end up going down this track, Western Province, which would have to cover 11 lower house seats, would stretch across the whole of western Victoria. Where is the commonality of interest between people in Geelong and people in Edenhope?

The honourable member for Seymour, who has been a school teacher in Edenhope, would know that there is no commonality of interest between Edenhope and Geelong. How could those people be represented by five members who would no doubt be living in either the western suburbs of Melbourne, Geelong or

Ballarat? How could the sister cities of Ballarat and Geelong work together? It would not work.

The government has been all over the place on constitutional reform. On 24 November 1999 it introduced the Constitution (Reform) Bill, which it withdrew on 1 June. Then it introduced two new bills.

The bills will not make members more accessible. In Western Province the sitting members are the Honourable Roger Hallam and the Honourable Bruce Chamberlain, who, as the honourable member for Murray Valley reminds me, is the President of the Legislative Council. The terms of upper house members range between six and eight years. Both members live predominantly in the centre of the electorate, where they are easily contacted by telephone, email or fax — but more importantly, where they can be seen.

I have often spoken about the issue in my electorate. I remember going to Lake Charlegrark, near the South Australian border — the honourable member for Seymour will know where it is — where I was asked to talk about the bill. In doing so I drew a parallel between the Victorian upper house and the Senate. I asked the people to tell me the names of 2 of the 12 senators from Victoria. They knew Senator McGauran because he gets out and around country Victoria, and they often hear of Judith Troweth, because she advertises throughout the state. Few of them knew their senators because they are based in the city, except for one who has another office in Benalla.

I refer to the situation in New South Wales, where all the offices of upper house members are located in Sydney. The people of Wentworth, which is just over the border from the honourable member for Mildura’s electorate, hardly ever see their upper house members. Why would they? They represent only a few votes. Most of the votes are in Sydney, and the members stay where the votes are.

If the bill were passed all the members for Western Province would be where the votes are — in Geelong, Ballarat or even the western suburbs of Melbourne. Even the honourable member for Mildura knows that his upper house members could be based there.

Mr Ingram — What good do they do anyway?

Mr DELAHUNTY — The honourable member for Gippsland East wonders what good they do, but he wants upper house members to have the ability to block supply, so he obviously supports them.

Labor members have been telling a lot of porkies.

Mr Savage interjected.

Mr DELAHUNTY — I will get to the matter raised by the honourable member for Mildura. Labor members are saying the present system is undemocratic. That is not true; the system offers one vote, one value. They also said the bill will create greater representation.

Honourable members interjecting.

Mr DELAHUNTY — I have spoken to a few of the members of the five councils in my area about having greater representation.

An article in the *Wimmera Mail-Times* of 14 July states:

A state government move to reduce regional Victorian representation in the Legislative Council has angered Northern Grampians Shire....

Cr Colin Hall said the council should echo West Wimmera Shire Council's concerns and lobby the government to keep the current level of representation.

I emphasise the words 'current level of representation'.

...

Cr Barry Kearnan said reduced representation at state level would once again disadvantage country people.

...

'I am not prepared to see the true country vote be whittled any more than it already has'.

As honourable members will know, that is a reference to the number of people moving to Melbourne.

I will read into *Hansard* a couple of letters received from shire councils. One from the West Wimmera Shire Council states:

West Wimmera Shire Council is concerned that the proposal to change the structure of the Legislative Council will lead to huge electorates with loss of local accountability. The current Western Province electorate is the largest in the state, covering 6000 square kilometres, or a quarter of the area of Victoria. It covers the lower house electorates of Wimmera, Portland, Warrnambool and Polwarth. This proposal states that instead of covering 4 lower house electorates as at present, the province will extend to 11 lower house electorates. Further, the grouping of provinces into 8 in total, of which only 3 would cover non-metropolitan Victoria, would lead to huge rural electorates.

The chance of electing a member from a small community within the rural area would be remote as the preponderance of votes would be in the provincial cities such as Ballarat or Geelong. This would remove local accountability from MLCs who would be representing half the area of the state.

West Wimmera Shire Council is most concerned with these proposed changes and we urge you to represent these views to the Victorian government.

A second letter, from the Northern Grampians Shire Council, states:

Council has resolved to advise you of its concern at the proposal to change the structure of the Legislative Council.

The creation of extremely large electorates with only three covering non-metropolitan areas will greatly reduce the representation available to rural Victoria.

With electorates being so large the likelihood of representation coming from smaller communities is remote as the vast majority of voters will be centred on major regional towns such as Ballarat. Local accountability would be effectively removed from many areas.

Council respectfully urges you to represent its concerns to the state government.

I am pleased to do that.

The upper house is there to control extremists. As an honourable member said, former Premier John Cain was probably happy he did not control the upper house. He was able to say to his extremist members, 'That has no hope of getting through the upper house. It will not get anywhere'. The upper house also controls single-issue people who are not there for the good of the whole of Victoria. In the present system their number can be minimised. All honourable members have met such people in local government.

The present upper house system gives balanced government. As the saying goes, if the current Labor government can win the votes at the next election by putting up its people it will win. In the last election a candidate was pre-selected a fortnight before the election. He put out one press release and got elected. Good luck to him; but how fair dinkum is that person about representing his whole electorate?

An honourable member interjected.

Mr DELAHUNTY — I'm not sure. I think it is Ballarat Province.

I have often heard concerns expressed about the blocking of supply. Although the matter relates to some extent to the other constitution bill, according to my research the last time supply was blocked was in 1952, and before that 1947 — only twice this century. It was also blocked twice in the 1800s. In 1984 John Cain changed the structure of the upper house, but only after two years of exhaustive consultation. That is the appropriate way to go, and the present government should be trying to do the same thing.

The bill repeals some parts of the Constitution (Amendment) Bill. That is a disgrace! A bill that has just been through this house with the support of a majority but has not yet even been debated by the upper house is to be partly repealed by the bill before the house. I do not know how anyone can explain that to people. I had young visitors here today from Murtoa Primary School. How can I explain it to them? I am sure they do not understand what the government is on about!

In the Legislative Council no debates on bills are guillotined, so full debate without government interference is guaranteed. In addition, in that house the adjournment debate is attended by all ministers.

Mr Savage interjected.

Mr DELAHUNTY — If I get time I will respond to the remarks of the honourable member for Mildura. In the other house answers to questions on notice are provided within 30 days, forcing ministers to be accountable. I have not been in Parliament for very long, but I am sure that procedure must have been one that the Labor Party used in opposition if it was working hard enough — although I am not sure it was.

An editorial in the *Age* of 31 May headed ‘Upper house plan is a poor result’ states in part:

The deal between the Victorian government and Independents is flawed and inequitable.

...

For its legislation to get through the Legislative Assembly, the government needs the support of at least one of the three country-based Independent MPs. Unfortunately, the government’s dealings with the Independents have produced their first disappointment, in the package of measures designed to reform the Legislative Council.

Mr Hamilton interjected.

Mr DELAHUNTY — I will get back to quotas, but first I will finish the quotes. The following appears in the editorial of the *Herald Sun* of the same day, 31 May:

Do Victorians really want to import Senate frustrations into Spring Street?

The Bracks government does ...

Mr Bracks want to reform the upper house because it is dominated by the Liberals and is thus a potential obstruction to Labor’s legislation.

The Minister for Agriculture referred to a quota. The bill provides that a person against whom 84 per cent of the people vote can be elected to Parliament. I do not

agree with that at all but I will not debate it. The current system is based on one vote, one value — anyone who gets 50 per cent plus 1 crosses the line.

Honourable members must show some real respect for the Victorian community. People obviously vote differently in elections for the respective houses. I have discovered that in country Victoria they want to take out insurance because Labor governments have a history of being poor managers. The opportunity for reviewing legislation is available in the upper house.

The ACTING SPEAKER (Mr Nardella) — Order! The honourable member’s time has expired.

Mr WILSON (Bennettswood) — I am pleased to have the opportunity to speak tonight on the Constitution (Proportional Representation) Bill. I am surprised at the timing of my contribution, because it is 28 minutes past the time when the house should have commenced the adjournment debate. I remember the rhetoric when I first came to this Parliament that it was going to be a family-friendly Parliament that sat certain hours so that members of Parliament who have families could see them occasionally. I remember most clearly the rhetoric of Minister Kosky, who talked about family-friendly hours and said that the new Bracks government would adhere to new standards.

Ms Allan — On a point of order, Mr Acting Speaker, I was going to ask the honourable member to start talking about the bill but I understand he is about to do that.

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

Mr WILSON — Obviously my comments about family-friendly hours do not sit well with members of the Labor Party because they know the hypocrisy that is attached to what the government is doing.

Ms Allan — That’s no reason to make that comment.

Mr WILSON — I repeat: my comments about family-friendly hours seem to hurt members of the Labor Party.

Honourable members interjecting.

The ACTING SPEAKER (Mr Nardella) — Order! The honourable member for Bennettswood will continue without assistance from either side of the house.

Mr WILSON — In the second-reading speech honourable members were told that the primary purpose of the bill is to reform the upper house in two ways: firstly, by introducing proportional representation, and secondly, by reducing the membership of the Legislative Council. As a student of politics and constitutional reform in Australia, and certainly in Victoria, I commend the speech of the honourable member for Benambra. It is one of the most outstanding, considered and best-researched speeches I have heard on constitutional reform. I suggest that all honourable members take the time to read his contribution.

It is fair to say, as has been said in this debate and other debates on constitutional matters in recent weeks, that what we are seeing can only be described as a power grab by the ALP. All members on this side of the house know, as does the general community, that the overall aim of the Labor Party is to abolish the Legislative Council. The ALP has had that as an agenda item for many years and the bill before the house tonight, together with the measure that was before the house a week ago, gives credence to that contention.

The bill that honourable members are debating at 10.30 at night, because the government will gag the debate, is the first stage of the abolition of the upper house. My research tell me this is not the first time that the Labor Party has attempted to abolish or attack the Legislative Council. Anyone familiar with Victorian constitutional history will be aware that similar attacks were made in 1987, 1988, 1990. The current attack commenced with the rhetoric of the Labor Party when it first came to office in 1999.

In debate on this and the previous bill, Labor members claimed they had a mandate. They said that during the election campaign they told the Victorian public that they intended to bring in the reforms being debated. I cannot remember the ALP campaigning on reform of the upper house at any stage of the election campaign.

An honourable member interjected.

Mr WILSON — Thank you — they didn't.

Honourable members interjecting.

The ACTING SPEAKER (Mr Nardella) — Order! Two honourable members are out of their places. The honourable member for Bennettswood will continue, without assistance.

Mr WILSON — In its proposed reforms Labor has underestimated the public because on many occasions the Victorian public, like the Australian public in

general, has shown the ability to make very clever voting decisions. I offer two examples. Earlier the honourable member for Monbulk mentioned one on which I will touch again — that is, the election for the upper house seat of Nunawading in 1985. It took place in the context of the Labor Party being in the ascendancy in Victorian politics. Labor comfortably won all the lower house seats covered by the upper house seat — Box Hill, Mitcham, Ringwood and Warrandyte. As honourable members recall, regrettably, Labor was returned to office in 1985. Anyone who understands Victorian politics will realise that was start of the decline of the Cain government. All honourable members know the consequences of the Cain–Kirner years from 1985 to 1992.

I remember that election very well because that year I was the state president of the Young Liberals. The Young Liberals campaigned very strongly in the seat of Nunawading. It was a remarkable time in Victorian politics. As I said, the Labor Party had won all four lower house seats yet there was a tied vote in the election for the then Nunawading Province. All honourable members will remember that after the Court of Disputed Returns had done the right thing by the people of Victoria there was a re-election and the Liberal Party won the seat of Nunawading comfortably.

Why did that occur? It was because the people of Nunawading Province exercised very clever political discretion and rejected giving the Labor Party a blank cheque. They had given Labor a mandate in the four lower house seats but were not willing to give it that same mandate in the upper house seat because they knew that if they did they would effectively be giving Labor a majority in the Legislative Council and it would control both houses. The good citizens of Nunawading Province were not prepared to do that — and the good citizens of Victoria were very grateful that did not occur.

As I said, as state president of the Young Liberals I campaigned very strongly in that re-election campaign, which resulted in the election of the Honourable Rosemary Varty.

I remember campaigning with another Young Liberal at the time, Andrew Olexander, who is now a member for Silvan Province in the other place, and we worked tirelessly over that time to get Rosemary Varty elected to the seat of Nunawading so that the Labor Party would not control the Legislative Council and Victorians would have the ability to limit in some way the damage the Labor Party was doing. That is one example I offer.

The second example involves North Western Province at the 1999 election. That province comprises four lower house seats.

An honourable member interjected.

Mr WILSON — One of those seats, Mildura, is represented by an Independent. The National Party represents the seat of Swan Hill, and two Labor members represent the seats of Bendigo East and Bendigo West; yet the good citizens and electors of North Western Province made the very correct and clever decision and re-elected the Honourable Barry Bishop, the National Party member for North Western Province, with a comfortable margin. While the National Party won only one of the four lower house seats in North Western Province, it won the upper house seat comfortably.

Members of the Labor Party have no respect for the average Victorian at the ballot box, and as a result they do not understand that the average Victorian does not do just what the political parties tell him to do. He goes to the ballot box and exercises his own political judgment. In both the seat of Nunawading and the seat of North Western Province last time round, average Victorians exercised excellent judgment. In 1985 they sent Rosemary Varty to the Legislative Council and in 1999 they returned the Honourable Barry Bishop to the Legislative Council despite the trend in the lower house.

I shall now deal with the five contentions that have been put forward by members opposite as to why these constitutional reforms should take place. It has been suggested by government speakers that the Legislative Council is an obstructive house, yet no evidence has been put forward by any speaker to satisfy that contention.

One of the statistics given to me shows that during the Cain–Kirner years — those terrible years which nearly wrecked the state had it not been for the Kennett government between 1992 and 1999 — 97 per cent of the bills that were presented to the upper house were passed. If that is obstruction, I do not understand what the Labor Party is suggesting.

If ever there was a time in Victorian politics that the public would have supported the Legislative Council blocking supply it would have been in the latter years of the Cain and Kirner administrations because it did not deserve to continue in office. It was a shameful government. It had taken this state from being the best in Australia to being the state which was just hanging in there. As I said before, it was only the Kennett

government that saved the state from the mire. Despite 97 per cent of the legislation during those dreadful years being passed, the suggestion is made by the Labor Party that the upper house is a house of obstruction.

The second contention that has been put forward by the Labor Party is that the upper house does not favour the Labor Party. That is simply not right. It may not favour the Labor Party right now, but anyone looking at the history of the Legislative Council would see that on many occasions the Labor Party has been in control of a majority of votes in that chamber.

Between 1955 and 1970 Henry Bolte did not control the Legislative Council. But Henry Bolte was not somebody who came into this place as Premier and decided, ‘If I can’t get my way in the Legislative Council I will reform it or abolish it’. Henry Bolte got on with the job of being a good Premier and providing excellent policies that put Victoria into the position of being one of the leading states in the commonwealth.

The Labor Party does not understand that it is engaging in a short-sighted venture. The day will come when the opposition parties will be in government, and the Labor Party will not want a situation where no one party will have a majority in the upper house and control will rest with minority groups, as has been the case in the Senate. All honourable members would be aware of how much damage that can cause.

The Labor Party’s third contention is that the Legislative Council does not add to the democratic process, which I completely dismiss. On many occasions I have heard honourable members ask what the upper house did between 1992 and 1999. My first suggestion would be that it was part of a good era of government. It made many amendments to legislation originating from this house, which resulted in better government.

As other honourable members have said, some of the procedures in the upper house are worth considering. Under the 30-day rule in the Legislative Council, questions on notice have to be answered within 30 days of their being asked — and what a contrast that is with the situation in this house, where ministers do not need to answer questions.

An honourable member interjected.

Mr WILSON — Don’t ask, ‘What have you done about it?’. In a question on notice I asked the Premier whether he had any intention of adopting the 30-day rule in this house, and his answer was no, even though it works so well in the upper house. As a former member of the Legislative Council, Mr Acting Speaker,

you would appreciate the way the rule works and how the Labor Party has used it on many occasions to force ministers to answer questions.

Mr Robinson — You've got your facts wrong. Bolte did the job twice. You said you were a student of history!

Mr WILSON — The honourable member for Mitcham has not listened to my contribution. He is wrong, so I will ignore the interjection.

Another aspect of the Legislative Council's procedures is that debates in that place are not gagged. Members of the opposition parties are currently experiencing what the gag means in this house. The Labor Party, which came to office saying that it respected the parliamentary process and would introduce reforms to make Parliament paramount in the lives of Victorians, uses the gag willy-nilly. Honourable members are debating the legislation at 10.44 p.m. because the government is using the gag yet again.

Opposition members have referred to another commendable aspect of the Legislative Council, which is that the adjournment debate in that place is more effective and more worth while than the adjournment debate in this place. There are no time limits in the upper house, which means that members have more opportunities to ask ministers about matters relating to their electorates. Ministers are required to be present in the house so they can respond immediately, which means that members of the other place have real connections with their ministers.

In this house there is a 30-minute limit on raising matters in the adjournment debate at the end of the night. Although the government started off with the aim of having all its ministers present, recently many of the senior ministers have been absent, which means the issues members raise are simply referred on. I find that unacceptable.

In the few moments left to me I will address the Labor Party's contention that its reforms will promote regional representation. That is a complete furphy, and I will give a personal example to refute it. As someone who was born in Mildura, spent his childhood days there and was later educated in Ballarat, I know that there is no way a member of Parliament operating out of Ballarat or Geelong could properly represent the people of Mildura, Ouyen or Manangatang. The people who live in those places expect their local representatives to be accessible. The bill would reduce the number of upper house seats and would result in upper house members being concentrated in the big

regional centres. There is no doubt that the big cities of Geelong, Ballarat and Bendigo would be the winners and the small regional centres such as Swan Hill, Mildura and Benalla would be the losers.

Another of the Labor Party's contentions is that it would be acceptable if sectional interests gained control of the upper house after the government's reforms went through. Anyone who has studied the history of the Australian Senate will understand the enormous damage the sectional interests represented in that place have done over the past 20 years. Both Labor governments and coalition governments would have been able to pursue better policies and pass better legislation had they not been hamstrung by the small parties elected by small numbers of people in the smaller states.

Anyone who has studied Australian politics since the 1970s will understand that since those parties have had control, federal government has been a bargaining exercise. When a government has to go through its legislative program by bargaining with people who have been elected by 2, 3 or 5 per cent of the people in the smaller states, it is a recipe for disaster. The damage that has been done to the Australian nation has been atrocious.

My final contention is that the experience of the federal Senate does not need to be repeated in Victoria. The Legislative Council is a magnificent institution that works well.

Mrs FYFFE (Evelyn) — I am pleased to speak on the Constitution (Proportional Representation) Bill tonight. The proposal for the so-called reform of the upper house was initially presented in one bill. It then disappeared for a while only to reappear in two bills. What an embarrassment for the Attorney-General to have to withdraw another piece of legislation! Its withdrawal made him look incompetent and unprofessional, but no doubt he will come into the chamber with his normal huffing, puffing and blowing and try to intimidate honourable members by being loud in his arguments.

The government is moonraking if it thinks Victorians will buy the idea that the proposal involves purely reform. It is a blatant grab for power. The government is moonraking if it thinks the ordinary people of Victoria will listen to the arguments it is putting forward. For those who do not understand what moonraking is, I will explain. It is an expression that has been used for many years in the villages of England.

Mr Robinson interjected.

Mrs FYFFE — The honourable member for Mitcham is alluding to the fact that he knows what moonraking is. The word refers to a story about a simpleton — probably a politically incorrect term to use today — using a rake to pull in the reflection of a full moon on a village pond. That is exactly what the government is doing if it thinks Victorians will accept that this an example of exciting reform. It is not. It is a blatant grab for power.

For seven years Labor members when in opposition complained, whinged, moaned, shouted and argued about the Kennett government. They said many things were wrong and needed to be changed. If the Kennett government was so bad, why are those issues not contained in the bills? Where are the strong decisions, the innovation, the leadership and the vision? The government has gone to John Cain and said, ‘Help, we are in power. What are we going to do? We are in government. What can we do about legislation?’. John Cain responded by saying, ‘Bring about upper house reform; that will fill in some time in the house’. It certainly has! Labor has trotted out upper house reform, yet again. Upper house reform is not wanted by ordinary Victorians, ordinary men and women; rather, it is wanted by a government that is afraid of scrutiny.

The role of the upper house is important for our democracy.

Mr Maclellan interjected.

Mrs FYFFE — They certainly have been gagged. Many people fought for democracy so that people would be able to vote freely without fear or intimidation. Many thousands of Australians gave their lives for this country to ensure that individuals are able to vote freely and democratically and that the people are fully represented in both houses of Parliament.

During the Cain years the upper house exposed the Victorian Economic Development Corporation and Pyramid Building Society scandals. I remember those scandals and the damage they caused in great detail. It was a pity the media took so long to pick up the issues. If the media had taken up the issues sooner, not as many small businesses would have gone into liquidation. Many people lost their homes as a result of those scandals, and many people are now facing retirement without owning a house because they have spent the past 10 years trying to get jobs or start small businesses. They may now be on the pension and paying rent for a house with nothing such as superannuation behind them. They gambled all their

incomes on starting and growing a business and employing people only to be brought down by forces outside their control. They are the ordinary men and women of this state. Those people are now silent; they are not the noisy vocal minorities who seem to get so much response from this government.

Parliament belongs to the people of Victoria. It does not belong to the government, it does not belong to the opposition, and it does not belong to the Independents. Victorians must be asked what they think about the proposed changes to the constitution of their upper house. They must be clearly presented with the facts and given time to understand and debate the issue. If Victorians vote for constitutional change I will look at the issue differently, but I will not consider it when it involves bullying and confusion. Reform must be done in a way that acknowledges the people of Victoria own the upper house. All of us experience change as part of our lives. Change can and often does work well, although I am not saying reform of the upper house will work well. Honourable members should not twist my words around. The people of Victoria have the right to the ownership of change, but they have been given no right to decide on the proposed changes to their houses of Parliament.

If a board of company directors tries to change its memorandum and articles of association without first taking the proposal to its shareholders for their approval, there would be an outcry and the directors would lose their seats on the board at the next general election. If that were to happen members of the government would be in an uproar. They would say, ‘That is wrong, that is bad; the board should not be doing that’. Yet, that is exactly what the government is trying to do. The shareholders — the people of Victoria — have not been asked in a clear, simple and understandable way to approve the changes. It is tempting to think that if boards of directors can be voted out because they make changes without the approval of their shareholders, it could also happen in this place. Changing the constitution of the upper house without the approval of the Victorian people is wrong.

There are 22 electorates in the upper house.

Mr Robinson interjected.

Mrs FYFFE — I apologise for my inexperience, Mr Acting Speaker; I have been a member of this house for only 12 months. The honourable member for Mitcham is trying to denigrate what I am saying.

There are 22 electorates in the upper house, 9 of which are country electorates. That seems to me to be the right

proportion when balanced against the population and geography of Victoria.

The bill provides for only three of the eight electorates to be country electorates. The changing of the voting system is wrong. First past the post is right for Victorians, and it is what people in rural and regional Victoria want and understand. It would not be easy to turn back the clock once proportional representation was in place. The Labor Party introduced it into the Senate, and both Keating and Evans had problems with it.

The Constitution (Proportional Representation) Bill embodies all the worst features of proportional representation. It would lead to parties such as One Nation or, heaven forbid, a National Front equivalent in Australia. Anyone with any experience of the policies and attitudes of organisations such as the National Front would do everything in his or her power to ensure it did not happen.

Proportional representation was not an election issue, nor was it debated in the community. It was not canvassed or discussed, and the people of Victoria did not vote for it. They were not consulted about whether they wanted 22 or 9 country electorates, nor were they asked what representation they wanted. The fact that the government does not want the upper house raises questions in my mind. The intention in the bill is to change the control of the upper house. The Labor Party has never made any secret of the fact that it does not like the upper house. Is it fearful of scrutiny? What is it worried about? Is it merely grabbing for power or is it concerned that other things may be exposed over the next few years?

Previous governments under John Cain and Henry Bolte governed for lengthy periods without a majority in the upper house. The Bracks government does not think it can govern without an upper house majority. John Cain and Henry Bolte both learnt the skills of negotiation — of listening, of working with other people, of compromise and of adjusting to what other people wanted. Victoria now has a government that is acting like a spoilt child because the opposition is against what it wants — that is, to change the constitution of the Parliament so that it can have its own way without any questioning.

Reducing the number of upper house members from 44 to 40 when the population of Victoria is growing is wrong. Eight multimember electorates of five members each would be unworkable. Supporters of proportional representation say it allows small groups to be represented, but small groups are already represented in

this house by the three Independents. That is achievable in the Council. The people of Victoria have repeatedly shown a propensity to vote for one party in the lower house and another party in the upper house. They have shown they can vote for an Independent in the lower house and for a member of a larger party in the upper house. They are not stupid; they think about how they vote.

Accountability is being ignored. On being elected honourable members take on a responsibility — they make a commitment to their electorates and are accountable to the wishes of their electorates, either as Independents or as members of whatever party they belong to. They are elected by voters who know their party's platform, and if they do not do what is expected of them they are voted out. That happens frequently as change evolves in the upper house. It is perfectly possible that over two or three elections the Labor Party could gain control of the upper house. It has happened before and it can happen again, so why should the government be frightened?

Under the government's plans for proportional representation and multimember electorates the voice of rural and regional Victoria would be further diluted. If people who live in Sealake wished to speak with their upper house member in Geelong would they send an email, telephone or write? If constituents did not wish to speak to a lower house member who represented a particular political party and wished to present a different viewpoint to the upper house member would they have to drive to Geelong or perhaps wait six months? Under the proposal upper house members would be unknown, unaccountable and detached.

What about constituents who have difficulties? Government members should realise that for whatever reason some constituents prefer to consult their upper house member rather than their lower house member, yet under the government's plan he or she would be only a distant voice in a far off place. If people lived at Walhalla and their representative was at Dandenong or Lakes Entrance they would have a long way to go to see their upper house member. As I said, the member would be unknown, unaccountable and detached — just a voice on the telephone. The government cares about only provincial cities; it does not care about the ordinary man and woman in the country.

The senators are not well known within their states. The upper house members in New South Wales stay in Sydney. The people of Tocumwal and other areas feel that they are forgotten. They are concerned about their lack of representation. If they do not have a lower house member of the party whose policies they support,

their upper house members are a long way away in Sydney.

What about the campaigning dollars for the huge electorates proposed by the government? It will cost many, many dollars for anyone — be they members of a large political party or a small one or be they Independents — to be able to campaign in the vast electorates and convey their message.

Having the upper house as it presently exists controls the extremists. It stops the single-issue — —

Government members interjecting.

Mrs FYFFE — All parties have people who are extreme. Actually, Madam Acting Speaker, a few are sounding extreme tonight.

Having the upper house reassures the leader of the government that whatever extreme proposal gets through the lower house will be controlled in the upper house. The current system presents a balanced government.

The upper house operates very differently from the way we operate in this place. There is far more scrutiny, understanding of committees and looking at legislation. Members are not faced with having to look at 12-month election campaigns, as is proposed because of the government's love of the American system.

I came into this Parliament for the small people of Victoria, the people who are often forgotten. I am just an ordinary person from an ordinary working background. Only the extreme minorities are listened to. The large numbers are not listened to. The unions who represent less than 30 per cent of the working people are listened to far more than the 70 per cent of working people who do not belong to a union.

Small businesses without union labour receive no help or assistance from the government. It wants to go back in time to a system with a large public service so that it can feel in control. That is what it cares about. The government is really a control freak. It wants people to be controlled by unions or a large public service and it wants the elimination of small business — it is certainly showing that it knows how to achieve that. Otherwise a nanny government spoon-feeds the people. Abraham Lincoln said that you cannot help a man by doing for him what that man should and can do for himself.

Mr Nardella — What about that woman?

Mrs FYFFE — 'That man' is used in a generic way, as Madam Acting Speaker realises. I hate using the word 'person'.

If you are in small business in Victoria, if you are a small farmer or if you are trying to get something off the ground, you will not get any help from the government. You will not be listened to; you will be totally ignored. You will get acknowledgment only if you are a large company with union membership or if you are a public servant — and boy how those numbers are going to grow!

My mother used to say, 'What goes around comes around'. Well it is coming around again. We will have a repeat, over and over again, of what has happened before.

This is a very important bill. It should go to the vote of the people of Victoria. It is not for this parliamentary chamber to decide. It is for the people of Victoria to decide whether they want their houses changed. They own these places; we do not. It is their decision, not ours.

Mr BAILLIEU (Hawthorn) — Woof, woof, woof! Another policy dog from the government! The *Herald Sun* said the Constitution (Proportional Representation) Bill was a policy dog, and so did the *Age*. It is one of those policy dogs the government came to power with without any expectation of having to deliver. The bill is a dog, and it deserves to be defeated.

What are the objectives of the bill? There are two listed: one to reduce the number of members in the Legislative Council and the other to elect the members by proportional representation. Chucked in there as well is the introduction of measures dealing with the death of a candidate.

The introduction of proportional representation might be the objective, but what does that mean? Does it mean, as suggested by one of the previous speakers on the government side, to better reflect diversity? Does it mean to introduce smaller parties into the Council? If it does, that is not the stated objective. The stated objective is to introduce proportional representation, but there is no suggestion as to why.

The actual objective is clearly a power grab. It is the objective of reducing scrutiny, of securing and maintaining a preference deal with minor parties, but with a twist — the government does not actually want them elected.

As I said in a contribution to the debate on the Constitution (Amendment) Bill, which is the other half

of this bill, these bills were split. Again, I ask why they were split. Because the bills were split they each have to be considered alone on their own merits.

This bill deals with potentially delivering eight-year terms to members of the Council on a quota of about 16.5 per cent. It is an extraordinary proposition, and it is equally extraordinary that the government should consider it. The proposition betrays the government's real intention — to produce a bill it does not want passed because it wants to preserve the promise that it will deliver on the deals. That is the other objective of this exercise.

Currently members of the upper house can stand proudly and say that they have been elected with majority support from their electorates. Majority support! They can walk down the street and say, 'I have majority support in the electorate'. The other thing that members of the upper house can say, as can members of this house, is that while they have majority support in their electorates and have been elected on that basis, they also carry the obligation to represent everyone in their electorate, not just a minority. That is the essential difference between single-member electorates and those to which members are elected by proportional representation.

The honourable member for Gippsland East can stand proudly and say he has been elected by a majority and that he has an obligation to represent all the electors in his seat. It is not a situation where he can walk down the street and say, 'There are 84 per cent of people who did not vote for me and I do not have to represent them'. The upper house is currently elected on boundaries sponsored by former Premier John Cain and the Labor Party. It is a democratic chamber elected on the same boundaries as the Legislative Assembly today. It operates well and it delivers. The honourable member for Essendon asked, perhaps rhetorically, in her contribution to the debate, 'What is there to be frightened of? What is to be lost?'

Victoria has a parliamentary system that can deliver. It has a system that in seven years turned Victoria from being on the bottom of the list to being on the top. We throw that away at our own peril and to our disadvantage. Victoria has a competitive advantage in its parliamentary system and we should stick with it. This is not just a piece of minor constitutional reform; it is major. But the irony is that it has been introduced in the most ham-fisted way. First the government had a consolidated bill, which it withdrew. It was — and was seen to be — a disaster. There has been little consultation on the alternatives presented, and now amendments are being made on the run. There has been

no community push on the bill and little community interest in it.

It is worth considering the views expressed during the election campaign by the parties that the government is claiming to aid and abet. What did the Democrats have to say about the Legislative Council reform? They had many issue papers, but none on that matter. They had one line: they wanted to end the upper house gerrymander, as they described it. There is no gerrymander, and all one can conclude is that they wanted different boundaries. What did the Greens have to say during the campaign? They had only two lines: they would propose amendments to the Victorian constitution to introduce proportional representation to the house of Assembly, not the Council!

The honourable member for Gippsland West said proportional voting means smaller parties and Independents have more of a chance of being elected. In her contribution to the debate on this bill, the honourable member attacked the National Party. It is ironic that she suggested the National Party did not deserve to be represented in the Legislative Council, that its members did not deserve to be elected, yet the National Party is the smaller party to which she was referring during the election campaign. There is an extraordinary difference between the two comments and it really highlights the confusion among the groups the government would now claim to assist.

The honourable member for Gippsland West then said that the bill would make it hard for smaller parties to get elected. Is that in conflict with her campaign ambitions? It certainly seems to be. So why is this measure before the house? As I said, it is about the government securing a preference deal in the longer term. But how would this bill achieve the objectives it claims to achieve? The original consolidated bill claimed for the upper house five electorates of seven members each and a quota of one-eighth of the votes, or 12.5 per cent. It was later withdrawn. This bill proposes eight electorates of five members each, with a quota of one-sixth, or 16.5 per cent. The quota has gone up. Does that assist Independents or smaller parties? No, it makes it harder.

Why has the government settled on this model? It could have looked to other models of proportional representation, and it is worth asking why it did not. It could have looked to the Senate, where in a half-Senate election, the quota is one-seventh, or 14 per cent. No, this government is above that! Why? It could have looked to the election following a double dissolution of the Senate, where the quota is one-thirteenth, or 7.5 per cent, but it did not want that. It could have looked to

New South Wales, where the quota is 4.5 per cent, but it did not want that either. It could have looked at the Australian Capital Territory or elsewhere in the world — New Zealand, Italy and Israel — where the quotas are all smaller.

Why did the government push the quota up? It did so because it does not want those minor parties and Independents elected to a chamber that it has not been able to neuter. Why did it choose almost 17 per cent and five members per province? The government did so because it would get a 3-to-2 result in every province. The consequence is that with the nature of the seats and with the preference deals it would be seeking to secure the fifth place in every case. The government wants a conclusive result in every seat, but it wants to engineer that result in its favour.

So who could get up? Those who group on a ticket might be able to get up. The honourable member for Gippsland West said that would be very hard, but they might be able to get up. They could do so only if they grouped, if they conspired on preferences. So where is the Labor government heading on this? It is about the preference deal above all — keeping sweet with the minor parties and continuing to promise something it will never deliver, government being protected by having a chamber that is operating, delivering and being responsible.

Where else is the government heading? The only alternative is that it is heading for its own coalition with the Democrats, the Greens and minor parties. We have seen that sort of trade in the last election. We saw the ALP give it away. It gave it away in Templestowe Province; it did not stand a candidate. It was part of the deal. The honourable member for Dandenong North smiled earnestly about that very fact in his contribution to the debate on the other bill. A deal was done during the campaign which received almost zero attention and which delivered seats to the government. The ALP gave it away in Templestowe and Chelsea provinces; it did not stand candidates and it left it to the minor parties.

Ms Lindell interjected.

The ACTING SPEAKER (Ms Davies) — Order! I suggest the honourable member for Carrum would be slightly less disorderly if she sat in her own seat.

Mr BAILLIEU — The ALP will give upper house seats away only when it does not expect to win or it has nobbled the upper house.

The ALP's first exercise in government was to nobble the upper house — by removing the power of supply,

removing the consideration of the budget bills, removing the scrutiny powers, eliminating the rotation of members to avoid the tempering of mandates, and to shorten the terms. Its original objective was to nobble the house — but it did not work.

Now the government is blasé about the legislation and has split it into two bills — which is an absurdity, given its own arguments on splitting them. All it is doing now is seeking to perpetuate the promises. I would have imagined that the government would be serious about these bills. But no, it has only been stringing along the minor parties.

One would have thought government members would want to contribute to the debate. It was the government that at 10.00 p.m. today moved that the debate be continued, after the family-friendly hours! Opposition members wanted to continue though; they wanted the bill to be fully debated. But it would have been more appropriate if that had occurred during family-friendly hours. It is interesting to note the government members who have not spoken. Who has not spoken?

Mr Hulls interjected.

Mr BAILLIEU — The Attorney-General volunteers. The Attorney-General has not spoken, the Minister for Housing has not spoken, the Minister for State and Regional Development has not spoken, the Deputy Premier and Minister for Health has not spoken, the Minister for Local Government has not spoken, the Minister for Community Services has not spoken, the Minister for Education has not spoken, the Minister for Agriculture has not spoken, the Minister for Post Compulsory Education, Training and Employment has not spoken, the Minister for Transport has not spoken — —

Mr Batchelor — Yes, I have.

Mr BAILLIEU — That is his first contribution to this debate. He has finally spoken!

The ACTING SPEAKER (Ms Davies) — Order! The honourable member for Hawthorn should not respond to interjections.

Mr BAILLIEU — The Minister for Gaming has also not spoken. Why haven't they spoken? They have been gagged!

An Honourable Member — They haven't!

Mr BAILLIEU — They have been gagged. They do not want to debate this bill. They have just been stringing along Victorians and stringing along the

minor parties. With respect, Madam Acting Speaker, they have been stringing along the Independents.

Honourable members in this debate have spoken about the consequences of this bill on rural and regional representation. I could not agree more that if this bill passes, rural and regional representation will be reduced.

The ALP has an obsession with the upper house. It has driven it to the point of total diversion and distraction. The bill has had almost no consultation in the community. What is the level of interest in the community?

An Honourable Member — Zip.

Mr BAILLIEU — Zip. Those who are interested are on this side of the house. The government will try anything as a diversion, and it does. I suggest that the government — —

Mr Nardella interjected.

Mr BAILLIEU — Feel free. The honourable member for Melton is willing to take up the suggestion — to drop the obsession with the upper house and start working to have elected some candidates who will make a contribution. We have not seen any yet. Where are they?

The ACTING SPEAKER (Ms Davies) — Order! The honourable member has 2 minutes. I suggest he concentrates on his speech and stops responding to interjections.

Mr BAILLIEU — The ALP should drop its obsession with the upper house, forget about foolish reforms, and start talking about sensible parliamentary reforms which engage committees and provide scrutiny and what the people want. Victoria has a Westminster bicameral system which delivers. The government either believes in an upper house or it does not. The extraordinary threats the Premier recently made against the upper house if the bill did not pass still stagger me.

As I said in my opening contribution to this debate and in my previous contribution, the bills are a pair of Siamese policy dogs. They have been separated purely for political purposes. The irony is that in the process the government has gagged its own side, its own ministers. We have heard almost no contribution from them to the debate on the legislation they claim to so passionately support.

Mr DIXON (Dromana) — It is a pleasure to follow the honourable member for Hawthorn. Reflecting back

on members of this side who have contributed to this debate I note that I have heard a wide range of arguments. Every member on this side has brought a different argument to this very important issue.

Obviously those on this side have treated the whole issue with the seriousness that it deserves. Basically it involves a change to Victoria's constitution. On matters as serious as this it is important that members who represent their electorates well do a lot of research to consider all the arguments and raise them in this place.

The Constitution (Proportional Representation) Bill is a second shot. The first shot — the bill that was introduced in the last sessional period — sank without a trace. It disappeared off the books and we do not know where it disappeared to. Suddenly, out of the ashes came two separate bills on the same topic. I wonder what caused that metamorphosis from the first bill to what we have now. One thing that did not happen was community consultation. I do not remember any member of the government out talking to individuals or community groups about that first piece of legislation which later sunk without trace.

What did the government do and how much consultation did it go through to come up with these two bills? I have not seen a skerrick of it. I have done some research and there is no record on what caused one bill to turn into two between sitting periods. A large change is being debated. It is not a reform; a reform is an improvement. We are looking at a major change, and any major change deserves long hours of consultation and consideration, not only by members of the house but by the community in general.

I did some media research. First, I started with the records in my electorate office — a very busy office — to find out who, within the community I represent, had brought the issue before me about changes to the upper house over the past couple of years. As I went back through all the letters written to me over the years, all the emails and phone calls, the community groups that have come to see me and that I have been to see, not once in the five years that I have been a member has anyone approached me about this issue. It did not come from the grassroots.

An honourable member interjected.

Mr DIXON — They were coming to see me about the real issues that the community cares about. This issue is not something the community cares about. When I looked at my electorate records I found nothing on the matter. With the help of the parliamentary library I did a wider search through the state's media. It was

nowhere in the media, in the fifty-fifty columns, the opinion columns or the letters to the editors of the major dailies. It just was not there. So I went to the television current affairs shows, magazine shows. Again, there was absolutely nothing. It did not come from there either. So I did some research into the radio stations to discover what people had been ringing the radio stations about and what was being discussed in the talkbacks and editorials. It was not there either.

I do not know where this issue has come from. It is as if a great big fairy has come out of the sky and said, 'Here is a major change that everyone wants. Let us get it into the Parliament'. I wonder why there was no consultation. What is there to hide? Any change to the Victorian constitution has to be done through this place. Honourable members can compare that with the changes proposed to the federal constitution.

Recently we had the referendum on the republic and there was a massive community debate conducted at the local and national levels and in the media. Millions of dollars were spent on public education. There were community forums and constitutional conventions. Have we seen any of that for this major change in the constitution in our state? No, we have not. We have seen nothing.

The bill has come out of nowhere. If we are to make these major changes to our state constitution we should be undertaking a major community education program. It should not be debated only on the floor of the house. The events that unfold on the floor of the house should be the last step. The thoughts and arguments honourable members put forward should be based on research and on what our communities have told us; they should be the result of widespread consultation. We should not be here debating the bill because none of that has happened. There has been no community consultation and our time would be better spent debating bills during family-friendly hours.

I remember the other side trumpeting about this ad nauseam in a previous session and here we are stretching this out and talking about it now when it should be given due consideration after community consultation. We should be spending time here in the normal parliamentary hours. God knows we have wasted a few hours over the past few weeks. Under the provisions of the bill the number of members in the Legislative Council would be reduced from 44 to 40.

Mr Nardella — Hear, hear!

Mr DIXON — The cynics among some members of the community and in this house think that fewer

politicians is a good thing. That is a superficial argument. Members of this house saying fewer politicians is a good thing is a disservice to a great profession. They are putting down their colleagues in the other place. There are some wonderful people in the other place and many of them represent their areas well. The honourable member for Melton said there would be fewer snouts in the trough. He might have his snout in the trough, but I have never had my snout in the trough. I earn my money. It demeans us to indulge in that argument.

When you ask any thinking person whether they would like fewer members of Parliament, everyone says yes. However, if you ask whether they would like a more restricted access to their member of Parliament, to wait extra hours for the phone to be answered, to wait weeks for letters to be answered, or to wait until the next session of Parliament before issues are brought up in the house, they say no.

The demands of the general public on members are heavy. They expect us to be at their beck and call whether in the lower house or the upper house. They expect us to return their phone calls, answer their letters, follow up their issues with the minister, intervene on their behalf with a government department, and raise matters in this place — and they want it as quickly as possible. Most thinking people say, 'I want more representation, not less'.

The bill, at a time when the population of the state is growing, proposes a reduction in the number of provinces. That does not add up, because fewer provinces means less representation and a vicious circle in which people will be able to say, 'Politicians do not care. They are not representing me'. Members will not be representing people properly because they will not have the numbers to allow time for the things that are important to the electors. I have real problems with the idea of reducing the number of provinces from 22 to 8.

The area I represent, the Mornington Peninsula, would definitely be lumped into a great big city province, probably stretching from Portsea to South Melbourne. I do not want to be associated with South Melbourne.

Ms Asher — You would want to be associated with Brighton, though.

Mr DIXON — The electorate would not go as far as Brighton.

There would be no community of interest in such a province. The Dromana electorate I represent, which is part of the South Eastern province, is, apart from a small part of Mount Eliza, essentially a rural electorate.

That fact can easily be seen by looking at the electorate, as I have, from an aeroplane or on a satellite picture. It is an area of farms, rolling hills and vineyards. The proposed new province, however, would be a gigantic province running right up the peninsula, out past Cranbourne and up into the city. What a disservice to the people!

South Eastern Province has a community of interest. It is just wrong to say it is the same as South Melbourne, Brighton or Cranbourne — or even Frankston — no matter how good the representation might be. In fact, that argument has been going on for about two months since the Premier came to the electorate and said that Dromana was rural and should have all the benefits of a Victorian rural electorate. Unfortunately, however, the Treasurer publicly disagreed with the Premier on the matter, and we are still trying to work through that. The people of the electorate are not happy. The Premier is saying that Dromana is rural in character and the electorate cannot be lumped in with metropolitan Melbourne. I fully agree with the Premier on that matter.

The proposed gigantic new provinces will each have five members, and they will be mixed — that is, they will come from different political parties and might include a sprinkling of Independents or members of minor parties. Will those five members work together for the good of that electorate? No way! They will each work first and foremost for the good of their party. Members of major parties will be looking at the bigger picture, not working together with other members representing the same electorate. Members of minor parties will be looking at balance-of-power issues, pushing for votes at following elections and hanging on to every vote they have.

There might also be one or two Independents. Independents will also be concerned with hanging on and not with the province they represent. I cannot see that Independents would ever sit together with others representing their province and actually talk with them. That would not happen. In giant provinces with no community of interest the members would not be working together for the general good of the province but would work against each other. In the best case scenario they would only look after their own sectional interests.

Members who ran for election on a single issue could hold sway over an entire province. A huge area of hundreds of thousands of people could be held to ransom and not represented by a member because that person was elected on one issue and is only concerned with that issue. The people of that province would then

be missing out on at least 20 per cent of the representation they deserve.

The honourable member for Evelyn mentioned Gippsland and the town of Walhalla. I have visited that town and it is a lovely area. There is a community of interest in Gippsland because it is predominantly rural. The effectiveness of the proposed electorate would depend on how far it went into the Melbourne metropolitan area. I hope it would not include a suburban area like Cranbourne, because that has very different needs, aspirations and issues from the wider Gippsland area right through to Orbost. Gippsland is a rural area with individual towns like Orbost, Swifts Creek and Bruthen, where my family hails from.

Ms Asher — The Swifts Creek timber mill!

Mr DIXON — Yes, as the Deputy Leader of the Opposition says, the timber mill at Swifts Creek is a major issue. The needs and issues of Swifts Creek are very different from the needs and wants of the people even in nearby Bruthen, where my family comes from, and where Dixon Road is found. Their needs are very different from the needs of the people you represent, Madam Acting Speaker. There is a huge community of interest in the area. If the representation were housed for convenience sake in towns like Korumburra or Wonthaggi, the people of Orbost would really miss out.

The vast majority of our upper house members are treated as local members of Parliament. They have accessible offices that are usually based in towns, which is quite different from the location of lower house members. The offices of upper house members are located in different townships or suburbs and they have shopfronts — in other words, they are there for the local community.

Upper house members, more than the lower house members, look after their specific townships and areas in which their offices are placed. Their doors are open for their constituents to visit them, and they go out and represent their local constituents. To lose those local members would not be a step towards greater democracy, which is what the community is looking for. Despite the changing trends in politics, the community is looking for local members who represent them, understand them and their issues, and who live among them. Although Victorians have that representation from lower house members, they currently have it to a greater degree from upper house members.

In a large area like the proposed electorate with only five members representing them, their constituents

would lose that important contact. That would start a vicious circle within which our constituents would say, 'We don't like members of Parliament, because they are not representing us. No wonder they are not representing us, because they don't represent our local community. Five of them are representing an area as big as England!'. It will not work, and the vicious circle will start again.

As I said earlier, people want representation and accessibility to their local members of Parliament. On the one hand they might say, 'Yes, I want fewer politicians because they are costing the community money'. On the other hand they want a quick response from their members of Parliament when they write letters to them, send emails or visit them. They want their local members of Parliament to follow their issues up with the relevant government departments or to follow them up in Parliament. We would lose that basic part of our democracy at a time when it is healthy and growing.

The current system works very well. John Cain did not like freeways, he liked traffic lights. He built a great tennis centre, although he put it into debt. However, he made a good contribution to the state of Victoria by being the architect of the current system of Parliament. He did a very good job on that, and it has worked extremely well. We have had very stable government in this state, perhaps even more stable than other states, and that stable government has come from the system of government. Just because it is different from other bicameral systems around the country does not mean it is a worse system. Victoria's system of government has done the state very proud. That is why we are in the good state we are and why people look to Victoria for political leadership.

Last Friday I entertained six members from the British Parliament in my electorate. They consider we have a great system of governance in this state and that they have a lot to learn from its consistency and checks and balances. They cannot see any reason for us to change our current system.

A couple of concerns I have on minor matters include the expense of the proposed elections. Elections to the upper house based on proportional representation would be very complicated, as was seen in New South Wales, where they had massive spreadsheets for ballot papers. They are not warranted and Joe Public is just not interested in the expense or complication of such elections.

The greatest concern I have is that the bill provides that if a member of the upper house died or had to resign

due to ill health there would be no by-election. That is the end of democracy. Other members of this house put such a proposal forward in recent Victorian political history but I certainly do not agree with it. The system of replacing a member by a countback is abhorrent.

The ACTING SPEAKER (Ms Davies) — Order! The honourable member's time has expired.

Mr THOMPSON (Sandringham) — The Victorian Legislative Council had its very genesis in bringing power to the people.

Mr Hulls — We give up!

Mr THOMPSON — I will get to you. When the Port Phillip district was ruled from Sydney, road taxes were being delivered to Sydney and Collins and Bourke streets were quagmires and bogs, the people of Melbourne decided they needed local representation. Tonight honourable members have before them a bill that proposes reducing the number of provinces in the Legislative Council from 22 to 8 — and it is argued that that will provide representation for the people. In addition, currently six to eight Legislative Council electorates could be construed as representing country Victoria, but the bill proposes reducing that number from eight to three. Under the proposal an upper house member might serve an area stretching from Geelong to Ballarat and a member for the Mildura area might live in Melton. The people of Victoria would not be very happy with such a process.

It might be noted that Melbourne was 10 days ride by horse from Sydney. I would not be surprised if the bill was conceived or had its genesis on a Mount Isa racetrack.

Mr Hulls — Now you're talking!

Mr THOMPSON — I am reminded of a story about a couple of mug punters who went to the Mount Isa races. As the horses were lined up at the barrier unfortunately one of them ran out the gate the wrong way and went around the track. When the horse crossed the line first, having gone around the track the wrong way, the mug punter was delighted and said, 'My horse won!'. His couple of colleagues from Queensland said, 'Look, pal, you've done your dough', but he said, 'No, you're wrong — I had 50 cents each way'!

An Opposition Member — Explain it again — he didn't understand it!

Mr THOMPSON — I suggest the only electoral system the Attorney-General understands is that based

on first past the post! In that particular instance the horse went around the track the wrong way.

Honourable members have before them three bills. The first is the one that has been withdrawn from debate — the Constitution (Reform) Bill. The government introduced it before Christmas and it has been withdrawn already. The government did not know what it was doing. First it proposed to reduce the number of members in the upper house from 44 to 35. Parliamentary counsel might have had to stay up all night to prepare that document. I wonder what they thought of that proposal.

The next bill for debate, the Constitution (Amendment) Bill, was something of an extraordinary bill. Its principal element was to remove the right of the upper house to block supply. There have been a number of revisionists of history in Australia since 1975. According to Sir David Smith, the former secretary to the Labor-appointed Governor-General of the day, politicians of the day were flexible with their principles and those in the press had either selective or defective memories. Why did he say that in the context of 1975? Because only one journalist from the Canberra press gallery presented to the people of Australia the fact that on 170 prior occasions the Labor Party in Canberra had attempted to reject supply in the Senate.

Lionel Murphy and Gough Whitlam are on the parliamentary record in unswerving terms in their assertion that it was the prerogative, the right and freedom of the Labor Party to reject supply in the federal upper house, yet the Victorian government will ask Parliament to debate a bill that is part of a double — not a quinella or a trifecta. It was a scratching. That simply establishes that to date the Labor Party has been horsing around on constitutional matters.

Mr Hulls — You need to be reined in, Murray.

Mr THOMPSON — The Attorney-General suggests I should be reined in. I would be happy to do that in a debate with the Attorney-General at the Law Institute of Victoria. As soon as the Labor Party started talking about constitutional matters I became interested in an article in the *Law Institute Journal* under the heading 'Party politics at the president's luncheon'. I refer to my subsequent letter to the journal, which states in part:

... Mary Delahunty, the ALP member for Northcote, is reported to have told the November president's luncheon that the Kennett government had restricted the legal right to appeal in the Supreme Court in about 200 bills and acts. Ms Delahunty is quoted as stating, 'This is absolutely

unprecedented in Australia and, no doubt, in most of the Western world. It is a savage and cynical attack on the democratic notion of judicial review'.

A short time later another member of the Labor Party appeared at the Law Institute of Victoria. The then Leader of the Opposition, Steve Bracks, said that a future Labor government would scrap more than 200 pieces of legislation that stop Victorians from appealing against government decisions in the Supreme Court.

The inherent challenge was not taken up by the present Minister for Education, the Attorney-General or the Premier. In my letter to the *Law Institute Journal* of September 1999, I posed the question:

I would be interested to know whether the Labor Party's plans include scrapping legislation supported by their own members, together with the approximately 300 pieces of legislation introduced by the Cain-Kirner governments varying the jurisdiction of the Supreme Court.

If the Labor Party had constitutional reform on its mind and was supposedly concerned about the alleged 200 attacks on the democratic process — and I could turn to that in a debate at the Law Institute of Victoria when I would be more than happy to be reined in on this argument — what about the more than 300 acts that Labor introduced that arguably had an impact on the jurisdiction of the Supreme Court? Labor would be well placed, if those were its points of concern, to launch some of the first constitutional reform bills in this place to rectify those anomalies. But have we heard from the Attorney-General, the Premier or the Deputy Premier? There is a roaring silence in the chamber tonight.

If there is to be a constitutional commission, constructive work could be undertaken by the Attorney-General, who has had experience in the federal Parliament of a number of people with broad knowledge, including one former Queensland colleague who studied parliamentary issues extensively. The list of his study tours is: Belgium in 1984, Denmark in 1984, Fiji in 1980, France in 1984, Germany in 1984, Ireland in 1991, Japan in 1992, New Zealand in 1979 and 1980, Singapore in 1984, Tahiti in 1990, Thailand in multiple years, the United Kingdom in 1980, 1994 and 1995, and the United States of America in 1982. Bill Collins would not have called a better race than that particular globetrotting arrangement!

In addition, this particular fellow had been on parliamentary delegations to Canada, Turkey, Spain, Mexico, Argentina, Nicaragua, India, Malaysia, the Middle East, Western Samoa, the Solomon Islands, Vanuatu, Fiji, Indonesia and Papua New Guinea. In a sense, that person represented a minority interest in the

Senate. I refer to none other than former Senator Mal Colston. He was a man who, in a Senate with a tied vote and as an Independent who did not represent a party interest despite having been a member of the Labor Party for 21 years, held the balance of power. A number of pieces of legislation were either thwarted or passed in highly controversial circumstances outside the principal political party process.

I now turn to some more elementary issues in relation to the bill before the house tonight.

It has been suggested that it is essentially an attempt by the Labor Party to reform the electoral process so it can have the opportunity of gaining greater power in the Legislative Council. It has been noted that the methodology of that course of action being achieved would be to reduce representation in country Victoria. Along with other members of this chamber, during the recess I had the opportunity of visiting country Victoria — Portland, Warrnambool, Bendigo, Ballarat, Geelong, Mildura, Robinvale, Swan Hill, Echuca, Wodonga, Bairnsdale and Mallacoota. Widespread consultation was taking place in those country towns and the importance of people having a local representative on hand who understood their issues and concerns was evident.

I challenge government members to take this debate with what I could call the Colston constitutional commission and to travel throughout country Victoria and hear what the people of Mildura, Swan Hill and Robinvale have to say about their representatives in Parliament residing in Melton or Sunbury or what the citizens of Ballarat have to say about their representative living in Geelong.

People have important local interests and a strong sense of local community. They like to have the opportunity of having someone representing their area who understands their needs and concerns.

I am reminded that one of the Labor Party's constitutional experts might have had a hand in this bill. The former federal member for Holt, Gareth Evans, was disappointed when contesting a preselection that he was representing an area on the other side of town. He preferred to represent a constituency that was closer to the airport rather than being close to the people!

Sitting suspended 11.59 p.m. until 12.32 p.m.

Mr THOMPSON — We resume this debate at a serious time — in the dead of the night. Let history record that it is now 12.30 in the morning, most of Melbourne is asleep and we are operating under the family-friendly hours. In the stealth of night we are

considering a piece of legislation which will transform the electoral system of this state. Members should make no mistake about it. I pose a question to the parliamentary chamber: how many changes of government have there been in Italy in the postwar period? How many changes of government have there been under Italy's proportional representation system of government? I suggest that there have been more than 50 changes of government in Italy.

Honourable members interjecting.

Mr THOMPSON — I am helped by the honourable member for Burwood, who has advised the house that in Italy at the moment the government is run by communists; I am reliant upon his advice.

I am pleased to see that, having slipped a few lengths behind in the race on the Mount Isa racetrack, the honourable member for Niddrie has been strong enough to come back into the house. I apologise to him: not many members in the chamber would know that during his lifetime the honourable member for Niddrie has given a lot of money to sick animals — the only thing is, he did not know they were sick when he backed them!

To recapitulate the issues I have raised, I suggest that if the Labor Party were serious about constitutional reform it would not have introduced the trifecta of bills — one of which has already lost the race and another two that are battling down the back straight at the moment. It would have embarked on serious reform and looked at those issues it spoke about when in opposition.

I reminded the house of the reform of section 85 of the constitution and the repeal of those 200 pieces of Kennett legislation that removed the jurisdiction of the Supreme Court. To that might be added over 300 pieces of legislation that arguably impacted upon or removed the jurisdiction of the Supreme Court during the Cain and Kirner years. These might be worthy focuses of constitutional reform.

I also reminded the chamber that if the government were serious about constitutional reform and consulting with rural Victoria in relation to a bill that would reduce the number of representative areas from 22 down to 8 and the number of rural areas from 6 or 8 down to 3, it might have consulted with the people from Mildura to Portland to Mallacoota.

I pointed out the expertise that was available through the agency of a man who had served the Labor Party faithfully for 21 years and not so faithfully for a further 3 but who had plenty of travel experience behind him.

That man played a decisive role in allowing the passage of legislation that was highly controversial. I refer to none other than Mal Colston, who might be able to head the Colston constitutional commission in Victoria.

Honourable members interjecting.

Mr THOMPSON — The matters he may need to consider will include casual vacancies. The house is debating the bill in the darkness of the early hours of the morning despite there being very few speakers from the government side. When will the Attorney-General, the Deputy Premier and the Minister for Transport contribute to this important debate?

Mr Stensholt interjected.

Mr THOMPSON — Perhaps not in the dead of night, even though everyone else has been required to speak on the legislation. However, the filling of casual vacancies is very important. The government proposes that if a member dies — —

An honourable member interjected.

Mr THOMPSON — I am happy to debate the honourable member the Attorney-General any day, any time, any place, although preferably at the Law Institute in a debate about reforms affecting section 85 of the constitution. He can support the arguments put by the Premier and the Minister for Education about constitutional reform.

What will happen if a member who is elected on a Green ticket dies before his or her term expires? The casual vacancy will be filled by the next person on the ballot, who could be a person representing logging interests. Imagine the outrage in a seat such as Gisborne if that happened. Those are some of the important issues that the Colston constitutional committee could consider. The Attorney-General served alongside the former senator from Queensland.

Mr Hulls — There is not much room beside him!

Mr THOMPSON — I am not sure whether the Attorney-General means in a physical capacity or an intellectual capacity. Nevertheless, they are some of the serious issues that would need to be considered before the legislation could be passed by the house.

Mr LUPTON (Knox) — I note that honourable members are debating the bill at 12.40 on Thursday morning as part of the family-friendly hours instituted by the Labor Party! I cannot tell you how thrilled I am to be standing here listening to the diatribe of the honourable member for Mildura, who has not shut up

since the debate started. I can think of a lot better things to be doing than standing here at this time.

Ms Allan interjected.

Mr LUPTON — Are you going to speak again? The last time the honourable member for Bendigo East opened her big mouth on the Constitution (Amendment) Bill she got fixed up. She will probably get the same treatment again today! At 20 minutes to 1, I do not feel like being funny. However, I will get to the bill.

We are debating a bill that is supported by the honourable member for Dandenong North, who has put himself down as the upper house task force convenor. Honourable members will recall that the honourable member had a go at me a while ago about the previous constitution bill. He got it totally wrong when he argued there was only one aspect to that bill.

I looked at the bill and thought, 'This is the second time this piece of legislation has been introduced'. The Constitution (Reform) Bill was introduced in November last year and then withdrawn because it was inefficient, stupid and would not work. Now the government has turned round and introduced two bits of legislation, which is why we are here debating the bill in the middle of the night.

Mr Savage interjected.

Mr LUPTON — It is absolutely amazing. The honourable member for Mildura must have something up his skirt because I have never heard him talk so much. The Labor Party has attempted to change the upper house on a number of occasions within living memory. I refer to its attempts in 1987, 1988, 1990 and, as I mentioned before, 1999, when it mucked the bill up and had to withdraw it. There has been no public consultation on the issue. The bill has not been discussed with anyone except members of the Labor Party — and of course the Independents.

As I said, the government has introduced two constitutional reforms bills. This bill would require members of the Legislative Council to be elected using proportional representation. As other speakers have said, the issue was not debated during the election campaign. Yet here we are debating a piece of legislation that is being pushed through because it is considered so important!

If my memory serves me correctly the Premier is the only minister who has contributed to the debate. There have been no howls and cries from the opposition benches, and that concerns me. If the legislation will

make such a big difference to democracy in Victoria, why have no more ministers contributed to the debate? It is apparent that no ministers are willing to debate the bill.

Most of the government members who have contributed to the debate have spoken for only 2 or 3 minutes.

Mr Savage — That is your score!

Mr LUPTON — The honourable member for Mildura and the honourable member for Gippsland East — what a pair of absolute losers!

The ACTING SPEAKER (Mr Phillips) — Order!

Mr LUPTON — You are not a loser, Mr Acting Speaker, but they are. They absolutely incapable of making any sensible contribution at all.

Mr Savage interjected.

Mr LUPTON — If he had been listening he would know, but I could not expect the honourable member for Mildura to remember. I said that I had heard only one minister speak on the bill, and that was the Premier. I would not bother listening to the Minister for Education because she could not tell the truth. But the fact is that only one minister has spoken on the bill. If the bill is so important, where are all the skilled speakers willing to speak in support of ramming it through?

Mr Acting Speaker — —

Mr Maxfield interjected.

Mr LUPTON — The honourable member for Narracan wakes up and makes his usual magnificent contribution! Because the upper house is currently very democratic as it is — because of the way the seating is organised, the ratio of members, and so on — it is clear the government believes it has been hard done by. However, at the last election 24 upper house seats became vacant, including 2 in the provinces of Ballarat and Melbourne for which by-elections were held, and the Labor Party won 12 seats, or 50 per cent of the vote. That was democratic and was a true reflection of what the people of Victoria sought. Getting 50 per cent of the vote and half the available representation is fair and reasonable. However, the government is concerned because members of the upper house have eight-year terms and the public of Victoria voted differently in 1996 and 1992. It wants to introduce proportional representation because it believes it has been hard done by.

Let us consider what occurred when the Labor Party had control of the upper house during the Cain–Kirner years. That was when Workcare, now Workcover, was introduced — and all honourable members know it has gone from one extreme to the other. Of all the ministers in this house — the Premier, the Deputy Premier, the Minister for Transport, the Treasurer, the Minister for Education, the Minister for Post Compulsory Education, Training and Employment, the Minister for Police and Emergency Services, the Minister for Local Government and Minister for Workcover, the Minister for Community Services, the Minister for Housing and Minister for Aged Care, the Minister for Agriculture, the Attorney-General and Minister for Gaming, and the Minister for Major Projects and Tourism — the only one who has seen fit to come into the chamber and debate a bill that has been presented as being extremely important is the Premier.

Opposition members have heard government backbenchers, including the honourable member for Narracan, saying how good the bill is, but it is obvious the ministers are not really committed to it because only one has seen fit to lead what is said to be an important debate. It is an absolute joke. I wonder whether they have been gagged. I do not know.

John Cain introduced the current upper house model after amendments to the system in 1987, 1988 and 1990, and it received bipartisan approval. For some reason the Labor Party wants to keep meddling with things. It first came up with the 1999 version of the legislation, then produced the 2000 version. I do not think Parliament can keep changing legislation just to satisfy Labor's whims, particularly when only one minister is prepared to talk about it.

At present there are 44 upper house seats, 22 of which come up for election every four years. It must be remembered that upper house members never serve eight-year terms — they extend from a minimum of six years to a maximum of eight years. I do not know of any member who has served a full eight-year term.

The government's bill proposes that there be eight upper house provinces, each with five members.

Honourable members interjecting.

The ACTING SPEAKER (Mr Phillips) — Order! It is a bit unfair to the honourable member to have a barrage of interjections and numbers being thrown at him.

Mr LUPTON — And the honourable member for Burwood cannot get any further than eight!

The new proposal in this second attempt by the Labor Party to amend the way in which the upper house operates would reduce the number of seats and make it not truly representative of the people of Victoria. The honourable members for Mildura and Gippsland East are supposed to be representing country Victoria, yet they are going along with the creation of eight provinces of five members. Those honourable members speak with forked tongues. They do not care about the people, and certainly not about regional and country Victorians.

The bill is flawed. I do not believe it is appropriate. It is undemocratic and it makes many incorrect assumptions. At 12.50 a.m. I have had enough, and I am sure others have had enough too.

Honourable members interjecting.

Mr LUPTON — If honourable members want me to keep talking, I am happy and greatly pleased to continue debating the bill.

Everything that has been said about the bill has been said again and again. The honourable members for Mildura and Gippsland East cannot understand the bill yet they are the ones driving it. It is quite apparent that most of the Labor ministers are not prepared to come into the chamber and back it up — the only one is the Premier.

The bill is flawed. It is the government's second attempt to introduce this change, and it should be thrown out.

Mr KILGOUR (Shepparton) — I agree with the honourable member for Knox that it is not pleasing to speak on the bill at this time of the day, but it needs to be done because of the democratic opportunity we have to represent the people of our electorates — the sort of democratic opportunity that the Labor Party wants to diminish by way of this stunt before Parliament to reduce representation by members of the Legislative Council who live in country Victorian provinces.

In fact the proposal is a furphy. The government tells us the way it exists at the moment is undemocratic. That is a furphy if I ever heard one! A furphy means an untruth. The word 'furphy' comes to us from the First World War, when the water carts that took water around to the diggers at Gallipoli were made by the Furphy foundries in Shepparton. The drivers of those carts spread rumours around Gallipoli and because they were driving Furphy water carts it was suggested they were uttering furchies as they went around. The bill is an absolute furphy because it shows no understanding of the importance of the members of the Legislative

Council to the rural areas of Victoria and no understanding whatever of the necessity for local members to represent local areas in rural Victoria.

Mr Savage interjected.

Mr KILGOUR — It is all very well for the honourable member for Mildura to laugh, but today he had the embarrassment of having to withdraw a bill he introduced into the house that clearly would not work. The honourable member for Mildura's bill would have put businesses in country Victoria out of business because they would have been forced to sell petrol at less than they paid for it. The honourable member for Mildura has had the embarrassment of having to withdraw the bill and bring in another that looked at a different sort of charging regime for petrol.

The honourable member for Mildura purports to represent country Victoria but would have put country Victorians out of business. He now wants to bring in a bill that will reduce the representation of people from Ouyen and other places around the Mildura area.

Mr Lenders — On a point of order, Mr Acting Speaker, I draw your attention to the standing order on anticipation, standing order 92. The honourable member for Shepparton has been talking about a withdrawn bill. He is now anticipating a bill introduced today by the honourable member for Mildura. I ask you to sit him down, or whatever the term is, because he should not be addressing a bill that has been read a second time only earlier today.

Honourable members interjecting.

The ACTING SPEAKER (Mr Phillips) — Order! I remind all honourable members that every honourable member has the right to raise a point of order in a civil and quiet environment so that the Chair can hear what is being raised, otherwise it is difficult to make a ruling.

Mr KILGOUR — On the point of order, Mr Acting Speaker, the honourable member for Dandenong North has raised a spurious point of order and should understand full well that I was speaking about the bill that was withdrawn from the house, and that was all I was speaking about. I am not sure what the future bill is, so I ask you, Mr Acting Speaker, to ensure the point of order is withdrawn.

Mr Leigh — On the point of order, Mr Acting Speaker — —

The ACTING SPEAKER (Mr Phillips) — Order! I have heard enough on the point of order. All honourable members are aware that it is important that

the house does not waste the opportunity for other honourable members to join in the debate in a civil way. Honourable members should not take things so personally that they get to the point of wanting to take frivolous points of order. I suggest the debate has been extremely wide ranging. A lot of nonsense has been spoken, although I am not suggesting the honourable member is doing that at this time. The debate has been wide ranging at the instruction of the Speaker. It is important that honourable members speak about the bill. I do not uphold the point of order.

Mr KILGOUR — On the bill, Mr Acting Speaker, as I was saying, the honourable members for Mildura and Gippsland East want to support the bill, which will take away local representation from the far-flung areas of country Victoria. At the moment North Western Province is represented by the Honourable Barry Bishop in another place. Mr Bishop is well known in Victorian farming circles. He knows the grain industry through and through, and has to do the mopping up work in the Mildura area that is not done by the honourable member for Mildura. The other member for North Western Province does the same thing in Bendigo. The Honourable Ron Best has to be in Bendigo to support the people of Bendigo, who are not receiving the proper representation that they expect to receive.

There is no way that the bill can do anything else than create wedges into the outskirts of Melbourne. The majority of the population lives in areas close to the metropolitan area, so under this proposal that is where upper house members will come from. Fewer people from the far-flung areas of Victoria will be able to represent their local areas.

I turn to look at my own area, which is in the Goulburn Valley in the north-east of Victoria. The Honourable Bill Baxter has for many years brilliantly represented country Victoria as a member in the other place for North Eastern Province. Nobody in Victoria knows more about water than Mr Baxter. He understands irrigation and salinity. He understands the issues that arise in the hills where farmers have water falling on their properties, some of which needs to be dammed and some of which needs to go into the waterways to provide for irrigation. As the honourable member for Mildura well knows, there is a desperate need to ensure crops are grown so that Victoria can be competitive in the world market.

Country members such as the Honourable Bill Baxter do a tremendous job in the upper house, including on committees, to ensure country people have the representation that they need. And if upper house

members such as Bill Baxter, Jeanette Powell, Barry Bishop and Ron Best are prepared to work to win the seats they should have the opportunity to represent country areas. National Party members do not want to see country areas represented by people from the Labor Party who know nothing about the country because they reside on the outskirts of Melbourne.

The provisions of this bill would certainly reduce the level of representation in country Victoria — areas that are absolutely enormous. I should have thought the honourable members for Mildura and Gippsland East would have a full understanding of what it is like to represent a very large area. The proposals in the bill would make it impossible to provide proper representation for the people of country Victoria. The same thing would happen in Victoria as happens in New South Wales, where upper house members have their offices in Sydney and never get to the country areas. They cannot represent the people because of the work that they have to do in Sydney.

Honourable members do not even know what the boundaries will be. We are being asked to vote on a bill when we do not know what the boundaries are likely to be. Labor has not been able to work it out and put before us something that we can understand. We do understand that the ALP cannot control the upper house at the moment. It has treated the upper house with contempt over the years. It has used it as a rest home for union leaders. We all remember the representative of the plumbers union, don't we? The man who — —

Mr Leigh interjected.

Mr KILGOUR — The honourable member for Mordialloc is right. We all remember the former plumbers union representative who slept his way through the Parliament. Is it any wonder the ALP now says it is not happy with the way the upper house works, when it has treated it with contempt and has used the upper house to give the boys in the union movement a nice little retirement fund? The party hacks and union hacks have been prepared to use it that way, yet their colleagues have the audacity to come into this house and say that the upper house is not working properly!

Mr Hamilton interjected.

Mr KILGOUR — The Minister for Agriculture might well join the debate because he has supported the system over the years. He knows full well that the boys in the union movement in the Latrobe Valley look forward to retiring on the back bench, because that is the way the Labor Party treated the upper house.

I am pleased that there has been a little improvement in that area and that some Labor members who are now in the upper house are an improvement on those who have been there in the past, particularly those people the Labor Party owed favours to and their union mates. That has been an impediment to the Labor Party getting legislation through the upper house, and it does not enjoy that.

It was interesting to hear some of the comments made during the debate. The honourable member for Narracan had the audacity to say that the upper house does not reflect the will of the people! After the election last September the honourable member for Narracan strutted around the streets of Warragul and Moe saying, 'The will of the people has been shown and I have been elected; I will represent the people because that is their will'. I remind him that the very same people voted for the honourable member for Gippsland Province to represent them. Is that any different from the honourable member for Narracan — —

An honourable member interjected.

Mr KILGOUR — Only just. They also have the Honourable Peter Hall with his electorate office in Traralgon. He magnificently represents the people of the Latrobe Valley. Would the honourable member for Narracan say that he has not been elected properly and does not bring the will of the people to this Parliament? The honourable member does not know what he is talking about. If he thinks that he will bring the will of the people into this place, what about the members of the upper house who come from and know what goes on in and around their electorates?

The upper house has conjoined electorates. Their representatives have a good understanding; they know the people and the people know them. Their constituents are prepared to trust them to come to this Parliament and ensure that there is proper scrutiny of Labor Party legislation.

I was interested to hear part of the speech made by the Premier at the Michael Joseph Savage Memorial Lecture in Wodonga a couple of weeks ago when he said that an ALP supporter in Shepparton would be able to elect a member of Parliament from his or her preferred party for the first time. Yes, under this proposal an ALP supporter would be able to, because a Labor Party member in Shepparton would be voting for somebody in a Labor area on the outskirts of Melbourne, not for somebody in the far-flung areas of the state, because of the way the wedges would have to work. Therefore people would be elected from areas

with a large population, which would mostly come from the outskirts of Melbourne.

I was also interested to hear the Premier say at the lecture that he wanted to see the upper house continue. That is not what some of his people want. He said there are those who argue for the abolition of the upper house, and that there are plenty of politicians of all persuasions who like the idea, especially when they are in government. Now that the Labor Party is in government for some reason it does not like the idea, because it cannot force legislation that Victorians do not like through the house. The Premier also states:

But let me be very clear about this: it is not an argument that appeals to me.

I am personally strongly opposed to the abolition of the upper house.

I was pleased to hear the Premier recognise the work the upper house can do and that it is there to provide scrutiny and accountability. Because Labor does not hold the majority of seats it now does not like the upper house and is trying to change it.

The argument goes on, but we have heard it all before in country Victoria. I was interested to read a report published in the Albury-Wodonga *Border-Mail* of 2 September, which states:

If you are going to change the parliamentary system or constitution, you have to make sure you change it so that it works in time of difficulty.

You don't just have a convenient change for times of political calm that look all right but would get you into trouble in times of instability.

Some changes proposed ... would have very odd consequences in difficult times.

Country newspapers are certainly waking up, and so too are the newspapers in the city. A *Herald Sun* editorial of 31 May states:

Do Victorians really want to import the Senate's frustrations into Spring Street? The Bracks government does.

Yes, the Bracks government wants to import the Senate's frustrations into Spring Street. The editorial further states:

But the Liberals' obligation does not extend to allowing reforms that could paralyse the government in this state.

The *Herald Sun* has certainly woken up to it. The *Age* editorial of the same date states:

... Unfortunately, the government's dealings with the Independents have produced their first disappointment, in the

package of measures designed to reform the Legislative Council.

Melbourne newspapers and country Victorians are a wake-up to what is being put before them. Honourable members talk about the upper house not being democratic and not scrutinising legislation. There are no time limits on speeches in the upper house, so members have the opportunity to speak as long as they like to put the case on behalf of their electorates and to say how things affect them. Gags or guillotines are never applied to debates on bills in the upper house. Any upper house member can require the house to go into a committee on a bill, and that provides another opportunity for honourable members to talk about amendments that might be made to a bill.

All upper house ministers attend the adjournment debate, which is certainly better than what happens in this house. It is good to see the way the adjournment debate works in the upper house. It gives local members from far-flung areas of country Victoria the opportunity to raise important issues to ensure that country people have the representation they need. There is no limit to the time allowed for the adjournment debate. Upper house members have the opportunity to have their say. Wednesday mornings are reserved exclusively for opposition business, so the opposition has the opportunity to place before the Parliament any issue it wants to raise.

The upper house is working well, and, as has been suggested by some honourable members, if it is not broken don't fix it. I look forward to seeing the bill thrashed in the upper house. That is what it deserves.

Ms McCALL (Frankston) — In view of the lateness of the hour, when, according to the original story of *Peter Pan* written by James M. Barrie, all good children should be at home in bed, and in order to encourage members of this chamber to think in that direction, I will read a bedtime fairy story. The title of the story is 'The tale of the Power-Grab Babies'. The Power-Grab Babies are led by Peter Pan himself in the form of the Premier of the state.

The Power-Grab Babies are inevitably interested only in the grab for power. They do not understand why they do not currently have it. In order to achieve power they have introduced three pieces of legislation: one they had to withdraw because it did not quite make sense; the second was debated and passed through this house last week, no doubt thanks to the honourable member for Melton contributing to the debate twice; the third bill being debated at 10 minutes past 1 on Thursday morning relates to proportional representation, and I will be interested to know whether the honourable

member for Melton makes one contribution to the debate.

It is always good with fairy stories to look at the history behind them. I will take an historical look at what proportional representation is about, why it forms part of the Westminster system, and whether it would be a good idea for the state of Victoria to adopt proportional representation.

I was brought up on the other side of the world in a place far more densely populated — —

Mr Maxfield interjected.

Ms McCALL — It was also much better educated overall, as the honourable member for Narracan would do well to recognise. One of the major issues about proportional representation in Western Europe is that it works on the basis of dense populations, in particular in Italy and Belgium. However, those countries are not good examples of proportional representation because they have boasted in excess of 50 parliaments since the Second World War, and they are governments that are ruled by minorities and minority interests.

One of the major penalties of proportional representation in my view, and in the view of other honourable members on this side of the house, is that it can inevitably lead to minority interests governing majority benefits, and that can never be a good thing for democracy. We have seen examples of it in our own Senate. Nobody could argue that the GST package would not have been a lot better without the interference of the Democrats or that Senator Harradine's pursuit of sectarian and sectional interests for the benefit of Tasmania worked for the benefit of the whole of Australia.

Proportional representation can be effective in areas of dense population — in other words, where the population can sustain representation at ground level. Victoria has an electorate of only 5 million in an area the size of Denmark! Proportional representation is not suitable for a population of that size. By reducing the size of the upper house and the representation within it, the government is reducing the franchise acceptability and accessibility of people to their elected representatives. So the government runs the grave risk of having what other honourable members have referred to — that is, a representative for the area from Mildura down to Geelong who lives in Werribee and is unable, in the broadest sense of the word, to represent the electorate that voted him or her into the Parliament.

Proportional representation does not work with a small population living on a large landmass. Inevitably the

people you are hoping to represent will be disenfranchised, and there will be a reduction in the potential to attract quality candidates in local areas to represent local interests.

Part of the reason for my criticism of the bill is that the government argues that the current upper house is not effective. If you go back through the history of the bicameral system of government you will find there is no question that the most successful and democratic parliaments in the world are those with two chambers.

Members on this side do not doubt for a minute that at the back of the minds of government members — it may be at the front of their minds, because there is probably not a lot of space in between — is the idea that one day they will try to destroy or abolish the upper house. They are trying to parallel what Blair has endeavoured to do with the House of Lords. It is extraordinary that Peter Pan Bracks is doing many of the things that the nanny government in Westminster is now finding to be not as effective as it hoped. Trying to castrate the power and authority of the upper house — —

Mr Richardson interjected.

Ms McCALL — I said ‘castrate’. At this time of the morning I considered it an appropriate word.

Mr Richardson — It’s the unkindest cut of all.

Ms McCALL — It is, absolutely — and it can be permanent! It is obvious that government members intend to castrate the power of the Legislative Council. To introduce proportional representation is to castrate the vote of each and every Victorian.

Mr Wilson — Neutering their vote.

Ms McCALL — Good word — thank you very much.

Mr Perton — You’re being too moderate

Ms McCALL — I’m sorry! I will refer to some of those governments and parliaments that have used proportional representation, those that have considered and rejected it and those that have not used it at all. Needless to say I spent some time researching on the Internet. I was very tempted, given the late hour, to read the French Bill of Rights in its original language, but given that Hansard are here under sufferance as well I decided against doing so.

I will refer to some bicameral systems around the world. The first is the French legal system, which is the

reverse of ours as it is based on the Napoleonic system under which people are considered guilty of an alleged wrongdoing until they are proven innocent. The French have two chambers: the Assemblée Nationale and the Sénat, based on our Senate system. The system is based on the Declaration of the Rights of Man by the famous French citizen who managed not to lose his head under the guillotine. It was adopted in 1789 and ratified in the constitution of 1946.

After trawling through the Internet I can assure honourable members that it would take many hours of debate to explain how the French bureaucratic and parliamentary system works. Suffice it to say that for all their dissembling and bureaucratic bungling the French believe that having an upper chamber with the powers of their Sénat ensures that their parliamentary procedures are democratic and balanced. Although they defer to the President of the Republic, theirs is a democratic system. We must remember that the catchcry of the French Revolution, ‘Liberté, Egalité, Fraternité’, is the basis of their democracy.

Canada has two chambers. It is significant that its Senate is appointed by the Governor-General on the recommendation of the Prime Minister. It is interesting to note that the government is proposing that elections for the upper house be conducted using proportional representation, yet Canada, which much of our parliamentary system parallels or is modelled on, has an appointed Senate.

British Columbia has only one chamber and therefore has no house of review.

Singapore has three categories of members of Parliament. Firstly, it has elected MPs who are political candidates who have stood for election and won a simple majority vote in their respective constituencies. Secondly, it has non-constituency members of Parliament, up to six of whom can be appointed from the opposition parties. Thirdly, it has nominated members of Parliament who are appointed to provide a wider representation of views. Whatever their political leanings, nobody would argue that the Singaporean system is not extraordinarily stable. Honourable members may not always agree with some of its philosophies, but Singapore’s parliamentary system is certainly stable.

Many honourable members will be aware of the problems involved in the handover of Hong Kong to China. Chris Patten, the last British Governor of Hong Kong, had an extraordinarily difficult task in trying to maintain a high level of democracy. Given the density of the population, he believed there was no question

that the democratic process on which the Hong Kong Parliament was elected — that is, on the basis of proportions of the population — was the fairest and most equitable way to go.

I return to the fact that in Victoria, which has a population of fewer than 5 million living on a landmass the size of Denmark, proportional representation would not work fairly because it would disenfranchise some of the people who are entitled to vote.

I wished to raise a number of other issues, one of which was brought to my attention by the honourable member for Bennettswood. One of the aspects of reducing the number of representatives in the Legislative Council is whether you end up with quality or quantity. Any election to any democratic chamber should be based on merit and quality.

One of the opposition's concerns is that under neither system is there any guarantee about the quality of candidate the government could nominate. Rather than attempting to destroy the Legislative Council, which is what the bill aims to do, the government would be better served by increasing the standard of the individuals elected to that place. I am not singling anybody out, but an article in the *Age* of 1 June states:

The Bracks government this week resumed its push to reform the upper house. But whatever shape the Legislative Council takes in future, Labor ministers in that chamber need to lift their game immediately to stop proceedings becoming a joke.

...

Before Labor reforms the Legislative Council it needs to get its own house in order.

One of the most important things for the government to remember is whether the members who have been elected to that chamber understand how its procedures and processes work. They should use the house to the benefit of their constituents. One of the honourable members for Ballarat Province has at no time since his election last October bothered to raise on the adjournment debate any matter of concern to his constituents. Under the present system he represents a province, which covers a large enough landmass for him to be bothered about, but his responsibilities would be greater under the proposed reform.

If he were the new upper house member for whatever the new large province may be, his constituents would have even less chance of having issues raised on their behalf.

I remind the house that the most important thing about the reform process is realising that if a system ain't broke, there is no need to fix it. There is no real

problem with the Legislative Council. It is representative of the electors it serves, whereas the concern of the Power-Grab Babies opposite is that they do not have the numbers to control it. It is one of the strengths of a democracy that electors will elect those people they feel will represent them most appropriately.

If you suddenly introduced a proportional representation system into Victoria, which has fewer than 5 million people living on a landmass the size of Denmark, you would risk disenfranchising the people.

Mr Smith — I hate to interrupt the contribution of the honourable member for Frankston, Mr Acting Speaker, but I draw your attention to the state of the house.

Quorum formed.

Ms McCALL — I refer to a number of documents about the composition of upper houses around the world, in particular, an article on the design of the American Senate in 1787.

Mr Hardman — This legislation has nothing to do with the American system.

Ms McCALL — This is a wide-ranging debate and should be placed in the context of the Westminster system on which the American and Canadian systems are based. Any key decisions should be informed and based on fact, not on fairytale and fiction.

The intention in forming the American Senate was that it should be an independent body of responsible citizens who would share power with the House of Representatives. I refer to an extract from an Internet site which states that in an effort to guarantee their independence:

... from short-term political pressures the framers of the American constitution assigned them a six-year term, three times as long as that of popularly elected house members. Madison reasoned that longer terms would provide stability. 'If it not be a firm body', he concluded, 'the other branch being more numerous and coming immediately from the people, will overwhelm it'.

That is the one message I leave the government. Although it argues that proportional representation is meant to give greater weight to the notion of one vote, one value, it will not work in Victoria, which has a population of fewer than 5 million living on a landmass the size of Denmark.

Mrs ELLIOTT (Mooroolbark) — In opposing the bill I draw attention to the time. It is now 1.30 a.m. on Thursday. When most of the citizens of Melbourne and Victoria are asleep in their beds, the house is debating

one of the two most important pieces of legislation ever brought before it, the other being legislation dealing with safe injecting rooms.

The ALP has said proportional representation would introduce a more democratic form of election to the Victorian upper house.

The Victorian upper house is elected on the principle of one person, one vote. Under electorate boundaries drawn up objectively by the Victorian Electoral Commission on the basis of one person, one vote, the state's electors have consistently seen fit to elect a conservative upper house. The ALP takes pleasure in calling Victoria's electors fools.

They have shown more sense than the current Victorian Labor government. It is interesting that every boat person who reaches these shores is coming towards what they think is a more democratic form of government than the one they have left. During the 10 years of Cain–Kirner government the conservative upper house passed 97 per cent of the legislation introduced, so it could hardly be called obstructionist

Even when that great Premier of Victoria, Henry Bolte, had to deal with a hostile upper house, he still managed to get through all the important legislation he wished to because he showed true leadership of Victoria.

The proposal to divide Victoria into eight districts with five representatives each will disadvantage many Victorian voters. I shall use the Senate as an example. I well remember the time when I was vice-president of the Victorian Liberal Party — —

Mr Lenders — Elected by PR?

Mrs ELLIOTT — No, elected by one person, one vote in a democratic system. I went on a mission to get some of the Victorian senators out of their comfortable offices in the city at Old Customs House, now the wonderful museum of immigration. They put up every possible reason why they had to stay in those offices in that building in the centre of the city. The fact is that because senators represent the whole of the state, they can live and have their offices where they please, and it took a great deal of work to get them to move out into the community.

If there were eight districts, three of which would primarily be in rural and regional areas, with five representatives each, three of the districts would impinge on metropolitan areas or large provincial cities. As that is where the population would be concentrated, that is where the members would come from. People in other parts of the districts would basically be

unrepresented. In that case the Labor Party would probably get its wish: people in larger cities would tend to vote for socialist parties. However, the great mass of people in rural and regional areas — the people this government says it represents — would find themselves largely unrepresented.

I draw the attention of the house to the location of the offices of some of the current members in the upper house: Mr Stoney has an office in Whittlesea; Mr Ken Smith, Wonthaggi; Mr McQuilten, Maryborough; Mr Hallam, Hamilton; Mr Hall, Traralgon; and Mr Baxter, Wodonga. Under the bill residents of those areas probably would not have members they could go to see. As the member for Evelyn so rightly pointed out, one of the great things about democracy is that ordinary electors can go to see their elected representatives.

I do not know about members on the government side, but any of my constituents who want to see me get an appointment within a few days.

Mr Batchelor interjected.

Mrs ELLIOTT — I have had many, many complaints about you, and only one of them about your beard!

Most electors at some stage or other want to see their members of Parliament, and if they do not want to see them about a problem they like to see them attending local functions. Members on both sides of the house take the opportunity presented by members' statements of telling other members how well they represent their constituents. That would stop under the Labor Party's proposed proportional representation system; it would be a day's march to see a member of Parliament.

I remember earlier this year speaking at a local Probus club and when it came to question time I was asked whether I thought state government should be abolished altogether. I pointed out that if one level of government were abolished altogether, they would have absolutely no hope of getting a member of Parliament to come to their meetings and speak to them about any topics they chose. People are often confused about this issue because they think they want fewer politicians and fewer Parliaments. However, when it is pointed out to them what that means in terms of help and the presence of members of Parliament at their functions, ranging from debutante balls through to billy cart rallies, they suddenly realise it might not be such a good idea.

I would like to talk about the two upper house members in Silvan Province. Wendy Smith has done an outstanding amount of work with local schools in the

electorate. She has set up a scholarship scheme funded by local businesses called the Silvan Foundation, which helps underprivileged children to stay at school. It is a partnership between a member of Parliament and businesses in her electorate to keep children at school.

Mr Cameron interjected.

Mrs ELLIOTT — The Minister for Local Government thinks that is amusing.

The ACTING SPEAKER (Mr Jasper) — Order! The Minister for Local Government should contain himself. If he wishes I will give him the call at the appropriate time, when the honourable member for Mooroolbark has finished.

Mrs ELLIOTT — The fact is that one of the members for Silvan Province has used her time and her office to start a foundation that is benefiting many school students who are vulnerable and at risk and who might not otherwise stay at school, by enabling them to continue to year 12. She is thereby improving Victoria's retention rates. The Minister for Education is not present in the chamber, but that is something she constantly says the Labor government is doing.

The other member for Silvan Province, Mr Andrew Olexander, recently did an enormous amount of work on the transgender bill. It is no secret that Mr Olexander is the only openly gay member of this Parliament. He used his contacts with the gay and lesbian community to ensure that this side of Parliament, in both the upper and lower houses, was well-informed about the issues relating to the transgender bill. He is an extremely effective local member. His relative youth balances out the fact that I, at least, am older.

Mr Batchelor — Don't be too hard on yourself.

Mrs ELLIOTT — No, I will not be too hard on myself. The four lower house members in Silvan Province are a good mix. We work well together on a 4-plus-1 basis, and our constituents benefit from that. All that would be lost under proportional representation.

Let us move on to the question of whether there has been a community demand for a change in the composition of the upper house and the voting system in the state. There has been absolutely no community demand at all. As other members have pointed out, the bill was not well thought out. It replaces an earlier bill that was hastily put away when the government realised just how badly it was drafted and how little it represented what the government wanted it to represent. The fact is that when people come to see me in my

office they come about roads, dogs and the drug problem. They also come about schools, and particularly the refurbishment of their schools. They come about the flooding of Brushy Creek, which has been happening all winter. They come about public housing and parking around Croydon. They come about traffic problems, speeding fines and all manner of things.

However, since I have been the member for Mooroolbark — nearly eight years — no-one has come to me about any sort of change or reform of the upper house or its election system. It simply has not been an issue, yet like other members I have been flooded with letters about supervised injecting rooms. That is the important thing to my constituents: it is what they want Parliament to debate. That is one of the big issues and it will be guillotined by the government at 4 o'clock tomorrow afternoon. At this time of night my constituents are being deprived of a chance to have any inkling of what we are debating here.

An even greater concern is the fact that under this harebrained proposal any person would need a quota of about 15 per cent to be elected. That would mean that legitimate minor parties, such as the Democrats, would have no chance because their vote has never approached that level. Not even the Greens have got that level of support in any state election.

Mr Nardella — The National Party, what about them?

Mrs ELLIOTT — The National Party would make it. I assume that no members of the government support Pauline Hanson or One Nation, but at the height of Hansonism it would have been possible for one or more members of One Nation to have been elected to the upper house of the Victorian Parliament under proportional representation. Is that the sort of outcome members opposite want?

Mr Perton — They sought an electoral alliance with them.

The ACTING SPEAKER (Mr Jasper) — Order! The honourable member for Doncaster is interrupting a member from his own side. Government members will contain themselves.

Mrs ELLIOTT — When the gun laws were enacted after the Port Arthur incident with the support of both sides in this Parliament there was an outpouring in electorates like mine, which verge on rural areas. I venture to say there was a similar outpouring in rural and regional areas. The gun lobby rose up as one and

threatened many of us with physical violence if we did not — —

The ACTING SPEAKER (Mr Jasper) — Order! Will the honourable member for Monbulk please stop interjecting across the member from his own side who is trying to make a contribution. I find that most disturbing. Honourable members on the government side should also contain themselves. The honourable member for Mooroolbark will continue without any interjection from the honourable member for Doncaster.

Mrs ELLIOTT — Had an election for the upper house been held under this voting scheme at that time it is quite possible that a pro-gun lobby member would have been elected. A good example of what might happen is the obstruction of business in the Senate. Senators Colston and Harradine have held up many pieces of legislation that were introduced by the legitimately elected government of the time.

Would anyone in this house want a One Nation candidate or a gun lobby member obstructing legislation? It is possible that tomorrow some other issue will arise that will seize people for a short time, and if an election were held under the proposed system at that time that sort of person could be elected.

An honourable member interjected.

Mrs ELLIOTT — That is democracy, that is true, but it is a very strange sort of democracy. The sort of democracy honourable members have in this house now serves the state very well.

Mr Nardella — It has not served the state very well. It has not served the state at all.

Mrs ELLIOTT — This is one of the oldest continuing democracies in the world. The current system has served the state very well. It has meant stable government for a long time. Honourable members can all be here in this chamber in relative security, conducting argy-bargy across the table like this, because we live in a free and democratic society and have one of the best voting systems in the world, under which we are all equal.

The legislation is poorly thought out. It would not serve the people of Victoria in any way they would want to be served if they had even an inkling of what the Labor government is intending to do. It is in many ways acting against their best interests, particularly the interests of those people in the rural and regional areas on which the government has based so much of its rhetoric over the nine months it has been in

government. The people whose interests Labor says it represents would find themselves represented by people who were based largely in metropolitan areas or rural cities. Such people in no sense represent those on whose efforts the wealth and culture of the state has largely been built.

Honourable members would find the upper house a vastly different place under the proposed system. But beyond all that, and in conclusion, I will quote part of an article by Fran Cusworth and Nicola Webber that appeared in the *Herald Sun* on 16 August. It states:

Labor wants to cut upper house terms from eight years to four. They also hope to bring in Senate-style proportional representation, which could allow more minor parties and independents.

But Mr Bracks —

the only minister in the government who has deigned to speak on this bill, which the government regards as so important —

confirmed more extreme options, such as scrapping the upper house and its 44 MPs, would also be canvassed.

I rest my case against the bill.

Mr PERTON (Doncaster) — There have already been a number of excellent contributions to the debate from members on this side of the house, including the shadow Attorney-General and the honourable members for Bentleigh and Bennettswood. Perhaps I can commence with a quote from an editorial, which states:

Labour's constitutional reforms are only a red herring to allow it to pose as a reforming party, even though it is unable and unwilling to deliver any social reforms. But these constitutional changes are not even democratic.

That is an editorial from the magazine *World Socialism*, which refers to similar activities by the Blair government in its attempts to reform the upper house in Britain. It is so true, as the honourable member for Mooroolbark just pointed out.

The Victorian Labor government is not about genuine democratic reform. To the extent that Independent members are voting with the government on this bill, they have been sucked in or they have been lured by some promise — an inappropriate promise, I am sure, because the reality is that under the proposed system it would appear that the minimum quota would be 15 per cent.

The ACTING SPEAKER (Mr Jasper) — Order! I would prefer that the honourable member for Doncaster address the Chair.

Mr PERTON — I am glad you are wide awake and alert, Mr Acting Speaker.

The ACTING SPEAKER (Mr Jasper) — Order! I am absolutely awake. I do not need any reminder from the honourable member.

Mr PERTON — It is quite clear that at a 15 per cent level, Mr Acting Speaker, your party would not be elected to the upper house. At 15 per cent the Democrats would not be elected either. At 15 per cent the only possibility is that a demagogue party or a fascist party such as has been elected in France and elsewhere would have the opportunity to be elected. So the reality of this so-called reform that the Labor Party has introduced into this house is that it is a ruse to have a Labor Party-dominated upper house.

Under the regime proposed by the government only one of two parties can dominate the upper house — the Labor Party or the Liberal Party — and obviously the government would hope to slip through with a majority of seats. That is not democratic reform. It is a cynical grab for power.

As the lead speaker for the opposition, the honourable member for Berwick said there is no perfect model for an upper house. There is no doubt at all that throughout history governments that are frustrated in their grab for absolute power seek out the upper house as their first target. Everyone in this house would have done sufficient history studies to be aware that in Roman history the abolition of the democratic system was the first action of the dictators.

Mr Hardman interjected.

Mr PERTON — It is good to see the honourable member for Seymour is in the house.

The ACTING SPEAKER (Mr Jasper) — Order! The honourable member for Seymour should not be interjecting.

Mr PERTON — I note he is one of a mere nine members of the Labor Party in the house. The honourable member is a schoolteacher by profession and I hope he has studied enough history to know at least that the first step of most dictators or most parties that seek absolute power is the abolition of the upper house. Indeed, the 1928 election platform of the United States Communist Party had as one of its first and lead items the abolition of the United States Senate. So the honourable member for Seymour and his colleagues stand in very good company indeed.

The notion of the totalitarian party, the party making a grab for absolute power, is the abolition of the upper house. In this case it is just a remarkably cynical exercise for the Labor Party to introduce reforms to the upper house which ensure that only two parties can be elected so that there is no opportunity at all for a minority party like the Greens or the Democrats to be elected. It is quite clear that the Labor Party does not want to reform the upper house in a way that would ensure democratic reform. As I have indicated, political history shows that political leaders who are frustrated in their grab for power choose to seek to abolish the upper house. Perhaps in earlier times it was more appropriate.

I note that one of the people that opposition members admire, Alfred Deakin, in the earlier part of his history fought with an undemocratic and unreformed upper house, which at the time required a property franchise and ensured that the landowning classes kept control of this Parliament. Alfred Deakin fought very firmly against that sort of Parliament.

Mr Wilson — He was a Liberal, wasn't he?

Mr PERTON — He was a Liberal, and it was the later Liberals that managed to achieve reform in the Victorian upper house which led to its being one of the most democratic upper houses in Australia. It is a house based on one vote, one value, and indeed both sides of politics have controlled it. Over the past 50 years, pretty much in proportion with the electoral cycle, the Liberal Party has controlled the upper house for approximately 25 years and the Labor Party, or the socialist party in its coalitions, has controlled it for some 15 years. It is quite clear that the Liberal reforms of the middle of the last century and since have certainly ensured that the Victorian upper house is democratic.

It was not only Alfred Deakin as a Liberal who sought a democratic upper house. I refer honourable members to one of Alistair Cook's essays — again, I hope the honourable member for Seymour, a schoolteacher, is aware of his works. In writing of the English liberalism of the first decade of the century he says

If you were an English Liberal, 1904 through 1910 were very stirring years. Here on one hand you had the crackling, sarcastic, brilliant Lloyd George; and on the other the witty, devastating Churchill, following each other like a great vaudeville team up and down the country. Churchill at one point even spent a week on the road begging — pleading — for the abolition of the House of Lords: 'This second chamber as it is, one-sided, hereditary, unpurged, unrepresentative, irresponsible, absentee'.

As Alistair Cook says:

It is still there, though shorn of all power.

It is quite clear that the job of the Liberal is to make not only an upper house but Parliament democratic and representative. That is certainly what we have achieved in Victoria.

Mr Wilson interjected.

Mr PERTON — Indeed, as the honourable member for Bennettswood says, that is because we are good reformists. We have proposed reforms to the upper house in this Parliament which have been stymied by the Labor Party. We wanted a new scrutiny of bills function in the upper house. Who opposed it? The Labor Party. We sought additional upper house committees to provide a Senate-style scrutiny of legislation and government action. Which party opposed it? The Labor Party. That is extraordinary.

It is clear that the Labor Party has done nothing so far. It does not matter whether you read the *Herald Sun*, the *Age* or the *Australian*, the unanimous verdict of the journalistic observers of this Parliament is that we have a Labor Party which is, to use the words the honourable member for Melbourne used yesterday, relaxed and comfortable. It does not want to do anything.

Why in these circumstances does the government seek not to reform the upper house but to convert it into a place where the winner takes all with a toss of the coin? It is obviously because it has a secret agenda. The Labor Party has an unreconstructed socialist left wing, as the honourable member for Glen Waverley rightly points out in a number of his speeches. It is remarkable that some 12 years after the Soviet Union self-destructed and after the Chinese Communist Party has reformed its economy only two parties remain in the world with a socialist left — the Cuban Communist Party and the Labor Party in Victoria. And there are ministers of this government who proudly refer to themselves as members of the socialist left.

It is clear to me — and it ought to be clear to the party that you represent, Mr Acting Speaker — that this government is not about reform or making the upper house more representative but about seeking a winner-takes-all situation so it can take control of the upper house. The honourable member for Bennettswood pointed out in his earlier contribution to the debate the contempt with which the Labor Party treats the voters of this state. It is clear that right across this country many voters typically vote one way in the lower house and another way in the upper house.

At the last election many Liberal voters in my constituency voted for the Democrats in the upper house. In Templestowe they voted for the Greens, and

in the federal electorate of Higinbotham many voted for the Democrats. If one looks at the results in both Liberal and Labor electorates the typical result for the party that wins the lower house seat is that its vote is much diminished in the upper house, because typically Victorians want to see a division of power. They want to see some split or some difference. The greatest difference of all is between the Labor vote in the lower house and the Labor vote in the upper house, because Victorians do not trust the Labor Party with the reins of power. Victorians do not trust the Labor Party in respect of its financial management, and typically when a Labor government has been elected — certainly in every case in the past 30 years, except for the fraudulent Nunawading scenario — they have deliberately elected a Liberal majority in the upper house.

Mr Hardman interjected.

Mr PERTON — It is a bit sad. Obviously once the family of the honourable member for Seymour left the house this evening he hit the turps and would be better served by drinking a strong cup of coffee. I can think of nothing better for him!

The opposition is determined to ensure that Victorian democracy remains vibrant and strong. Even in opposition it has been a strong supporter of all-party committees. It has cooperated strongly in the workings of the parliamentary committee system and has sought to make the upper house work better. As I said earlier, in Victoria only the Labor Party has sought to undermine that. The arguments put by the lead speakers for the opposition, and in particular the shadow Attorney-General, included able and competent demonstrations of the hypocrisy of the Labor government on those matters.

Mr Smith — Mr Acting Speaker, I draw your attention to the state of the house.

Quorum formed.

Mr PERTON — In preparing for the debate I went through the transcript of the debate that took place on an almost identically named bill in the first half of 1988. I looked to the speech of my predecessor, the now deceased Morrie Williams. Morrie Williams was a Liberal who was strongly committed to a democratic upper house. As a result of his economics training he was sympathetic to proportional representation. But that bill was so similar in its results for democracy to the current bill — a bill that would lead to a majority for one of only two parties — that Morrie Williams concluded exactly as I have concluded — that is, that the bill is not appropriate, does not deliver a more

democratic upper house and it seeks to achieve control of both houses by the Labor Party.

Mr Hulls interjected.

Mr PERTON — The Attorney-General challenges me, but what I say is heartfelt, Mr Acting Speaker. If genuine democratic reforms are introduced they should be supported. However, in this case, and certainly in the terms of the bill, this is a cynical grab for power.

The government has not proved itself to be up to its own rhetorical flourishes. It promised to be more transparent yet it has been more closed in its attitude to freedom of information than the previous government. In an embarrassment to most of its members the government, which in opposition criticised the Kennett government for secrecy in respect of the grand prix contracts, recently signed an extension of the contracts and made them secret. You, Mr Acting Speaker, signed a charter to put the government in place and you should hang your head in shame because of the secrecy and contempt with which the government has treated the public by breaking its promises.

Ms Davies — On a point of order, Mr Acting Speaker, on the issue of relevance, if I have to sit here until 2 o'clock I would like to hear some debate on the bill.

The ACTING SPEAKER (Mr Savage) — Order! I do not uphold the point of order.

Mr PERTON — The honourable member for Gippsland West, the person who signed the charter to bring this fraudulent undemocratic government to power, should hang her head in shame. She scored 35 per cent of the vote in her electorate — —

The ACTING SPEAKER (Mr Savage) — Order! The honourable member, on a point of order — —

Mr PERTON — She does not represent the majority of her — —

The ACTING SPEAKER (Mr Savage) — Order! I ask the honourable member to take his seat.

Ms Kosky — On a point of order, Mr Acting Speaker, I am sure I heard this speech last year.

The ACTING SPEAKER (Mr Savage) — There is no point of order. The honourable member for Doncaster's time has expired.

Mr ROWE (Cranbourne) — It is a great pleasure to speak on this momentous bill. As the Labor Party declared, it is one of the most important bills introduced

into this house for some 100 years. Therefore it was appropriate that all those members of the house who wished to speak on the bill should be given the opportunity to do so. It is a shame that the Labor government wants to gag opposition members and any other members of the house who wish to make contributions on this bill.

Labor's changes to the upper house would cripple a vital democratic safeguard and give the government a virtual blank cheque in the upper house. It would also cut local representation.

An Honourable Member — What is your hand in your pocket for?

Mr ROWE — I am keeping my hand on my money so you cannot knock it off and do those things that come naturally to you.

The Constitution (Proportional Representation) Bill amends the Constitution Act 1975 and purports to introduce proportional representation. As the honourable member for Doncaster has said, the quota proposed by the Labor Party would see little or no change to the major party dominance of the upper house. It would also make it very difficult for any Independents, minor parties, and even the National Party, to be represented.

The bill proposes to reduce the council membership from 44 to 40. That would reduce the representation and the availability of members to their constituencies. The bill also seeks to divide the state into eight provinces, each with five members.

An honourable member interjected.

Mr ROWE — I have to keep my hand on my wallet because Labor members are in the house. The division of the state into eight provinces would see a province stretching from Gippsland East to the outskirts of Cranbourne, taking in Pakenham. The people of Pakenham, Berwick and Cranbourne would dominate any vote and the people of Gippsland East would not have any representation in the upper house. It would also see a province stretching from Werribee through to Mildura, with little or no chance of local representation for the people of Mildura. The bill also seeks to replace the method of filling casual vacancies with one I certainly do not support — that is, a recount system.

Three out of the eight provinces will be in metropolitan Melbourne. However, not only will the three provinces in Melbourne be dominated by the metropolitan vote, but all provinces will be dominated by the metropolitan vote. Consequently the rural and regional communities

the Labor Party purports are of such importance to it would have little or no representation in the upper house.

The upper house, as it currently operates in Victoria, is a truly democratic institution based on one vote, one value. On a number of occasions the Labor Party has held the balance of power in the upper house. In last year's election the Labor Party gained seats in the upper house. The house currently meets the requirements of and should be Mecca or heaven for the Independents, with them holding the balance of power in the lower house and the opposition holding the balance of power in the upper house.

The upper house of this state has a record of not obstructing the legislative program of the government of the day. In fact, more than 97 per cent of the bills presented to the upper house during the Cain–Kirner period were passed. Henry Bolte governed from 1955 through to 1970 without any majority in the upper house. For 28 of 47 years governments of the day have governed without a majority in the upper house. So it is a democratic and non-obstructive house of Parliament that provides an opportunity, as it is meant to, for review.

It also provides the safeguard of a potential maximum of eight-year terms. As earlier speakers have said, since 1992 upper house members have not served their full eight-year terms. Because of the calling of early elections it is unusual for them to serve their full terms. By allowing a turnover of half the members at each election the system provides the safeguard of the upper house not having the absolute control that Labor seeks to achieve by the amendments it wishes to make to the Constitution Act.

Labor once again wants to put its hands deeply into the pockets of Victorians. It wants to bring back the Cain–Kirner era, when Labor taxed and governed without any scrutiny, and it wants to nobble the upper house to ensure that it can do so without the people of Victoria knowing.

Much has been said about the undesirability of eight-year terms. It is interesting to consider that in the United States when the US Senate was being formed it was deemed desirable by the founding fathers to have a longer period of office for senators than for the representatives of the other place. That was done to take the pressure of certain political considerations away from the senators so they could deliberate and be a true house of review of the actions of the government of the day.

The proposed changes to the Victorian upper house will add to the cost of running elections. With more members seeking re-election at the end of their four-year terms under Labor's plans the costs will rise dramatically. The complexities of the proposed voting papers will make it more difficult for people coming to the state from overseas without a great grasp of English to vote in elections once they have obtained Australian citizenship. The huge tablecloth-size ballot papers that will result from the proposed legislation will be more difficult for them. That is an undesirable outcome of the proposed changes.

Currently the Legislative Council is fair and democratic. It uses the same electoral system as does the lower house, with one vote, one value, and it has independently drawn electoral boundaries. The ability of the electorate to make value judgments on the way they vote has been demonstrated in a number of elections. As the honourable member for Doncaster said, that was evidenced by the significant differences between the number of votes received by members in various upper house provinces when compared with the number of votes in the lower house seats. That shows that the upper house is a democratic institution with a system that the community understands and values and that has stood the test of time.

The upper house is the only safeguard we have to ensure that the Labor government keeps its hands out of the pockets of Victorians and that true in-depth scrutiny of proposed legislation takes place, and that includes the state budget. The previous bill sought to remove the ability of the upper house to alter the state budget or to refuse supply. That in itself is a safeguard, and although it is rarely used in this state it is something that should remain and be protected.

The current voting system provides stable government, and has done so for decades. Labor's proposed changes to the system will make it easier for extremist minorities to be elected. One can envisage representation from the Reverend Fred Nile's party, the Shooters Party, the Left-hand Bill Posters Party, the Socialist Left Party, and the Communist Pledge Party. Under the proposal, even S11 could gain representation in the upper house.

I am sure honourable members would not want to see single-interest groups talking control of the upper house of this state. Neither do they want to see in Victoria the obstructionist attitude currently being adopted in the Senate, where basically one or two people have been deciding the fate of this nation and frustrating the legislative program of the federal government. They

certainly would not like to see any One Nation representation in this state.

In concluding my remarks I reiterate that the proposals in the bill would not provide adequate safeguards for the representation of rural and regional Victoria. They would not ensure that the community had fair and equal access to elected representatives. I imagine that any upper house member elected into the new eastern province would probably find himself or herself with an office in Pakenham, Berwick or even Dandenong. That person could even move in with the honourable member for Pakenham, if he or she were of the right political colour.

Mr Maclellan interjected.

Mr ROWE — That is very gracious of you. A province as huge in area as that proposed by the bill would not allow for true representation of the communities of interest. I commend all members of the opposition — —

Honourable members interjecting.

Mr ROWE — It takes a while to get out of the habit. One must recognise that the opposition members are the true government. Those opposite are in the minority — and we will return. If the government continues to introduce legislation such as the bill, that will happen sooner rather than later.

Mr CLARK (Box Hill) — It is most appropriate that the house is debating the Constitution (Proportional Representation) Bill at 2.25 in the morning because this is the time of night at which the institutions that honourable members opposite are used to extend their sittings as they engage in the sorts of power plays, wheelings and dealings and number-gathering exercises that characterise the bill. I am sure that in their earlier days many of the comrades opposite sat in student representative council meetings at 2.25 in the morning while they argued over the regulations for the forthcoming student elections — and no doubt many of them sat at the Trades Hall or at union or factional meetings and similarly argued the niceties of proportional representation. That is the sort of thing they are expert at — the use of numbers, power and votes.

It is that sort of principle that they are bringing to this house in the bill before it. It is simply the Labor Party's machinery coming to the fore, with no merit, no principle, no argument and no response to all the objections that have been raised from this side of the house. It is about the sheer exercise of numbers and

power and the quest for a gerrymander to achieve a result Labor believes will be in its own best interests.

The proportional representation system that honourable members opposite seek to introduce is typically a system of those who are used to the power of votes and to wielding numbers. I am sure that in their earlier days many of the comrades opposite would have known how to count proportional representation ballot papers down to the sixth decimal point for the outcome of student elections. They would have been very proud to use their Hewlett-Packard reverse-Polish calculators to do the computations. It is that mentality that they now want to bring into this place and to — —

Ms Lindell — On a point of order, Mr Acting Speaker, surely even at 2.27 in the morning there should be some degree of rationality in the contributions being made.

The ACTING SPEAKER (Mr Savage) — Order! I do not uphold the point of order.

Mr CLARK — It is exactly the use of numbers and the power of votes without regard to principle that is embodied in the bill. Both the bill and the entire scheme of constitutional change the government is seeking to implement is totally bereft of principle. It is a scheme that is calculated for one end only, and that is to serve the best interests of the Australian Labor Party.

There are two elements to that scheme. One is the bill to eliminate the rotation of representation in the upper house, which has already been through this house. The arguments that were put on that occasion were arguments that in logic meant that the founding fathers of Australian democracy were themselves undemocratic because they entrenched in the Australian constitution the principle of rotation for the Senate. That was the first limb of the scheme that the government has tried to inflict on Victorians.

The second limb is before the house now in the introduction of a hybrid gerrymandered scheme that draws some elements from proportional representation and some elements from regional representation and stitches them into a grotesque monster that is neither one thing nor another. The only thing honourable members can be sure of is that it is a gerrymander. It is not a gerrymander in terms of unequal numbers of voters or boundaries but it is a gerrymander in that the electoral rules that have been put before the house are designed simply to produce one ulterior and unrevealed outcome that cannot be justified on principles.

It is amazing to read the second-reading speech made by the Premier. One would have expected him to argue

the merits of the hybrid proportional representation geographically based scheme that is reflected in the bill, but honourable members got nothing like that. There is a simple reference to the fact that the provisions for the introduction of proportional representation are substantially the same as those in the earlier reform bill. There is no explanation of the merits of the bill or of the logic behind it. As the honourable member for Doncaster put so forcefully in his contribution, government members are seeking one clear outcome from this bill and the previously introduced bill — that is, a Legislative Council that on all the odds will be controlled by the government of the day. It is a winner-takes-all outcome.

If the government of the day is able to win a majority in the Assembly, the chances are that if at the same election all the members of the upper house go to the people the majority outcome in each of the eight electorates will mean that the government of the day will also have the numbers in the other place.

There is only an outside chance that the result would be anything different than that, with one probable qualification — that people may split their voting between one house and the other. The government hopes it will be able to overcome that slight impediment and achieve total power in one election. That is the ultimate objective of the bill, which is a complete betrayal of the principles of proportional representation. Honourable members opposite either know it or ought to know it. Enough of them have backgrounds in the theory and practice of proportional representation to understand the system. Enough, if not all of them, are sufficiently familiar with the use of PR in the internal operations of the ALP to know how a genuinely proportional representation system should work.

They know that the logic of proportional representation is to allow, so far as it is possible, for all shades of opinion to be represented in a deliberative body. They know that, but they are not prepared to see that embodied in this bill because they have deliberately constructed a system that is the antithesis of that — that is, it will exclude minority opinions.

The opposition would be happy to debate the merits of proportional representation with government members. It is a system that has its theoretical attractions, but experience shows that it gives those elected under it de facto control over the executive functions of government, not just a say in legislation. The outcome is likely to be a weak, indecisive and directionless government or a government that has a great deal of difficulty making progress on any sort of agenda

because it must run the course of the legislative rocks and rapids produced by a chamber that is elected using proportional representation.

In any event, we are not arguing about the merits of a pure and genuine system of proportional representation system but about the bizarre hybrid model that the government is trying to inflict on Victoria.

The alternative to proportional representation is geographically based representation, which is the basis of Victoria's present model. One can argue that in theory such a system will not necessarily produce a good result, but it has one significant factor in its favour — that is, in practice it tends to produce outcomes in chambers that by and large reflect the balance of votes in the electorate.

The geographical representation model works particularly well in Australia because of what I understand to be an Australian innovation — namely, the system of preferential voting. That means you do not have the perverse outcomes produced by a first-past-the-post system under which the people who are elected do not necessarily have the support of the majority of voters. Under preferential voting the person elected is in almost all the circumstances preferred by a majority of the electorate over any single opponent.

Other opposition members have forcibly made the point, which I reiterate, that the current Legislative Council system is not a gerrymander but a pure, geographically based electoral system. Given the fact that you have a specified number of upper house members and a rotating membership, the logical outcome is that there is one upper house electorate for every four lower house electorates. That is the inexorable way the system must operate, with a geographical mapping of 4 to 1 being the logical way of implementing it.

It is certainly a democratic system, as other opposition members have said. It is the same system that operates in the Legislative Assembly, save that the electorate size is larger to reflect the membership rotation and the relative number of members. You certainly do not get a result whereby the upper house is a mere shadow of the lower house, as would follow under the scheme proposed by the government.

There are two reasons why that is not the case. Firstly, the rotation whereby only half the upper house members face an election at any given time gives the stability and the continuity that the founders of the Australian constitution sought many years ago. No

member opposite has had the nerve to stand up and say why the present system is undemocratic.

The second reason is that the system gives voters the option of voting one way in the Legislative Assembly and a different way in the Legislative Council. A statistically significant number of voters choose to split their votes in that way.

Despite all of the theoretical arguments, the practical outcome in the rather rough and ready way in which the Anglo-Saxon tradition often operates is that it delivers power to the electorate to determine the outcome. The electorate has the power to either deliver legislative authority to the government of the day or to deliver divided power between a government and an opposition. Between 1992 and 1999 the electorate decided to give that legislative power to the Kennett government. It decided for a brief period in 1985 to give that power to the Cain government, and then when it saw what the Cain government was proposing to do with that power the electorate quickly reversed that position and restored the upper house as a check over the lower house.

Honourable members interjecting.

Mr CLARK — For much of the remainder of the post-war period the government of the day has not had control of the upper house. The Minister for Finance, who is at the table, says, ‘What about the 1999 outcome?’ The fact is that in 1999 the vast majority if not all of the close seats in the Legislative Council went to the Liberal and National parties while the vast majority of close seats in the Legislative Assembly went to the present government. I am sure many of my colleagues in the other place would not agree with me, but I think I can safely say on behalf of my colleagues in this chamber that we would quite happily have traded two upper house seats in exchange for one lower house seat.

It was a statistically unlikely outcome of the democratic process that the marginal seats turned out in favour of the coalition in the Council and in favour of the government in the Assembly. For all that government members complain about the result in the Council, I do not hear them complaining much about the way the numbers fell in the Assembly.

The model embodied in this bill and the previous bill passed by this place is entirely unmeritorious, and that is confirmed by the fact that the government has made no attempt to stand up and defend the merits of the legislation it has introduced. The Premier’s second-reading speech was a feeble effort at

justification, but speaker after speaker on this side of the house has put constructive, reasoned arguments against the legislation. Despite that, for some considerable time not one member of the government has risen to defend the legislation.

As I have said, the bill does not even provide for a pure proportional representation system which one could at least debate on a level of principle. It offers an arbitrary hybrid system with eight regions of five members each. What is the logic of eight regions other than to produce the result that none of the minor parties will have a look-in and the government of the day will have control of the upper house? What is the commonality of interest between Mildura and Melton, if that is how far the boundaries are to extend? What is the logic of having 11 Assembly seats to one Council seat? There is no rationale, no logic whatsoever.

Why have five members in any single Legislative Council electorate? What is the logic of that? One could perhaps see the logic if one were talking about the refreshments committee of the Carlton North branch of the Labor Party, where all the factions had to be balanced when deciding the order for the grog after the branch meeting. One might have five members in a group in that case and a proportional representation system might be used to elect it, but what is the magic of having five members in each electorate in the state’s democratic system? As I asked, what is the logic of having eight regions? There is no explanation whatsoever; there is no commonality of interest and no geographic cohesion. Government members are entirely silent on that point.

I shall conclude where I began: the bill is entirely suited to the factional, wheeler-dealing, power-hungry Labor Party. It is the Labor Party of the Shane Maloney’s, the Graham Richardsons, the factions, the rackets and the deals. The legislation is not based on principle or merit. It is not based on argument, and it deserves to be defeated in this house.

Mr MAUGHAN (Rodney) — I am pleased to make a contribution on this very important piece of legislation, albeit at 2.45 in the morning. It is absolutely ridiculous that we are here at this time debating the bill. I listened patiently while members of the government interjected like a mob of jackals while the honourable member for Box Hill was making a very profound and well-reasoned speech. All they have been doing is yelling and screaming and not listening to the very sensible arguments.

Mr Nardella — He was reading!

Mr MAUGHAN — Maybe he was reading, but he put a very sensible argument which members of the government would be well advised to listen to.

The bill is very important. The government has said on previous occasions that this legislation and the Constitution (Amendment) Bill that was debated last week are probably the most important pieces of legislation that have come before this Parliament in the past hundred years. Anything that changes our constitution is vitally important and should be properly debated. Members should have plenty of time to make reasonable contributions and express views on behalf of their constituents. They should not be talking at 2.45 in the morning, and the way we are going it will be 5.00 a.m. or after before we finish.

A Government Member — Get on with it.

Mr MAUGHAN — If members opposite stop interjecting I will get on with the bill. The bill essentially proposes two things: to reduce the number of members of the Legislative Council from 44 to 40 and to introduce proportional representation. Honourable members have heard plenty of what I will not call debate because the contributions have been predominantly from one side. People on the opposition side of the house have been keen to contribute, but there have been no contributions from the government side. The honourable member for Benalla has been interjecting, but I have not heard her views on this bill. I have not heard either from the honourable member for Tullamarine or from a range of members on the other side.

Ms Beattie interjected.

Mr MAUGHAN — The honourable member for Tullamarine can complain, but before she gets up on her high horse it is not a point of order.

Ms Beattie — On a point of order, Mr Acting Speaker, what the honourable member is saying is clearly not correct and I ask him to withdraw the remark. I spoke on this bill earlier today.

The ACTING SPEAKER (Mr Savage) — Order! I do not uphold the point of order.

Mr MAUGHAN — I said I did not hear it; I did not say the member had not spoken. However, a number of government ministers have made no contribution to this so-called debate.

This is an incredibly important piece of legislation. The government did not go to the last election arguing its case. Among all the things it put to the electorate it did

not put this particular issue. The government did not forcefully put what it was planning to do to reform the upper house. Does the government have a mandate to bring in this legislation? The answer is that it does not. It does not even have a mandate to govern in this house because it does not have a majority. It is a minority government supported by three Independents. For the government to claim, as it has done, that it has a mandate is ridiculous and is not true. The government was not elected with a majority in its own right and it still does not have a majority. The government has 44 seats and is dependent on the support of the so-called Independents.

Government members interjecting.

Mr MAUGHAN — That has nothing to do with it. The government does not have a majority and members opposite do not have a mandate.

The government introduced the Constitution (Reform) Bill without consultation — without going to the community and without saying what it was doing. The bill was then mysteriously withdrawn. Why? Because it did not meet the needs of the three Independents. They required it to be withdrawn. Subsequently two bills were introduced, one of which we are debating tonight. Incredibly the first bill was split into two parts.

The original proposal was for two provinces for regional Victoria of 100 000 square kilometres each. Can honourable members imagine trying to service an electorate of that size? My electorate has an area of 7500 square kilometres, and I believe it is a relatively easy electorate to represent, but it would be impossible for any member to adequately represent an electorate with an area of 100 000 square kilometres. However, that bill was withdrawn and the current proposal would see electoral provinces with an area of 50 000 square kilometres. The rural provinces would extend to the outskirts of Melbourne. As previous speakers have pointed out, a person who lived at Orbost, for example, could have an upper house member who lived in Berwick, Cranbourne or Dandenong.

One thing that is certain is that under the proposal before the house most of members of the upper house would be living close to the metropolitan area, not at places such as Orbost, Warrnambool, Mildura, Cobram and Echuca. Whichever party upper house members represented, they would be close to the metropolitan area. I argue that the proposal would be devastating for country Victoria. Places such as Echuca, Cobram, Swan Hill and Warrnambool would be denied the sort of representation they now get from their upper house members. Earlier tonight the honourable member for

Shepparton talked about the excellent representation country Victorians get from their upper house members. Under the current proposal that would be denied.

Government members interjecting.

Mr MAUGHAN — The honourable member for Carrum has probably never been out into country Victoria. I invite her to look at what is happening in New South Wales. I challenge government members to name a single member of the upper house in New South Wales who has an office outside the metropolitan area of Sydney. There is not one.

Mr Nardella — That is irrelevant.

Mr MAUGHAN — It is not irrelevant, it is the sort of thing that would happen here. All upper house members would have offices close to the metropolitan area instead of in the outer reaches of the state, and that would disenfranchise the people of country Victoria. The proposal would be devastating for country Victorians.

The legislation is a con. There is no concern in country Victoria about the composition of the upper house. I have been a member of this place for 11 years and I cannot remember receiving a single letter or representation from a constituent asking for reform of the upper house. I have had many representations on a range of other matters, but not a single representation on reform of the upper house. There is no demand among the public for reform of the upper house. Where is the call for reform coming from?

There has been no campaign by the government to explain to the community what is proposed. I compare the situation to the consultation that took place on the referendum for the republic. There was a widespread community consultation process. The public was well aware of the pros and cons. There was a good public debate, and the public ultimately made a decision based on information.

There has not been the same consultation on this important legislation. In fact there has not been as much public discussion of constitutional reform as there has been of safe injecting houses. Important though that legislation is, it pales into insignificance compared with changing the constitution.

There has been no community consultation. So much for the government's undertaking to consult with Victorians! Once again, it is empty rhetoric. It is like the government's promise to be open, accountable and transparent. Its hollow rhetoric has been exposed by the

Minister for Education, who has been under attack for the past two weeks. She has certainly not been honest, accountable and transparent — anything but! It has been a matter of hiding the facts, and here again the government is hiding its true intention.

The same applies to the government's promise to encourage open debate. Where is the open debate in the community on this proposal? Government members have even tried to nobble debate in the house.

Honourable members interjecting.

The ACTING SPEAKER (Mr Savage) — Order! The honourable members for Werribee and Melton have had a fair run.

Mr MAUGHAN — Thank you for your protection, Mr Acting Speaker. Government members have obviously been gagged, because they are not contributing to the debate. They are not arguing their case, yet they aim to deny members on this side of the house the opportunity to state theirs.

What about the promise of family-friendly hours? That was something the government talked about and the Independents strongly supported, yet here we are at 3 o'clock in the morning — and we will be here for a couple of hours yet. This is all about being able to exercise our democratic rights!

A Government Member — Sit down!

Mr MAUGHAN — I would sit down if you would give us an opportunity to speak at some other time.

A Government Member — What other time?

Mr MAUGHAN — Let's go on for another week. You have already said you will guillotine debate on the legislation at 4.00 p.m. today. If we do not use the opportunity we have tonight, we will not be able to express our points of view. Government members who talked about giving the house plenty of opportunity for debate have already agreed to apply the guillotine at 4 o'clock this afternoon. Is that open and accountable government? Like fun it is. It is just hollow rhetoric.

The same is true of the government's promise of a better deal for country Victoria. The government's first act was to propose to reduce political representation for country Victoria, which was a great help! It is like many of its other promises. The government cannot find the money to build new roads and bridges in the country, but it can find the money for the Scoresby freeway. When they were in opposition government members talked about the previous government being

city-centric. What about the Labor government being able to find \$500 million for the Scoresby freeway and \$300 million for the Austin Hospital but not being able to find the money that is needed to fix local roads in country Victoria? Again, the promise of a better deal for country Victoria is empty rhetoric.

I have approached ministers for a better deal for our kids through the provision of speech therapists, occupational therapists and child psychologists — and I could go on.

Honourable members interjecting.

Mr MAUGHAN — Perhaps we have, but you promised a better deal for country Victoria. The response I receive from government ministers is that there is no money to provide those additional services for people in country Victoria. Once again, the government's promises are hollow rhetoric.

The government says the method by which the upper house is elected is undemocratic. What a furphy! How can it be undemocratic when one upper house province exactly covers four lower house seats? There is no argument about the lower house being undemocratically elected. If the province in the upper house covers four Assembly seats, how can it be undemocratic? The upper house electorates are based on exactly the same boundaries and upper house members are elected by exactly the same people.

The government is aggrieved because it has not been able to win control of the upper house. I suggest to the Labor Party that if it put up decent candidates and had decent and well-argued policies, it would have a chance of winning control of the upper house. But so long as it puts up party hacks and union officials who have passed their use-by dates, it will not win in the upper house.

I now come to the double terms. There has been much talk about eight-year terms, but I do not know of a single member in the upper house who has served an eight-year term. Many members have served double terms, and I would argue that it is good protection for the people of Victoria to have an upper house that is out of sync, if you like, with the lower house, because the electorate right now is volatile. It is possible to have an election that results in the majority party in the lower house being elected on a couple of issues. That means there could be significant swings, so it is necessary to have some sort of dampener on the elected government, whatever it is. I would argue exactly the same way if members of the opposition were on the government benches.

The upper house has served a useful purpose in dampening the excesses of executive government, whichever side of politics that applies to. Good government has always made it through. If you really look at it, the Cain and Kirner governments were able to govern without majorities in the upper house, which passed the good legislation those governments put forward.

Mr Nardella — That is rubbish!

Mr MAUGHAN — It is not rubbish, and if you look through the records you will clearly see that the Cain and Kirner governments were able to govern with upper houses they did not control.

This bill is not well thought through. Clause 18 repeals a section of a piece of legislation that has not yet been debated in the upper house, let alone passed. How a government can do that I do not know. The government talks about being open, honest and accountable and about being a government that consults. As I have said, it has not consulted on the bill and it does not have a mandate. The whole notion of proportional representation is a furphy. The reason the government has not been able to win upper house seats has been amply demonstrated. Why? Because it is not putting up the sorts of candidates that are attractive to the electorate.

If Labor puts up the right candidates it will win seats, as it has done in the Assembly and as it has done in the upper house this time around. If it puts up good candidates — not retired union officials and party hacks — puts forward attractive policies and runs a good campaign, it can win seats in the upper house.

In conclusion, the bill is a sham. It is a furphy, and it is a front. There is no demand from the Victorian people for such drastic reforms to the upper house as those proposed in the bill. There is no evidence that the upper house is not working. On the contrary, I believe it has worked effectively as a house of review. I believe it has been demonstrated in all states except Queensland, which has a unicameral system — —

Mr Nardella — And the ACT.

Mr MAUGHAN — And the ACT. But a reading of the Fitzgerald report into corruption in Queensland clearly highlights a very strong argument for an upper house to check the excesses of government.

There is no evidence that the upper house is not working. On the contrary, sound legislation has always been passed. As I have said, the Cain and Kirner administrations governed without control of the

Legislative Council. If this bill were passed, the upper house would simply become a mirror image of the Assembly. It would become a rubber stamp — and perhaps there would then be an argument for abolishing it. Perhaps that is what the government has in mind; perhaps that is its secret agenda. The bill is about strengthening the Labor Party's capacity to control the Legislative Council. It is not about a democratic system or about being fair, open and accountable. It is about delivering to the Labor Party control of the Legislative Council.

If passed the bill will disfranchise country people and deny them equality of access to their upper house members. As I said earlier, if you live in Orbest and your local member lives in Berwick, how is that equality of representation? It represents a gerrymander in every sense of the word. The bill should therefore be soundly rejected by this house and also by the upper house when it is transmitted there for debate.

Mr PHILLIPS (Eltham) — This is one of the few occasions on which I am embarrassed to be a member of Parliament. In order to represent my constituents and have some input into the debate on this bill I find myself standing here at 3 o'clock in the morning. If the Leader of the House is listening, I say it is an indictment of the negotiations that occur in this place. There should be more serious consideration of the wellbeing of parliamentary staff and others who also work these hours. As previous speakers have also mentioned this matter, I will not harp on it.

I do not have any problem in opposing the bill. I do so for a number of reasons, and it is not because of the arguments that government members have tried to mount regarding the workings of the upper house. It is sad that sometimes we are our own worst enemies. Instead of highlighting many of the good things that upper house members on both sides of the house do, we constantly allow the denigration of that house by both the media and sometimes ourselves. I can speak only for my two upper house colleagues, with whom I work closely, the Honourables Bill Forwood and Carlo Furlletti, who represent a province that encompasses four seats, as all other provinces do. Their province covers two government-held seats and two Liberal-held seats. The argument that has been consistently put about the undemocratic process by which they were elected to the upper house is absolute nonsense.

I am surprised that government members believe the garbage they are spreading. What they are trying to portray to the community is stupid. Although it has not been an issue in the Eltham electorate, I have taken the trouble to ask people how they go about voting. Believe

it or not, when people go to the polling booth to vote they actually understand that they are given two separate ballot papers, one for the lower house and one for the upper house. Honourable members will be surprised to hear that some members of my own family vote for the government of the day. They tell me that in some cases they have voted separately; they have made the choice to vote for, say, the Labor Party in the Assembly and the Liberals in the upper house to balance the lower house vote.

The government will never comprehend that the community clearly understands and knows that the coalition and/or the Liberal Party are better handlers of money. The government would not accept that, but history will show clearly that at both the federal and state levels the Liberal or coalition governments are better money managers. The community understands that voting people into the upper house ensures the finances are truly looked after.

My colleagues in the upper house work very hard.

Mr Nardella interjected.

Mr PHILLIPS — Obviously the honourable member for Melton, who was a member of the other place, did not represent his community as my two upper house colleagues do. Perhaps that is the problem: we allow the sort of garbage we just heard from the honourable member for Melton to go on, and it is then picked up by the press and people like Steve Price of 3AW. When I go home from this place on a Thursday night or at some other time after the sitting of the house or being on a committee, I hear on the radio that the upper house works only X amount of hours in Parliament and that that is all it ever does. None of us ever rings up and defends those members by saying that they work in their electorates when Parliament is not sitting, or that they sit on committees.

I have no problem supporting the upper house system. Under another set of circumstances I would be happy to argue in favour of the bill in my own party room. If at some point in the future we asked members of the community whether they believed we were overgoverned the average person would say yes. It is clearly understood that we have too many local, state and federal government representatives. Given the right circumstances there will be an opportunity to reduce the number of members of Parliament, and that could be supported on a bipartisan basis.

The concept of a fixed four-year term is good. That could happen now. Tomorrow the Premier could announce that the election for the Legislative Assembly

would be on such and such a date, which would be four years from the day of his being elected. He could achieve the four-year term in that way if that is what he wanted to do. Will he do that? He will not, but he could do it tomorrow if he was fair dinkum.

I feel sad for my colleague the honourable member for Gippsland East for having to wait until 4 or 5 o'clock in the morning to be given his democratic opportunity to put his views on behalf of his constituents on something he feels passionate about. There is nonsense going on between the government and the opposition parties. I do not know what number I am on the list, but I genuinely wanted to say something on the bill. Why should I be denied having my input put on record and thereby be denied the opportunity of letting my constituents in Eltham know my views? In fact this is not an issue in the Eltham electorate and my time will be taken up doing things that are important for the people who elected me.

As I have said, I feel sad for the staff and for honourable members who have to sit here wasting what I think is a good chance to seriously look at the constitution and highlight its anomalies to see whether some bipartisan way can be found to provide a fair and reasonable opportunity to address many of the concerns raised by honourable members. I do not have a problem with that happening in the future, but the way it has been gone about this time around is nonsensical.

I support the concept of longer terms in the upper house because they create continuity, and with that continuity comes sensible decision making because members are not looking over their shoulders, worrying about the next election. That argument may have been put earlier.

If the government were fair dinkum about trying to get other than the three major political parties elected the quota would be a lot less than 16 per cent. That would be a fact of life. I have no problem with the system as it is today because I will not accept the argument that my community of Eltham is stupid. When they go to vote they are given two separate ballot papers and they make a clear choice on how they want to vote. I have been told by a number of people that they vote differently on some occasions to ensure they have a watchdog.

The electoral boundaries are drawn fairly by an independent officer who looks at the boundaries based on a one vote, one value principle. Honourable members have heard about previous governments not having control of both houses. It is nice to have the luxury of the control of both houses and not to have to negotiate with the opposition parties, as was the case between 1992 and 1999.

The people elect the government of the day. They elected the Kennett government with a majority in both houses. They endorsed that decision in 1996, and in 1999 they gave the opposition parties the majority in the upper house. The numbers in both houses demonstrate that at the last election Victorians endorsed many of the policies and decisions made by the Kennett government. The Liberal Party is not in government and has to get on with things. However, it cannot be said it is not in government simply because it did not get a majority, because it clearly has the majority of members in both houses taken together.

If the Independents were serious about getting amendments and proposed legislation through they should have looked a little further down the track. I do not have a problem with many of the good things they have proposed. I do not have a problem with some of the amendments they have made. However, it needs to be done properly and sensibly using a bipartisan approach.

This debate will not be won or lost tonight because it will be argued out in another place where the numbers are clearly with the opposition parties. There is no doubt there is some politics in the bill. The government is looking to achieve another opportunity of going back to the community and saying, 'We believe we have a mandate. We want to get a number of things through. We have not been able to do that because of the numbers in the other place'. I do not believe that to be true because there has been no suggestion of blocking supply. The upper house has not frustrated the lower house.

Amendments proposed in the other house that have not been accepted by this house have been sent back to the other place and have been accepted on the principle that the government of the day looked at them and saw fit not to include them. The upper house is not perfect, but it works and has worked satisfactorily over many years.

We heard about the Cain–Kirner years. The current system was put into place under a Labor government and supported by the then opposition. The system was regarded as having worked satisfactorily under the Cain and Kirner governments. But members of this Labor government apparently believe it is not working satisfactorily. That is fine; it is their right to put that forward, as it is our right to say that at this point we are not convinced there should be substantial amendments.

I believe Victoria is overgoverned. I would not have a problem with that issue being considered at some future point, if it is done properly — even if it meant voting myself out of a job. I have never been frightened to vote

myself out of a job. In the local government amalgamations I suggested time and again to the council I represented that there be amalgamation. I could not get my colleagues to support me on that view, and I do not have a problem with it now. The process needs to be carried out properly through an independent constitutional committee or some other form of committee — name it whatever you like. That truly independent body would have the confidence of the two major political parties before it seriously examined the issue and made recommendations.

The bill provides that when a seat becomes vacant a person can be elected on a countback rather than through a by-election. As has been mentioned, the two candidates could be pro or anti anything. The first candidate elected could be an anti-logger and the person elected on the countback system could be a pro-logger. They are the sorts of inconsistencies and possibilities that can occur. That is not appropriate. The system should be based on something that is fair. The democratic process has never been cheap. The concept of not having a by-election is great. It saves the community heartache and a lot of money. But at the end of the day the community would prefer the opportunity of re-electing another person at a by-election resulting from a vacancy through death, disqualification or whatever the case may be.

I might be wrong — and I will stand corrected — but I had a funny feeling that during the Kennett government a similar principle was proposed to the then Leader of the Opposition, John Brumby. It was frowned on by the then Leader of the Opposition and the Labor opposition. The concept of not having by-elections was unsatisfactory to them. I think the proposal was rejected on the basis of there being a five-seat gap between the government and the opposition. I am only going on memory, because I have not done any homework on it. But the then Labor opposition certainly opposed the proposition. Suddenly it seems to be the flavour of the month.

There appear to be inconsistencies on both sides. Let us be serious about this because it should not be taken lightly. I ask the Independents, with whatever influence they have, to ensure that the proposal is not put in the drawer and forgotten about. At a future stage it should be re-examined. An independent group of people could seriously consider all the concerns that have been thrown up tonight by opposition members, Independents and government members. There may be an opportunity for something to be done with similar provisions in the future.

Honourable members have spoken about the quota system and the 16 per cent requirement. I am not sure what the government is trying to achieve with that 16 per cent. Honourable members have spoken about previous governments having control of the upper house. The system has worked satisfactorily. Statistics show that during the Cain–Kirner years of 1982 to 1992, 97 per cent of legislation was passed without amendment.

I have mentioned the eight-year terms. It has been said on a number of occasions that members elected to the upper house have not served eight years, although they have served two terms. I am not convinced by the arguments that it is undemocratic, because it is based on a one-vote, one-value system. It is not an issue in the Eltham electorate, and therefore I am not going to be overly excited about it. There are more pressing issues.

I do not believe the government has a mandate for reforms to the upper house, because it did not go to the electorate suggesting what the reforms would be. It was a simple throwaway line, as was the case with many other lines. As some members would clearly admit, the Labor Party was surprised when it was elected to office after the election of 18 September.

If done properly I think the reforms would probably be supported by the community. If most members of the community were asked the question, ‘Are we overgoverned?’, the answer would simply be yes. If they were asked, ‘Are there too many members of Parliament?’, the answer would also be yes. But we would be doing ourselves a disservice, because in the eyes of the community many people see members of Parliament as underworked, overpaid and generally lazy. That is sad, because some of us take the job seriously and are proud to stand in this house representing our constituents.

As with the upper house, in this house there are good and bad members. I believe the majority of my colleagues are good and are committed. I am happy to name names. The two upper house members with whom I work are very hardworking, and I have a very good relationship with them. They represent the 140 000 constituents of Eltham, Bulleen, Doncaster and Ivanhoe — and I notice the honourable member for Ivanhoe sitting over there — without fear or favour. They certainly do not involve politics in that representation.

I hope in the future honourable members can talk up some of the good work done by their upper house colleagues, especially when people such as Steve Price on 3AW ridicule parliamentarians generally. People

often hear of the few hours or the number of days we might sit in Parliament and think that we then go on a holiday and do nothing else. I would rather spend 7 days a week, 52 weeks of the year in my electorate because at least I would gain some satisfaction by helping those people who need to be helped on a daily basis with problems as serious as being evicted from their homes or as simple as parking fines. I certainly will be opposing the bill.

Mr COOPER (Mornington) — The Constitution (Proportional Representation) Bill has been introduced into the house as an alleged package of reforms to the Parliament. Most people in the community would believe the word ‘reform’ means to achieve something for the better. My approach has been to determine whether what is proposed in the bill will produce something for the better. A number of opposition speakers have said that the bill is nothing more than a grab for power. That allegation needs to be examined to see whether there is any truth in it.

The introduction of a change to proportional representation as the voting method for the upper house must be looked at in detail. While proponents of proportional representation will argue it produces the best and fairest result, I would suggest otherwise. The argument is between proportional representation and preferential voting. With preferential voting, to be elected a candidate is required to get 50 per cent plus 1 of the votes cast in order to gain a majority, whereas with proportional representation a candidate can receive a minority of votes and still be elected. As a result in upper houses throughout the country — the federal Senate, the Legislative Council in New South Wales, in fact all the upper houses throughout the country — members are elected with far less than 50 per cent of the vote.

The most startling examples of that occurring in recent times have been the Fred Nile Party, a very small group represented by the Reverend Fred Nile and his wife, and Pauline Hanson’s One Nation Party, both of which are represented in the Legislative Council in New South Wales. The majority of people in New South Wales would not support the views espoused by those members. Nevertheless they have a place in the Legislative Council and a forum in which to argue their minority views. Some may see that as democratic and good; however, it is my view that those elected to Parliament should represent majority views, not minority views.

It would not be looked on favourably by the people of Victoria if we were to say to them that we want to change a house that is elected by a preferential majority

to something akin to the federal Senate, the Legislative Council of New South Wales or other bodies elected by proportional representation. That would bring instability, not stability. If you are looking for good government you are looking for stability, not instability, and instability can be seen in the Senate and in the upper houses around the nation. That instability is not restricted to Australia. Other parliaments and other legislatures elsewhere in the world are elected by proportional representation.

Perhaps the best example of that is Italy, where there have been innumerable governments since World War II, all of which have tried to do deals with other small groups, failed, and fallen over, and other alliances have had to be formed. The great sufferers in that process are the people of Italy, who are not getting stable government. Proportional representation does not produce a stable result. The argument about fairness can go backwards and forwards; if we are looking for stability in government we certainly should not be looking at proportional representation.

The arguments in support of the bill are spurious. The opposition has not had a good opportunity to hear all the arguments from government members because apparently they are being gagged from saying anything in the debate, other than yelling, screaming and trying to shout down members on this side of the house. The government has produced a bill which it said will produce a better and more democratic Parliament, yet the opposition is faced by a constant barrage of members shouting down those who are trying to put their points across in the debate.

Government members interjecting.

Mr COOPER — That is another example of the barrage. If we are going to have a genuine debate — —

The ACTING SPEAKER (Ms Davies) — Order! The honourable member for Melton is out of his place and is being disorderly.

Mr COOPER — We would welcome the honourable member for Melton having his second or third go at the bill and telling us what he sees that is so attractive about the piece of legislation. If he is not allowed to have another go, perhaps someone on the government benches who has not already done so could get up and have a go.

Mr Hardman — I had a go!

Mr COOPER — The honourable member for Seymour says he has had a go.

The ACTING SPEAKER (Ms Davies) — Order! The honourable member for Melton is still out of his place and is being disorderly.

Mr COOPER — We are all in favour of the honourable member for Seymour having a go, and we look forward to others putting their views across, because this is an important debate that should not be gagged. It is not a debate that should be put to the guillotine at 4 o'clock later today and it is not a debate that should be occurring at 3.30 a.m. It is a debate that should be carried out during reasonable hours

Mr Maclellan — In family-friendly hours!

Mr COOPER — Yes, as the honourable member for Pakenham says, in family-friendly hours.

The debate should also encompass both sides of the argument. Honourable members are hearing only one side of the argument — that is, the view of the Liberal Party and the National Party — and nothing from the Labor Party. That is a disappointing aspect of the debate. I would welcome the next person to get to his or her feet to speak on the debate being somebody from the government side so he or she can respond to some of the issues raised by me and the honourable members for Monbulk, Eltham, Rodney and others who have put a case to this house. We would welcome the views of the Labor Party on the case that we are putting forward but we are not getting that. Instead we are getting a charade of a debate because it is all one-sided. The people who elected Labor Party members to this house will be very disappointed, if they ever get around to reading *Hansard*, to see that some of their members have not got to their feet and put their point of view on the bill.

In the brief moments left to me I will refer to some of the arguments against the bill because it is important to put them on the record to ensure that those who read the debate and pay some attention to it understand what is going on. Firstly, I refer to the question of whether the upper house is a democratically elected institution. If any member of this place were to advance the argument that the upper house is not a democratically elected house, that member would be saying that his or her own election was not democratic. The Cain government put into place a system which, after a great deal of negotiation, was accepted by all sides of Parliament. It was agreed that we would not have Legislative Council provinces that spanned more than four seats.

In reading the 1983 debate I noted with some interest that some Legislative Assembly seats crossed into the seats of up to seven or eight Legislative Council

members. There was clearly a need for some change and some reform to the boundaries, which the Cain government undertook. It introduced the 4-to-1 principle — that is, four Assembly seats to one Council seat. That was logical. The number of seats in the Assembly was increased from 85 to 88 to accommodate those changes.

We have a situation where the members of the Assembly in each of the four seats that constitute a Council province are elected under a preferential system, and the same preferential system is applied to the election of a member of the Council. The Legislative Council member has to get at least 50 per cent plus 1 of the votes. To say that they are not elected democratically, that there is something undemocratic about it or that it is a gerrymander is nonsense. The argument that the bill must be passed so that we get a democratically elected Legislative Council simply does not and cannot wash.

Another argument that is put forward is that we need some changes because the upper house has been and is being obstructive to the government of the day. The interesting point that honourable members need to understand in debating the bill is the experience of the Bolte government between 1955 and 1970, because in that time that government governed without an upper house majority. The upper house was able to reject supply but never did, although on occasion it certainly tried to do so. Although the Labor Party in the upper house was able to reject supply during those times, in that 15 years the Bolte government was able to govern in a stable and sensible way — and to this day is still regarded as one of the great governments of Victoria — without the need of an upper house majority. For 28 of the past 47 years governments have governed without a majority in the upper house.

Between 1982 and 1992 the Cain and Kirner governments had a majority in the upper house for a very brief period in 1985. For the rest of its time in office the Cain government was governing without a majority and 97 per cent of the legislation that was introduced between 1982 and 1992 was passed by the upper house.

The performance of the Legislative Council over the years shows that it has not been disruptive or obstructive. It was a boon to the Cain and Kirner governments in that, had it allowed all the legislation in those days to pass, those Labor governments would have suffered great ignominy in the electorate. On many occasions the upper house saved the Cain and Kirner governments from themselves. It is unreasonable to suggest the upper house is obstructive.

The issue everybody should concentrate on is representation outside metropolitan Melbourne. My seat is on the fringe of that area. It is important that Legislative Council members should be able to work in their electorates, and as one gets further from metropolitan Melbourne that role becomes even more important. I listened with some interest to the contribution of the honourable member for Rodney because he made that point strongly. The Liberal and National parties support that philosophy. A reduction in the number of electorates, as proposed in the bill, will lead to reduced access by Victorians to their rural and regional members. The present eight upper house rural electorates would be reduced primarily to three, but they would not be country-based electorates. They could be located in large rural centres, thereby reducing the representation of communities in country Victoria.

The rural and regional provinces would include metropolitan areas. A regional province could cover a vast area — for example, 50 000 square kilometres. One province could include Melton and Sunbury and could extend to Mildura and Bendigo. Where would the electorate office for a member representing a seat that extended from the outer ring of metropolitan Melbourne to Mildura be located? It would be as close as possible to the capital city, as occurs in New South Wales, which has proportional representation. Elected Legislative Council members in that state all congregate in Sydney.

The honourable member for Rodney threw out a challenge to the government to name one upper house member in New South Wales who has an electorate office outside Sydney. There is not one; they are all in Sydney city. That would also happen in Victoria. Would that be good for the representation of rural and regional Victorians? My question is rhetorical. It would be bad. Would the people of Geelong and Ballarat and places such as Echuca, Wodonga, Mildura and East Gippsland be happy that their representation would be significantly reduced? They would not be happy about it, and they are content with what they have now.

From where is the call for the so-called reform coming? From the ALP, not from the Democrats because they and the Greens have given up. Under the proposed quota system their candidates would not have had a chance of being elected to this Parliament. The call is coming from the ALP.

I finish where I started: the allegation that the bill is a grab for power is substantiated. Every time one examines the bill one can find substantiation; every time one listens to a contribution from the Labor Party one finds substantiation. The bill is simply an

opportunity for the ALP to get control of the upper house. It is a phoney bill and should be rejected by the house.

Mr HONEYWOOD (Warrandyte) — The central plank of my contribution on the bill concerns the overarching question of why Labor wants the proportional representation (PR) system of voting. Why does it want to change the status quo? Unfortunately, it has a poor track record in trying to get Australian voters to support major reforms. One has only to look at the Labor Party's recent abject failure to convince a majority of Australians to support it on the republic question to understand that the party is all about supporting reform by rhetoric. It cannot carry the Australian community with it when the chips are down.

Why does the ALP want the proportional representation system of voting? It is an admission of defeat on its part. It has raised the white flag on the current regionally based electorates because the party is full of sore losers. Before the flag went up the party should have looked at why it cannot win under the current upper house structure and voting system.

The ALP cannot and will not win under the current system because it is not trusted with the state's finances. As the honourable member for Eltham so eloquently put it, people vote differently when it comes to voting at a state election because they remember the record of financial mismanagement of the ALP. They want the safeguards and the checks and balances to ensure that the upper house will be able to monitor and genuinely question a Labor Party which by sleight of hand can turn an \$80 million rail project into a \$550 million project, which does not have the money to build a freeway but suddenly finds \$800 million for that purpose, and which previously said it could allocate \$150 million to a hospital but suddenly finds \$300 million for the project.

The funny-money arrangements for which we have grown to know and love the ALP so well have already commenced. The Minister for Education said there was only one consultancy worth \$85 000 in her department, but overnight that became a \$3.4 million bill that she had to admit she had incurred without being aware of.

Mr Hardman — On a point of order, Madam Acting Speaker, the honourable member for Warrandyte is not talking about the bill and I ask the Chair to bring him back to the bill.

The ACTING SPEAKER (Ms Davies) — Order! There is no point of order, but I request the honourable member for Warrandyte to speak directly to the bill.

Mr HONEYWOOD — Quite simply, the ALP cannot and will not win control of the upper house, so like a spoilt child it wants to change the system.

The second reason Labor Party members want a particular type of PR voting is that they delude themselves into thinking that their fellow travellers on the peripheral left — namely, the Democrats and the Greens — will be there forever for them and that whenever their support is needed they will direct their votes towards the ALP. They think those small parties might win a few seats as a result of a change in the voting system, and that they might actually tip the balance in favour of the ALP in terms of controlling the upper house. That is a delusion. One has only to consider that from time to time in the recent past even the Greens have chosen not to support the ALP.

Any attempt to bring in proportional representation voting will ensure that we have this incredible faddism — —

Mr Robinson — ‘Faddism’! That’s a big word.

Mr HONEYWOOD — The honourable member for Mitcham may enjoy the fact that there is a fad for One Nation in certain states at the moment. Perhaps if the ALP had convinced Victorians to go with PR voting a couple of One Nation members of Parliament could have been sitting in the upper house. Thanks to the ALP, Victoria could have been put in the situation of having a One Nation member with a seven or eight-year term in the upper house. Of course, if it is good enough for Bob Carr to have allowed One Nation to sneak through the gate and get an eight-year term in New South Wales, why should the Victorian ALP not permit it as well under PR voting?

Who controls the government and Parliament of South Australia? A No-Pokies member of Parliament. What a great testimony to the rationale that underpins PR voting that a no-poker machines member of Parliament, a single-issue person, should have total control over what legislation fails or passes through both houses of Parliament. What an indictment of any push to change our voting system.

Right around the nation where PR voting is in place one can see the most incredible abuse of the democratic system by one or two individuals representing single-interest groups, and the ALP in Victoria is content with that. It wants to join the mob; it wants to ensure it goes down the Bob Carr route. It follows Bob Carr all the time anyway. It wants to promote One Nation’s ability to get control of the upper house. It wants the peripheral parties to have seats so it can have

the types of disasters evident in South Australia and New South Wales.

Yet another reason the bill is fatally flawed is that there is no perfect form of proportional representation voting. For example, will the model put forward by the government ensure that a representative of our indigenous communities is elected to the Victorian Parliament? Of course not. If you are to have true proportional representation, why not do your darnedest to ensure that an indigenous representative of our Victorian community is elected to Parliament?

An honourable member interjected.

Mr HONEYWOOD — It is interesting to hear the honourable member for Melton. He does not want indigenous people in the Parliament. He derides my proposal to have true proportional representation of the Victorian community.

Honourable members interjecting.

Mr HONEYWOOD — Of course, many members would regard the election of indigenous members of Parliament as a worthy ideal. Why does the ALP not come up with a voting system that would permit that rather than just adhering to the two-party system, which it knows and loves and which this form of proportional representation voting would entrench to its advantage?

Many people would argue that representatives of our larger and not-so-large rural communities deserve a seat in Parliament. However, despite the government’s pro-rural rhetoric the bill offers representatives of rural communities no prospect of being elected under a true system of proportional representation. We know that the current level of rural representation would decline if the model outlined in the bill were implemented, and large areas of regional and rural Victoria would have no representation whatsoever.

Why not have a proportional system of voting that ensures that retirees and senior citizens are elected to Parliament? The honourable member for Melton will probably disagree, but why not ensure that people with disabilities have a representative in the upper house? In supporting the bill ALP members are showing a slavish adherence to the two-party system that they know and love.

Mr Stensholt interjected.

The ACTING SPEAKER (Ms Barker) — Order! The honourable member for Burwood is out of his place and out of order.

Mr HONEYWOOD — Why not have a true proportional system that allows our youth — whom we allow in here only for Youth Parliament once a year — to have a certain number of seats in Parliament? Instead of suggesting progressive reform, why does the ALP not propose a system of voting that guarantees certain sections of the Victorian community the right to seats in the upper house? Instead of that the ALP opts for a particular type of proportional representation that might just tip the balance in its favour for a time. That is what the government is all about. It is not about proportional representation, it is all about tipping the balance in its favour.

If one accepts that most voters will always be attracted to the policies and philosophies of the major parties, one must acknowledge that the preferential system of voting serves their priorities well. One only has to look at the situation in the outer east of Melbourne, which now has a population of almost 1 million. For three years prior to 1985 there were no Liberal representatives in the outer east. As many of us are aware, that still meant that certain constituents preferred not to support the policies and philosophy of Labor members of Parliament.

For the three and a half years after 1985 the Liberal Party had only one member of Parliament in the outer east of Melbourne, the Honourable Rosemary Varty, who did a fantastic job. Many of the people in the outer east who were appallingly represented by ALP members such as Kay Setches and Neil Pope, who were more interested in pushing their ministerial careers than in carrying out their duties as local members, were able to be properly represented by the Honourable Rosemary Varty, who supported a raft of different policies and espoused a different philosophy.

The current preferential system serves well those constituents who do not feel attracted to a particular member of Parliament. The attitude of that member may not appeal to them, or their member may not have the interests of his or her geographic region at heart. Why not continue to ensure that voters have the opportunity to elect different party representatives for the same area throughout rural and metropolitan Victoria?

In the few minutes I have left I will highlight what I believe to be a unique situation. I refer to Thursday's — today's — *Age* editorial, which I will read into Wednesday's *Hansard*:

The government's attitude is more puzzling. It has split its upper house reform legislation into two bills, one providing for four-year terms and the other for proportional representation. There is doubt about whether the electoral

boundaries proposed under the proportional representation bill would give extra weighting to rural votes, thereby wiping out the equality of representation between city and country achieved under the Cain government. The Bracks government needs to make clear whether its legislation would result in a malapportionment of votes.

There you have it! Labor's own newspaper — the newspaper that supports the ALP time and again — is having a go at the government's legislation. The article continues:

Such a change would perhaps help the government retain the loyalty of the rural independents in the Legislative Assembly, but it could hardly be portrayed as a step to greater democracy.

There it is! The great socialist newspaper that supports the ALP and has supported reform of the upper house is saying to Labor members tonight, 'You have it wrong yet again. You have rushed to entrench your two-party system and in doing so you have failed the Victorian community'.

The voters know what the government is up to and they could not care less about the legislation. I do not think any member of Parliament has had a single letter in the past month or two about the upper house reform bill. I have not even had local ALP branch members writing to me about the legislation, so the government does not have its usual activists out there supporting the bill. The government is full of rhetoric. This means that the government is coming to this measure in a half-hearted way. It means that true proportional representation in the sense of gaining indigenous representatives and others has been lost.

Mr MACLELLAN (Pakenham) — I move:

That the debate be adjourned.

House divided on Mr Maclellan's motion:

Ayes, 41

Asher, Ms	Maclellan, Mr
Ashley, Mr	Maughan, Mr (<i>Teller</i>)
Baillieu, Mr	Mulder, Mr
Burke, Ms	Naphine, Dr
Clark, Mr	Paterson, Mr
Cooper, Mr	Perton, Mr
Dean, Dr	Peulich, Mrs
Delahunty, Mr	Phillips, Mr
Dixon, Mr	Plowman, Mr
Doyle, Mr	Richardson, Mr
Elliott, Mrs	Rowe, Mr
Fyffe, Mrs	Ryan, Mr
Honeywood, Mr	Shardey, Mrs
Jasper, Mr	Smith, Mr (<i>Teller</i>)
Kilgour, Mr	Spry, Mr
Kotsiras, Mr	Steggall, Mr
Leigh, Mr	Thompson, Mr
Lupton, Mr	Vogels, Mr

McArthur, Mr
McCall, Ms
McIntosh, Mr

Wells, Mr
Wilson, Mr

Noes, 45

Allan, Ms
Allen, Ms
Barker, Ms
Batchelor, Mr
Beattie, Ms
Bracks, Mr
Brumby, Mr
Cameron, Mr
Campbell, Ms
Carli, Mr
Davies, Ms
Delahunty, Ms
Duncan, Ms
Garbutt, Ms
Gillett, Ms
Haermeyer, Mr
Hamilton, Mr
Hardman, Mr
Helper, Mr
Holding, Mr
Howard, Mr (*Teller*)
Hulls, Mr
Ingram, Mr

Kosky, Ms
Langdon, Mr (*Teller*)
Languiller, Mr
Leighton, Mr
Lenders, Mr
Lim, Mr
Lindell, Ms
Loney, Mr
Maddigan, Mrs
Maxfield, Mr
Mildenhall, Mr
Nardella, Mr
Overington, Ms
Pandazopoulos, Mr
Pike, Ms
Robinson, Mr
Savage, Mr
Seitz, Mr
Stensholt, Mr
Trezise, Mr
Viney, Mr
Wynne, Mr

Motion negatived.

Debate resumed.

Mr LEIGH (Mordialloc) — This is an important bill, and not only because of the games the government is playing so early in the morning. This is all about the naked, brutal power of the Labor Party. People like the honourable member for Dandenong North and others know this better than most, particularly the member for Nunawading — sorry, the member for Thomastown.

The editorial in the *Herald Sun* of 31 May headed ‘Victoria’s Senate’ states:

In general, the Liberals have a responsibility not to frustrate legislation put forward by the Bracks government, which has a mandate in the Legislative Assembly.

But the Liberals’ obligation does not extend to allowing the reforms that could paralysed government in this state.

The *Age* newspaper of the same date states:

For its legislation to get through the Legislative Assembly, the government needs the support of at least one of the three country-based Independent MPs. Unfortunately, the government’s dealings with the Independents have produced their first disappointment, in the package of measures designed to reform the Legislative Council.

What is equally interesting is what was said this morning, Thursday, in the *Age* editorial headed ‘Democracy put on hold again’. It states:

Reform of Victoria’s upper house is overdue. It also seems too hard for our politicians.

Last year, when the three Independent MLAs whose support brought the ALP to power drew up their charter of government, democratic reform of Victoria’s upper house was one of its key elements. The Independents and the new government agreed that one of the faults of the Kennett era was insufficient parliamentary scrutiny of the executive, and that a necessary part of rectifying this fault ...

Those words testify to the fact that this proposal was never put to the Victorian people. It is not legislation with which the Bracks Labor government went to the election. It is legislation brought in by the group who sit over in that corner, who I often refer to disparagingly as the Three Stooges. Those three people decided on a deal with the government.

Mr Savage — On a point of order, Madam Acting Speaker, the honourable member for Mordialloc continually uses the term ‘the Three Stooges’ in reference to the Independents. I find that somewhat offensive at this hour of the day and ask him to withdraw.

The ACTING SPEAKER (Ms Barker) — Order! The honourable member has asked for the remark to be withdrawn.

Mr LEIGH — If the honourable member is so touched by what I said I am happy to withdraw it. I have made the point. The fact is those three people, behind closed doors, did a deal about naked, brutal power that would gain them control of the Parliament for their own purposes.

Is the Labor Party the party of true, open democracy as it so often claims? The answer is no. One need not look any further than the Leader of the House and the events that occurred in 1985. I remind the house of a few facts of history about the control of the Legislative Council. In 1985, following the state election — and I was in the room when Nunawading Province was decided — the returning officer decided that by one vote, drawn out of a ballot box, the Labor Party won the election. For a handful of weeks, the Labor Party controlled the Legislative Council by accident, not because the people said so but because the returning officer had put two names in the ballot and one had been drawn out.

In that handful of weeks the Workcare legislation was passed through the Parliament and went on to cripple Victoria for years because by the end of the 1980s, and at the time the Kennett government took office, the Workcover debt and its liabilities were in excess of \$2 billion. The result of that piece of paper coming out the wrong way was that the Labor Party severely

damaged this state and its industries during the 1980s. One could say the damage had repercussions into the days when the Kennett government tried to get Victoria back on its feet.

There is not an opposition member who would not have loved coming to office with a Workcover scheme that worked and had no debt. What a different government we could have been, except we had to fix the mess as a result of an accident involving a piece of paper. What then happened was probably one of the more intriguing things in Victoria's political history. A series of phoney how-to-vote cards were created by the then secretary of the state Labor Party.

Mr Hardman — On a point of order, Madam Acting Speaker, I believe the honourable member is not being relevant and you should bring him back to proportional representation in the upper house.

The ACTING SPEAKER (Ms Barker) — Order! It is a free-ranging debate. I do not uphold the point of order at this stage, but I ask the honourable member for Mordialloc to return to the bill.

Mr LEIGH — The bill is about what happens to the upper house, who controls it and why. The course of those events in 1985 led to the resignation of the state secretary of the Labor Party, Mr Batchelor, and to the introduction of how-to-vote cards that were registered.

Mr Hardman — On a point of order, Madam Acting Speaker —

The ACTING SPEAKER (Ms Barker) — Order! I ask the honourable member for Mordialloc to come back to the point of the bill.

Mr LEIGH — I am coming to the bill.

The ACTING SPEAKER (Ms Barker) — Order! The honourable member should come to it as quickly as possible.

Mr LEIGH — I have spoken for 6 minutes in total and perhaps for 3 minutes on the point I am making. The point of all this is about power and who controls it. I can understand the touchiness of some people in the Labor Party who do not want to accept the fact that a group of people can take criminal action against the state of Victoria. That is effectively what happened. The Labor Party proposes with this crazy deal a bill that is not about justice, honesty, or integrity of government. It is a bill that has been dredged up in the darkness of the night by three people who sit over in that corner of the chamber with the man who sits in the centre of the chamber. The three of them will be remembered and

will go down in history for their participation in bringing Victoria to its knees.

Let us look at what happens now. In Canberra we have the loopy brigade of the Democrats, the Labor Party, Senator Brian Harradine — in the past — and a range of other people who between them control the Senate. What sort of justice is that for our country, whether it is the Liberal Party or the Labor Party in power? The government cannot govern without a minority group of people saying, 'Yes, Prime Minister, we agree'. What the government proposes to do to this state is the same thing that has happened in Canberra.

If the proposal was enacted in 1992, could the Kennett government have reformed Victoria and taken it out of the economic mess it was in? The answer is no. Would Joan Kirner have sold the State Bank of Victoria prior to the 1992 election without the agreement of the Legislative Council? The answer is probably no. I was one of those who did not want to agree to its sale and who argued against its sale until the bank people came to our party room and said, 'Look, unless you agree to this there will be a run on the bank' — and we agreed, reluctantly, because the next morning people would have queued to get their money out of the State Bank. Who would have thought that could occur?

The government proposes to give the power to take action on those sorts of things to a handful of people. Who will they be? In reality the undemocratic system that has been proposed is really about the Labor Party's vote being locked up on one side of Melbourne and being marginal everywhere else. It is jealous of the fact that it cannot get the western and northern vote to expand into the south-eastern and eastern suburbs of Melbourne. So it has concocted this little deal.

The *Herald Sun* and the *Age* both say that this is a bad deal for Victoria. The two papers do not often have the same point of view, but on this they do. They realise the damage that will be done to the economy if this act of vandalism is inflicted on our state. If you want reform, get serious about it. But remember: this reform was brought about by John Cain himself back in the 1980s. This was John Cain's idea, not ours. The boundaries set by the electoral commission were not our idea, but the Labor Party's.

There is no lack of democracy in what happens. The same voting mechanism applies to both the lower house and the upper house. The scandal is that the Labor Party proposes to inflict on this state a damaging environment. The honourable member for Melton spoke passionately at least twice that we know of and made a lot of other noise in the house. He is a great

democrat over there. If one knows what happens behind the scenes in the Labor Party one will know that he is one of the true democrats of the Labor Party who knows how to stack a branch meeting with council buses. We know about him.

Mr Nardella — On a point of order, Madam Acting Speaker, the honourable member — —

Honourable members interjecting.

The ACTING SPEAKER (Ms Barker) — Order! The honourable member for Forest Hill is out of his place and out of order. The honourable member for Melton has the right to put his point of order.

Mr Nardella — The honourable member for Mordialloc has impugned my reputation. What he has said about me is an absolute lie, and I ask him to withdraw.

The ACTING SPEAKER (Ms Barker) — Order! I ask the honourable member for Melton if he could outline to the Chair which words he found offensive.

Mr Nardella — He directly referred to the honourable member for Melton, he pointed at me, and he said that I stacked branches and used buses to stack those branches. That is absolutely untrue, and the honourable member should withdraw the allegations and imputations against my good reputation.

The ACTING SPEAKER (Ms Barker) — Order! The honourable member for Mordialloc has been asked to withdraw the statements he made about the honourable member for Melton.

Mr LEIGH — I am happy to withdraw it. I cannot withdraw it on behalf of the ALP member who told me, but I personally withdraw it.

This is a democracy, yet some of the very people in this house who talk about proportional representation are the same people who should never talk about it, given that if one looks under rocks one will find other things going on that perhaps should not be. I will not name names; today is not the day to name names. In the Labor Party one will find few people who could be described as true democrats who are involved in the democratic process. Some of them are into the manipulation of their own proportional system of government. They are involved in manipulating their own proportional voting system, against their own communities.

Therefore I do not think advocating proportional representation with a small group of fanatics somehow

getting control of the Parliament is an act of an honest group of people. I think it is an act of dishonesty. It is an act for which most of their federal colleagues think they are crazy. Labor is proposing to hand over forever and a day the government of Victoria to perhaps the Hansonites or the Nuclear Free Party. The number of people who will be required to vote to get elected is so great that even the Democrats and the Greens do not support the proposal. That is fascinating, given that generally speaking the Democrats support proportional representation. The fact that they do not support this bill says everything about it. It is a phoney. It has been introduced just to placate three people who sit in this chamber, who want to — —

An honourable member interjected.

The ACTING SPEAKER (Ms Barker) — Order! The honourable member for Doncaster is out of order and out of his place.

Mr LEIGH — It is brought into this chamber as part of a deal to fix the charter of those three people, who call themselves Independents.

The ACTING SPEAKER (Ms Barker) — Order! The honourable member for Mordialloc should refer to the members in the appropriate manner — as the honourable members.

Mr LEIGH — I will name them — the honourable members for Gippsland West, Gippsland East and Mildura. Those three people who say they are Independents but who are locked in a deal with this government cannot be Independents by the nature of what they do.

Yet they wish to inflict it on Victoria. The proposed system will inflict pain on Victoria in the future. The opposition in this chamber — the National Party and the Liberal Party — should vote against it, and if the Independents have any brains and want to look after the interests of Victoria, so should they.

We should also block it in the upper house, but not because we are opposed to change. If the government wants to bring back real change that is about introducing a better system of government with checks and balances, better committee systems and better opportunities for members in both houses, it can do that. But it does not choose to do it. That is a game being played by the group that said it was against executive power.

Some years ago Frank Wilkes, a former Leader of the Opposition who was then the honourable member for Northcote, said to me, ‘Geoff, who is the greatest threat

to our democracy?'. He told me it was the executive, because it always knows it is right. I look around the chamber at the group of people opposite, including the Treasurer, who used to sit on the opposition side and argue the very opposite of what the executive now argues. The former opposition has moved on to the executive, and if it is not careful it too may well become an enemy of democracy, because it thinks it knows what is right for everybody when it does not. Other people often know more than the executive does. The travesty of that is that it seeks to inflict the system on the rest of the state in what is simply a game of naked opportunism on its part.

As I said, in 1985 when the then government had that one moment of opportunity to control the Parliament, what did it do? It abused it! If it got control of the Parliament in that way today, what would it do? It would abuse it!

All honourable members should reflect on what they are doing. I have not read the entire editorial in today's *Age* — that is, 7 September! — but at the end it states:

Why cannot the politicians of Victoria do so, too?

It is talking about looking at alternatives. I suggest that all honourable members, including the Treasurer, look at today's *Age* editorial because it is not a bad editorial. It clearly points out the truth of what they do. If there are government members in the chamber who are serious about where they stand, they too should go behind the scenes and talk to their party about what it is doing, because what it is doing is wrong for the future of our state.

I invite them to think of the day when they may control the government, because under the proposed changes they will never control the government in any way, shape or form, and they will not be able to negotiate with sane individuals about what happens. I see those sane individuals as all of us who are currently in these chambers. We have one aim in common: to look after the interests of Victoria. We may disagree about how we do it, but we have to make sure we protect Victoria's future so that it cannot be damaged by a mindless group of small people who wish to inflict themselves on our chambers of Parliament against the interests of democracy.

Mr WELLS (Wantirna) — It gives me a great deal of pleasure to join debate on the Constitution (Proportional Representation) Bill. At this late hour I am aware that there are still a number of speakers who wish to follow, so I will make my contribution sharp and to the point.

It was ironic that in November when the bill first came into the house the government — this open and transparent government — was keen to push it through within two weeks. The government sees itself as a government for the people that consults widely and prides itself on openness and transparency, yet when it introduced the bill into the Parliament in November 1999 it wanted to ram it through in two weeks, with no consultation and no chance for the opposition to scrutinise it. It was fortunate the opposition forced the government to undertake a greater consultation process which enabled the bill to be withdrawn and redrawn at a later date.

The government claims widely that it has a mandate to reform the upper house. How can a minority government at any time have a mandate to reform anything as crucial as changes to the upper house? There was no public debate about the reforms prior to the election. Labor raised many issues and the people of Victoria voted it in with the help of the Labor Independents. That is how they were able to form government. I do not remember at any time prior to the election any public debate on the issue, so I question how Labor could have a mandate to make the necessary changes.

Following a breakdown of the election results the government suddenly realised that it did not have the numbers in the upper house. At that point it said, 'Okay, we now need to make this a crucial issue. If we are going to get through some of our wider range reforms, we need to make reforms to the upper house so we can ram through legislation in the lower house and then ram it through the upper house'. History has shown that the government is keen to ram legislation through in that way, as was mentioned by previous speakers in relation to the Nunawading by-election. In that very small window of opportunity when the Labor Party did not allow Rosemary Varty to take her seat and it had the majority in the upper house, it was able to ram through the Workcare legislation, and we could see the disaster that Workcare was going to create in this state.

By the time 1992 came around, the Workcare scheme had racked up debts of \$2.1 billion, ruining many small businesses in the state. Now, 15 years later, we are seeing a repeat of that, with many people in small businesses throughout Victoria getting their new, increased Workcover premium notices.

One of the key aspects of the debate is that the bill represents a grab for power by the Labor government. The government wants a blank cheque so it can ram its legislation through both the lower and the upper house.

Under Labor's plan the number of upper house provinces representing rural Victoria will fall from eight to three. The government promised the people of rural Victoria a fair dinkum say in Parliament, yet it proposes to reduce the representation of rural areas.

It is interesting to note what happens in a system with one vote, one value. In my area, representatives of the lower house seats of Mitcham, Forest Hill, Wantirna and Knox are elected under the same system that is used to elect the two members of the province of Koonung. A person who does not want to vote for the Labor candidate in both houses can vote for the other party's candidate in the other house. It is up to the voter to make that significant decision.

I make an important point about the upper house province of Gippsland. In the lower house, Narracan and Morwell are held by the ALP, Gippsland South is held by the National Party and Gippsland East is held by an Independent. Although Labor had the majority of votes in the lower house, the people exercised their choice and voted for a Liberal, the Honourable Philip Davis, as their representative in the upper house because they saw that he is a good, hardworking local member. That example throws out the argument that the people of Gippsland voted for Labor in the upper and lower houses, because although the Liberals do not hold any seats in the lower house, Phil Davis held the upper house seat.

An Honourable Member — Not by much.

Mr WELLS — The honourable member for Geelong would appreciate just how fine a margin can be, but he won fair and square. I think his margin is 16 votes and I am sure the honourable member is working hard to make it perhaps 18 votes next time around!

It is interesting to note also that back in 1987 John Cain, Jr, changed the upper house system to make it fairer. With the support of the Liberal and National parties he brought in reforms to simplify the system. We regret that the Labor government is turning its back on John Cain's good ideas.

Ms Lindell — Obstructionist.

Mr WELLS — I appreciate the interjection by the honourable member for Carrum and assure her that that point will be covered soon.

The Labor government wants to introduce a Senate style of government. I do not understand what that is based on and which part of the community is pushing

for it. My recollection is that most of the Victorian senators reside in Melbourne.

Honourable members interjecting.

Mr WELLS — I will get to the point about gagging the debate. The senators are concentrated in Melbourne, so I wonder how they connect with the people they represent in rural Victoria. There does not seem to be any connection at all. The New South Wales senators are based in Sydney. They would say that is the most realistic arrangement because if they want to be re-elected they must be well known in the centre of the state. Sydney has a population of 4 million, and Melbourne has a population of 3 million. If senators can build up their profiles in the metropolitan media, they can more easily be re-elected.

The point I am making is that if someone in Mallacoota, Omeo or Bruthen has a problem he or she would hardly go to a senator to have it resolved because they are all based in Melbourne. New South Wales does not have the same system that we have in Victoria. If a person in Omeo has a problem and the Independent member for Gippsland East is tied up, that person still has his or her upper house representative to go to, and that happens right across the state. It may be that the people of Swifts Creek, for example, do not want to approach the honourable member for Gippsland East with their problems because he has let them down on the sawmill. They might go instead to see Philip Davis and say, 'Phil, the Independent member for Gippsland East promised to save the sawmill in Swifts Creek. He has let us down. Can you help us?'. That could have been for one reason or another — maybe the deal with the Labor government did not stick. As a result they may not vote for the honourable member for Gippsland East next time around.

However, the constituents would still have a choice and could approach the Honourable Philip Davis, the Liberal Party upper house member, who could listen to them, bring the matter to the attention of the upper house and make representations to the minister. Perhaps Phil Davis could succeed in making genuine representations as the representative of the people of Swifts Creek. The honourable member for East Gippsland's achievement was the appointment of a community development officer at Swifts Creek! That may be important when compared with saving the sawmill there! Perhaps the Honourable Phil Davis will push the case for the retention of the sawmill and have genuine jobs created. That is an example of where an upper house member may be able to achieve what a lower house member has not been able to achieve.

Currently a constituent could approach an upper house member to take up his or her case, but the ALP's proposal for a Senate-style upper house would lead to there being no connection between the member and people in rural Victoria. The proposal does not make sense. Under the government's proposal a 16 per cent threshold would apply before a candidate could obtain representation in the upper house. A candidate could be popular for four or eight weeks on a particular issue, yet if the issue on which he or she stood for election subsequently died away the candidate would become the elected representative for eight years.

A single-issue vote can make a candidate popular for a time. For example, some years ago the proposed establishment of a dump in Werribee caused much publicity and it is not unrealistic to suggest that people who were part of the anti-dump movement there could have stood for election to the upper house. It is possible that two or three people could have been elected to the upper house because the issue was hot at the time. When the issue ran out of steam a short time after the election because CSR Ltd decided not to proceed with the dump, those people, who had been elected because they were prepared to fight to save the Werribee site, would have been able to serve for up to eight years, even though the issue no longer existed.

The government made a promise to save Waverley Park. The introduction of proportional representation could mean that a number of the Save Waverley Park protest group could be elected to Parliament. If the government then turned around and made no commitment to save the park and the issue died — although people in the east have a better understanding of how it will go — those who had been elected from the Save Waverley Park forum would no longer have an issue to flog.

Some time ago representatives of the One Nation political party could have been elected to the upper house because the party was popular for a short time. However, once the guns issue quietened down and educated Victorians came to understand what the party stood for its candidates may have lost popularity, yet they could have been in the upper house for up to eight years. Worse still, if a government had dealings with a party such as One Nation in order to get legislation passed — and similar situations arise all the time with the Independent members in this house — there would be a strange mix of people from the extreme right and the extreme left and no legislation would be passed. In Europe the Communists and the extreme right groups form alliances simply to pass legislation. Some of the deals made have been quite extraordinary.

The government said it wanted to remove the power of the upper house to block supply. That is ironic given that the government says it is open and transparent. If that were to happen and the government wanted to bankrupt itself on unnecessary programs it could say that the upper house had no right to criticise the budget and must accept it holus-bolus. In one breath the government talks about rubber-stamping and in the next breath it talks about removing the right of the upper house to block supply.

How ironic from a supposedly open and transparent government! The electorate must be laughing all the way down to its boots! I am talking about the fact that the upper house is not obstructive. During the Liberal Party's time in opposition it has not yet blocked any legislation in the upper house. The opposition takes the view that the Labor Party was elected to government with the help of the Labor Independents and the will of the people needs to be adhered to. To date no legislation has been blocked. I note that during the Cain–Kirner period 97 per cent of all bills were passed; it was not an issue.

The government does not have a mandate for the bill. It is deceiving the electorate because it was not an issue prior to the election. The Labor Party said it would represent rural Victoria. It is trying to reduce representation in Parliament for rural Victoria as people representing that area would live close to the city. The people in the extremes of rural Victoria would not be represented at all, and the government would be going back on another election promise.

The ACTING SPEAKER (Mr Nardella) — Order! The honourable member's time has expired.

Mr RICHARDSON (Forest Hill) — I am delighted to participate in this most important debate which is essentially discussing a government stunt. This whole exercise is a stunt by the government. The government has no legitimacy. It exists simply because three Independents — —

Government members interjecting.

Mr RICHARDSON — I cannot hear the shrill and irrelevant interjections from the member for Seymour. If he were more articulate, I might be able to, but — —

Mr Hardman interjected.

Mr RICHARDSON — I beg your pardon?

The ACTING SPEAKER (Mr Nardella) — Order! The honourable member for Forest Hill will

ignore interjections. The honourable member for Seymour will not make them.

Mr RICHARDSON — I am trying to show proper respect to the honourable member, but he remains inarticulate, and then he falls silent. It is very difficult to cope with these things!

The government lacks legitimacy. It does not have the support of the people. It relies upon the support of three so-called Independents, so it is not a legitimate government. It has now brought forward some legislation purporting to reform the upper house. However, it is doing so for two reasons: firstly, because it does not have the support of the people — in other words, it does not get enough votes to be able to dominate the upper house; and secondly, it has fallen for the blackmail of the three Independents.

The three Independents are important in the current political structure of Victoria and they do not quite know what they are doing. I have seen some of the Independent members of this place in consultation with opposition members, trying to persuade opposition members to do something about the process in which we are presently engaged. What the Independents do not seem to understand is that the process in which we are now engaged has nothing much to do with the opposition. The solution to this matter rests with the government. The opposition does not control this place; the government controls this place with the assistance of the three Independent members. With the greatest of respect, the three Independent members are a bit naive. They do not seem to understand what goes on here.

I have something with me which may be edifying for the house. It is a fax sent to one Susan Davies, member elect, Gippsland South — ‘South’ is crossed out and ‘West’ is written in in pen — from Joan Kirner, AM, phone number, fax number, dated March 17, 1997.

Dear Susan, here are the notes on parliamentary procedures as promised. I hope they are useful. Good luck for Tuesday. You will be terrific. Love, Joan Kirner.

Mr Savage — On a point of order, Mr Acting Speaker, I have sat here for a while, but these remarks are not relevant to the bill. I ask the Chair to bring the honourable member for Forest Hill back to the relevance of the bill before the house.

Mr RICHARDSON — On the point of order, Mr Acting Speaker, in fact, I had read only a bit of the covering page which simply identified the document. The honourable member has no knowledge of what is actually in the document, how it might relate to the matter before the house or the way the Independents are

addressing the issue. I suggest to you, Sir, that you might be able to make a decision on the relevance of this document after you have actually heard what is in it.

The ACTING SPEAKER (Mr Nardella) — Order! I do not uphold the point of order at this time. However, I ask the honourable member for Forest Hill to come to his point in regard to the documents and his debate in regard to the relevance of the bill. I ask him to continue.

Mr RICHARDSON — Thank you, Mr Acting Speaker. Your ruling is very sound and, as usual, it is very wise. The house is conscious of the wisdom you have shown over the period you have been a member in this place, and is grateful for it.

Mr Savage interjected.

Mr RICHARDSON — There is an unseemly lack of respect for the Chair on the part of the honourable member for Mildura, and a rather sniggering agreement with that proposition from the honourable member for Gippsland East, but I shall not dwell on that. I shall turn to the document I have introduced to the house. Before anybody gets excited, of course I am happy to make it available to the world.

Ms Overington — I was just about to ask.

Mr RICHARDSON — The honourable member should not worry, it is hers if she wants it. I will run off lots of copies. The document states:

RULES AND PROCESSES

1. Be yourself: calm, confident, well informed and deadly!

Is the honourable member for Gippsland West deadly? It continues:

2. Don't be afraid to ask.
3. People you can trust to ask include:

Clerks;
Peter Batchelor;
Papers room workers;
Caroline Hogg;
Steve Bracks.

And this was before Bracks was actually the leader.

Mr Savage — On a point of order, Mr Acting Speaker, I raise the issue of relevance. This is not relevant to the bill before the house.

Mr RICHARDSON — On the point of order, Mr Acting Speaker, it is relevant in view of the importance of the Independent members to the matters before the house and the fact that they have been so concerned about the way this whole debate has been handled. Therefore, it is important for me to be able to demonstrate my concern about the adequacy of the understanding of the honourable members for Gippsland East, Mildura and Gippsland West of the actual processes of the place. It is important that I be able to inform the house that these are the sorts of things that had to be brought to the attention of the honourable member for Gippsland West. The honourable member was informed by the former Premier that, for example:

The Speaker is the boss in the house and not necessarily a good one.

Those sorts of things are important for me in demonstrating in the context of this debate that there is a need for the house to understand some of the deficiencies that are faced.

The ACTING SPEAKER (Mr Nardella) — Order! I think I have heard enough on the point of order.

Mr RICHARDSON — If I could just make this point.

The ACTING SPEAKER (Mr Nardella) — Order! I do not uphold the point of order at this time. I seek the assistance of the honourable member for Forest Hill and ask him to come to the relevance of the document to the bill extremely quickly; otherwise, I will rule him out of order.

Mr RICHARDSON — I thank you, Mr Acting Speaker, for your wisdom. I know that you and other honourable members will be interested to know that among the items of advice provided by the former Labor Premier to the new member for Gippsland West was item no. 11, which stated:

Find out the dining room arrangements. Libs, Nats and Labor sit at different tables. I don't know what Russell does. You could share yourself around!

Mr Savage — On a point of order, Mr Acting Speaker, the dining room is not related to the bill. I ask you, Sir, to bring the honourable member back to relevance and the bill before the house.

Mr RICHARDSON — On the point of order, it really is important to the house.

Mr Savage interjected.

Mr RICHARDSON — The honourable member for Mildura has taken a point of order. He is in the midst of rebuking me and now he is giggling. This is offensive to the house.

The ACTING SPEAKER (Mr Nardella) — Order! Please come quickly to your point of order.

Ms Lindell interjected.

Mr RICHARDSON — Madam, recline.

The ACTING SPEAKER (Mr Nardella) — Order! The honourable member for Forest Hill will quickly come to his point of order.

Mr RICHARDSON — I simply want to make one more teensy reference to the items contained within this — —

Mr Maclellan — The gospel according to St James.

Mr RICHARDSON — If I want help I will ask for it! I want to make one more point and then I shall hurl myself into proportional representation.

Mr Brumby — On the point of order, Mr Acting Speaker, the honourable member has now been speaking for 12 minutes. You have warned him on two occasions to cease referring to a document which has no relevance whatsoever to the bill before the house. I ask you, Sir, to instruct him to cease referring to that document and return to debating the Constitution (Proportional Representation) Bill. The bill amends the Constitution Act by reducing the number of members in the Legislative Council from 44 to 40 and creates eight provinces. It has nothing to do with the standing orders of this place. It has nothing to do with correspondence between a former Premier and the members of the house. I ask you, Sir, to rule the honourable member out of order.

The ACTING SPEAKER (Mr Nardella) — Order! I uphold the point of order made by the honourable member for Mildura. I have requested the honourable member for Forest Hill to make his comments relevant to the bill and I will hear him only on the bill.

Mr RICHARDSON — You are quite right, Mr Acting Speaker, and I am suitably rebuked. I agree totally with you. You would probably also agree with the advice:

If they start harassing you when you are speaking — just ignore them ... People like Geoff Leigh, member for Mordialloc; Bernie Finn, member for Tullamarine are boorish, bullying toads — ignore them or squash them.

Ms Beattie — On a point of order, Mr Acting Speaker, you have given a clear instruction to the honourable member for Forest Hill. He has defied your instruction and I call on you to make sure that he obeys your ruling.

The ACTING SPEAKER (Mr Nardella) — Order! I uphold the point of order. I now request the honourable member for Forest Hill to talk only on the bill before the house.

Mr RICHARDSON — You are quite right again, Mr Acting Speaker. I totally agree with you — and am grateful to the Treasurer for reminding me of what the bill is about. Let us remember that the parliamentary arrangements which presently exist are the product of a previous Labor government. It was John Cain — —

Mr Seitz interjected.

Mr RICHARDSON — I hear the honourable member for Keilor, who is almost a grandfather with me and who was here at the time. He was part of the process that introduced some arrangements into this place that created the existing parliamentary system. The arrangement of 44 — —

Ms Lindell — On a point of order, Mr Acting Speaker, the honourable member for Forest Hill has now been rambling for 15 minutes but is still to come to the bill. He is talking about the parliamentary system. I ask you, Sir, to cease hearing him.

The ACTING SPEAKER (Mr Nardella) — Order! There is no point of order. The honourable member for Forest Hill's comments were relevant to the bill.

Mr RICHARDSON — You are quite right, Mr Acting Speaker. The honourable member for Carrum really needs to go back over the *Hansard* record. It contains the parliamentary history of this place. The honourable member would find that at that time the only survivor on her side of the house is my closest friend — —

An Honourable Member — George.

Mr RICHARDSON — The honourable member for Keilor. I would never breach parliamentary protocol and refer to him as George. The honourable member for Keilor is a highly respected member of the house.

The ACTING SPEAKER (Mr Nardella) — Order! I ask the honourable member for Forest Hill to come to the bill.

Mr RICHARDSON — I am. The honourable member for Keilor was part of the Labor team that put together the arrangements which provided for 88 members in this house and 44 members in the other house. That is relevant. The honourable member for Keilor is relevant. The honourable member for Carrum is suggesting that the honourable member for Keilor has become irrelevant. What a dreadful thing to say about a colleague! I am shocked. He is one of my closest friends and I am appalled. I am sure he is hurt by it.

The existing arrangement was devised by the Labor Party, which now wishes to change it. The reason it wishes to change the existing arrangements is because it cannot get enough votes. That is what it is all about. It cannot get enough votes to get the numbers in the upper house. It cannot get enough votes to get the numbers in the lower house, so it has to rely upon — I won't say 'the Three Stooges' because that has already been ruled out of order and we cannot have that — not Larry, Curly and Moe but the honourable members for Gippsland West, Gippsland East and Mildura. They are not the Three Stooges but, nevertheless, the government relies on them, and that is what this is all about. The whole thing is phoney; the whole thing is nonsense; the whole thing is a government stunt. I just wish there could be a bit more theatricality in this place and then the Three Stooges would really have a place here!

Mr MACLELLAN (Pakenham) — Mr Acting Speaker, I hope you will tolerate my reminding the house that at 8.30 last evening the government voted to continue this debate and was supported in that by the three Independents. That again occurred at 10.00 p.m., when the government moved that the sitting be continued and the Independents voted with them, and again at 4.00 a.m., although I provided the opportunity for members of the house to think again about whether they wanted to go on with the debate. The government members and the Independents voted to continue the debate. So if government members are uncomfortable about the debate being continued they have only themselves to blame.

Not only that, the Independents also have themselves to blame that we will not get on to the committee stage of the bill until about 5.30 a.m., and at about that time I will have to remind the house again that there is a third force. It is not inappropriate, I suppose, since we are talking about how Parliament would be organised under a new Labor proposal for proportional representation, for reform in the Legislative Council, for no house being dominated by a single party and there being a sort of third force not only here but also in the Legislative

Council so we can have something closer to true democracy.

We have the third force in this place, and I presume we have something which for many members is closer to true democracy. They vote with the government; the government has debates going on until 5.30 in the morning and votes and reaffirms that that should be the case. This is a perfect illustration of what happens when you have a third force with the balance of power. When you have a third force you have wheeling and dealing and occasionally it comes seriously unstuck — and I suppose it has come seriously unstuck.

The Independent member for Gippsland East is hoping we will go into committee and deal with his amendments. I suppose he is aware that in committee members of this chamber are entitled to speak twice on each clause and that as each clause is put it is open to any member of this chamber to move that progress be reported; and there will be another division on each clause and on each clause as amended. So we can perhaps confidently expect under the arrangements made by the government and the Independents — when they voted for the government business program, when they voted at 8.30 p.m., 10.00 p.m. and 4.00 a.m. to continue this debate — an illustration of just exactly what happens when you have a third force.

Mr Lenders — On a point of order, Mr Acting Speaker, as a new member to this house I should have thought that the honourable member for Pakenham, as father of the house, would be aware of the provisions of standing order 96, which has been burnt into my brain:

No member shall reflect upon any vote of the house ...

The honourable member has on no more than six instances in his 3 minutes reflected on divisions in this house today on adjournment motions and others, and I call upon you, Sir, to enforce standing order 96, which the honourable member should well know.

Mr MACLELLAN — On the point of order, Mr Acting Speaker, I put to you that I have not reflected on the decisions of the house. The decisions of the house were made by a majority of the house, comprising government and Independent members. I have merely noted the decisions made by the house and their effect. I have not reflected on them and have no intention of doing so.

The ACTING SPEAKER (Mr Nardella) — Order! I do not uphold the point of order at this time, but I ask the honourable member for Pakenham to be aware of standing order 96.

Mr MACLELLAN — I suggest to you, Sir, that the honourable member for Dandenong North ought to reflect on what he just said in the house. If he is going to raise points of order and interject, I presume that will encourage all speakers to take their full time — and we have another one left. If the honourable member really wants members to take their full time, I invite him to keep going. We know he is gagged and we know what the game is.

The game can be said at one level to be very simple: get the Governor and get the Legislative Council. That is at one level, and it is at a very simple level that people can understand: sack the Governor and put up legislation in the hope that Parliament might be silly enough to change the balance of power so as to give the government a chance to get the Legislative Council and not have the third force. The government does not want the third force. The Independents believe the bill is about getting a third force and having the balance of power because, in their view, the two-party system is outdated and unrealistic in this day and age. The third force is here, represented by the Independents. They have the balance of power, and it is not something that the government wants the Independents to have. The government wants to have the balance of power itself. Not only that, it would like to have it in both houses.

Without being unkind to the honourable member for Gippsland West, as I understood her remarks in this debate, she said that a paradise, so to speak, in another place would be if there were a third force or a third element that had the balance of power. She has it here in this place. Is this a paradise? Is this the sort of thing we want — sitting until 5.30 a.m. because the government and the Independents have set the program? Are these family-friendly hours? Is this a reasoned debate and exchange of ideas, with government members sulking from 8 o'clock at night through until 5 o'clock in the morning because they have botched the system with their third force? They are suggesting that there should be a third force in the upper house!

If we examine the situation as we know it today, and as honourable members have commented during the debate, the people of Victoria elected the members of the upper house. Those members were elected on province boundaries fixed by an independent commission. There is no suggestion that there was a gerrymander, that the boundaries were somehow distorted to produce a result. Nobody has made that suggestion during the debate.

A government member interjected.

Mr MACLELLAN — Perhaps the honourable member is making that suggestion by interjection. It would not surprise me if government members believed there was a gerrymander. I do not think there is one. I do not think we have had anything like a gerrymander since we have had independent electoral commissioners.

The one time that I remember a Labor government getting control of the Legislative Council it tried to fiddle the votes and the voting system in the Nunawading Province re-election. The major author of that is the Leader of the House, who is also a minister in this place. He was the one who was eventually not the subject of any prosecution in that matter. He said that as a private citizen he had printed material which had the effect, it was found, of producing a distortion in that election.

So we know the lengths to which the government will go. We also know how far it will go to get the Governor. Under Cain the aim was to sack the Governor; and under Bracks it is to get the Governor. We know how far Labor will go to get the Legislative Council. It will go as far as it possibly can to get the numbers, not for a third force but for itself so that it will have unfettered power.

We are not talking about the Labor Party's desire for compromise, for discussion between the parties in the hope, as happened with the Cain government, of reaching a compromise in which nobody quite gets exactly what he or she wants. The government is not interested in that. The house is having a phoney debate through to 5.30 or 6 o'clock in the morning for the purposes of discussing a bill that will not be passed.

That is the result of the government and the third force in this house making up a majority and controlling business and the times, the rules and the way the house does and does not debate matters. Members of the third force are anxious and desirous of having their amendments processed in the committee stage, and they have been waiting for it since at least 8 o'clock last night in the hope they can get their amendments up so we can defeat them. I am confidently anticipating that the amendments will be defeated because the government will not vote for them. It will be interesting. Let me anticipate for the Independents that the government will not support the amendments.

Mr Ingram interjected.

Mr MACLELLAN — The honourable member for Gippsland East indicates with a shrug that he is not sure. I am sure John Elliott has a well-known phrase

which would perfectly describe any intelligent person's reaction to that shrug. He doesn't know? Well, won't we all be surprised!

Mr Acting Speaker, the house is debating — you will be delighted to know because you were once there and are now here — the Constitution (Proportional Representation) Bill, which we all know will not be passed and which we all know is being debated to death by a government that cannot organise the business of this house, even with the support of three Independents who have the balance of power. They set the rules, the conditions and the terms. They voted at 8.30 to continue the debate. They voted at 10 p.m. to continue the debate. They voted at 4.00 a.m. to continue the debate. The opposition voted against it because it says the government is deserting its slogan about family-friendly hours.

I do not know how the Minister for Post Compulsory Education and Training can bring herself to vote. Of all members she was out front in saying family-friendly hours were important. If the house cannot get family-friendly hours with a third force having the balance of power in this place, in heaven's name what should it expect in another place with the balance of power held by some third force? One could imagine what the third force could be. One could put a nice interpretation on it and say it could be somebody with all the delightful, intelligent and perceptive characteristics of Senator Harradine, for instance. There could be a no-pokies one, a green one, a conservation one, or one that wanted to put a flow back down the Snowy River. When one thinks about it, almost anything could hold the balance of power in another place.

At the moment, and during the course of this Parliament, we will simply have to put up with the verdict of the electors, which was that the Liberal Party has the balance of power — that is, a majority — in another place. For the balance of this Parliament, at least until the people get their next vote, the Liberal Party will have the numbers in another place.

I heard a lot during the course of the debate that could only be characterised as government members, backbenchers in particular, having a bit of a go at the National Party. I detected a strong element of 'Get the Nationals' from the government's backbench, especially the corner — the description is the corner, but it is down on that lower end of the government's benches.

I am curious, Mr Acting Speaker, about what you expect the Labor Party to do with its preferences at the

next state election. I wonder whether you expect the preferences not to be given to the National Party. Or are they saying one thing here and by their preferences expressing a different view? The National Party will expect that where there is a choice for the government, the government will be directing preferences to the National Party, perhaps ahead of the Liberal Party. The government will try to maximise trouble and difficulty, but not because they want a third force. They do not want the National Party as a third force, for heaven's sake.

Does the honourable member for Springvale think that at the next state election the Labor Party will direct its preferences to the National Party in the hope that that party will get the balance of power in the Legislative Assembly? Again I think John Elliott has an extremely good phrase to describe the prospects of that happening. The prospect of the government's wishing to have the National Party as the third force, or some other non-Labor third force, is most unlikely.

What are honourable members talking about here with the time getting on towards 5.30 in the morning? We are talking about a bill that will not pass, a debate that is fake, a government that cannot manage its program and a proposal which never had a chance in Hades of getting accepted and which has been debated for hours as an alternative, I suppose, to discussing the safe injecting rooms legislation, which will also be debated for hours and which will also not get through.

Honourable members are being given an extraordinarily generous opportunity to talk about legislation that will not be passed. The only thing they cannot get is a generous opportunity to discuss legislation that might or will be passed, because the government and the Independents, or the third force in this place, do not want to provide opportunities for people to discuss legislation that will pass. In my mind they are foolishly anxious to provide opportunities for us all to debate bills that will not pass.

Towards the end of the second-reading debate, as the dawn comes in on a family-friendly parliamentary atmosphere, honourable members are ready to face the new challenge of the committee stage.

I just hope government members understand that the more they interject the longer the committee stage is likely to be, and that the more they disrupt the process and indulge themselves in harassing those who are speaking — they cannot speak because they are not allowed to — the more absurd they make the outcome in this Parliament which they and the Independents

control in terms of the business, the process and the atmospherics.

It should be remembered that this government said it was going to be different. This government was not going to be like other governments. This government was going to be clear, open and accountable, and would manage the business of the house in a family-friendly and civilised way. We were to get to bed at a reasonable time, sit longer hours, sit more days, and have more relevant debates — that is, devoting hours and hours, perhaps weeks, debating bills that will not be passed. Why will they not be passed? Because the homework was never done, and because the Premier, like New Labor wherever it rears its head, is a smile without substance. He represents the ultimate in the production number. There is no substance, no program, and no reality behind the government.

The government is sulking, angry, and disappointed to find that here it is at this hour of the morning — and for the record I point out that it is 5.30 a.m., which is more a time for waking than a time for going to bed — discussing a bill that will not pass. Opposition members are anxious to catapult us into the committee stage on the amendments which we all know will not be passed, with the exception of the innocent honourable member for Gippsland East. He still has the faint hope that just maybe the government members might throw their numbers behind the amendments.

Mrs Maddigan interjected.

Mr MACLELLAN — Despite the close and warm embrace of the honourable member for Essendon from the benches normally occupied by the Independents, I can say that the chances of the government throwing its weight behind the amendments are not looking good. If the opposition has helped by giving the government further time to reflect on the matter and to give more serious consideration to the Independents' amendments, I can only say what a good job it has done. Last night there was just a flicker of the possibility of good sense. It has — —

The ACTING SPEAKER (Mr Nardella) — Order! The honourable member's time has expired.

Dr NAPHTHINE (Leader of the Opposition) — I rise to speak on the Constitution (Proportional Representation) Bill as the honourable member for Portland in particular to represent the views of my constituents on what I believe is a very important issue.

As the house understands from the debate, the bill proposes some significant changes to the Victorian constitution and to the Parliament itself. Any change to

our constitution and our Parliament which has served us well for many years, indeed for over a century, needs very careful consideration and earnest and considered community consultation. Any proposal to change the constitution and the Parliament should be raised with extreme caution.

On numerous occasions, when faced with issues concerning a change to the Australian constitution through the referendum process, the Australian people have been very reluctant to vote for a change because they are fundamentally conservative when it comes to proposed changes to the constitution. I believe the Victorian people have a similar trait and would be reluctant to change the constitution that has served our community well without adequate consideration, genuine community debate, and widespread support for the change.

Unfortunately the government has rushed this important process and has introduced poor and absolutely inadequate legislation. In seeking to reform the constitution of Victoria and the operation of the Victorian Parliament its members have been driven by the wrong motives — by base politics, pure political greed, and the need for personal political gain rather than acting in the best interests of the constituents they seek to serve — the people of Victoria.

With any consideration of a change to the constitution and to the parliamentary system there needs to be a genuine concern for our democracy that we hold very dear and can be proud of. When considering any changes to our constitution and to our Parliament we need to have at the forefront of our consideration our democratic institutions and the fundamental principles of democracy.

Our democracy and current system of having a Legislative Assembly of 88 members and a Legislative Council of 44 members provides for two things that are very important in a democratic Parliament — firstly, for effective representation; and secondly, for an effective form of state government. The current system provides for both effective representation and effective government.

Last November the Labor government rushed into this house a poorly planned bill which proposed changes to our constitution and our Parliament. The government was then forced to withdraw the bill because it found that it had no support from the Liberal Party, no support from the National Party, no support from the Independents, no support from the media, no support from the broad community, and in the end — when it

was examined — no support from the Labor Party or the government itself.

It was forced to withdraw the bill. The government then decided on a different approach. Unfortunately, the approach it decided on was driven not by the interests of democracy or of getting a more effective parliamentary system but fundamentally by base politics. It was driven by political gains rather than a genuine interest in changes to the Victorian Parliament and constitution to provide a better and more effective system of democracy.

It is clear from the government's lack of contribution to the community debate on the issue that it is not genuinely interested in engaging the community in debate on the issue and it is not genuinely interested in trying to persuade the community that its proposed changes to Parliament, the democratic processes and the constitution are worth arguing about, pursuing or presenting a genuine case for.

Mr Acting Speaker, I advise you and the house that the Liberal Party has considered those issues very carefully. It has looked at the proposals put forward in light of what is in the best interests of the people of Victoria and of having an effective representative democracy in this state. I can advise you that the Liberal Party rejects the proposals and will vote against the bill both in this house and in the other house.

In arriving at that position one has to look at the operation of the Legislative Council as it is today compared to what its future operation would be following the proposed changes. It is worth noting, as many other speakers have noted, that the current system of electing representatives to the Legislative Council was introduced under the leadership of former Labor Premier John Cain. It is important to say clearly and distinctly that the current system is fair and democratic, and that it is based on the fundamental principle of one vote, one value and on independently drawn up electoral boundaries. It is also based on the principle of four lower house seats coming within the boundary of and making up an upper house electorate.

In fundamental democratic terms the upper house is based on exactly the same principles as the lower house — that is, independent electoral boundaries; one vote, one value; and a fair and democratic system. If people say that the upper house is undemocratic they must also say that the lower house is undemocratic. I totally reject that argument because it is fundamentally wrong.

The current system is fair. It does not favour one side of politics or the other. As with any democratic system it favours individual candidates and the parties that attract the most votes and is based on the one-vote, one-value system. It is democratic and fair and based on independently set electoral boundaries.

The make-up of the upper house reflects the considered views and democratically exercised votes of the electors who elect members to both chambers. The right of voters to vote differently in the lower house from the way they vote in the upper house must be respected. Anybody who suggests that that is not a right people understand and exercise freely is insulting the intelligence of Victorian voters. I do not share that view.

As the member for Portland in south-west Victoria I believe that under the current regime as established by former Labor Premier John Cain the upper house provides fair and effective representation for regional and rural Victorians. Currently eight — some would even argue nine — upper house seats are considered non-metropolitan or rural seats. It depends on one's definition of 'rural' and 'metropolitan'. I note that pages 144 and 145 of the interim handbook of the 54th Parliament contain maps of the upper house seats. Page 145 has a map headed 'Legislative Council electoral provinces (metropolitan)' and page 144 has a map showing the other provinces. Nine provinces are considered by the handbook to be in non-metropolitan areas.

Whether it is eight or nine provinces that are in regional and rural areas, the effect of having one vote, one value, in a preferential voting system is that members in the upper house live and have their offices in areas right across regional and rural Victoria in places such as Sale, Traralgon, Wodonga, Shepparton, Mildura, Bendigo, Ballarat, Hamilton, Healesville, Mansfield, Geelong, Wonthaggi and a number of other places across the state.

Ms Beattie interjected.

Dr NAPHTHINE — As the interjection implies, it covers the length and breadth of Victoria. That is one of the great assets of the current upper house system in Victoria — members live and have their offices in places across the length and breadth of Victoria.

The bill proposes to reduce the number of non-metropolitan seats to only three, but that description is not a true representation of the proposal before the house because those three seats are not

guaranteed to be exclusively rural, regional or non-metropolitan.

Indeed, if 3 upper house rural seats were to be made up of 11 lower house seats each it would be absolutely impossible to draw the electoral boundaries without including representation of some significant metropolitan seats in those rural seats. The proposal would significantly reduce the effectiveness of regional and rural representation. As a member from country Victoria who is proud to represent a country electorate I am absolutely appalled that a government would propose legislation that would reduce regional and rural representation in the Legislative Council of this Parliament. I reject it. It is wrong and bad for rural and regional Victoria. As I said, I am appalled and surprised that any government would bring it forward.

If there were 11 lower house seats in one upper house seat, as is proposed, those electorates would be enormous and difficult to service. The electorates would extend from Werribee to Casterton in western Victoria, from Berwick to Mallacoota in eastern Victoria, and from Craigieburn to Mildura in north and north-west Victoria. There would be seats that included significant outer metropolitan areas together with absolutely rural areas in western, northern and eastern Victoria.

Should the bill be passed there would be an absolute concentration of the elected representatives in the areas in and around metropolitan Melbourne. That is where they would reside and have their offices. Under the system proposed by the Labor Party members of the upper house would not be seen in important far-flung areas and places such as Hamilton, Mildura, Wodonga or Shepparton because they would be concentrated in and around metropolitan growth areas.

In western Victoria, for example, one electorate could include Geelong, Ballarat, Warrnambool, Hamilton and perhaps Horsham, and many other significant regional centres. That would make it very difficult for the members concerned to effectively represent the electorate and its components. For example, imagine if a council in the Ballarat area were seeking support from the local members of Parliament to attract a particular industry to the area. One of the major competitors for that industry might be the City of Greater Geelong or the City of Warrnambool. Because the same members would represent all the areas they would have divided loyalties and it would be difficult for them to effectively represent their areas. It would also be difficult for their constituents and communities to be effectively represented through the process.

In addition, there would be the terrible situation of the electorates being enormously large — probably from 100 000 to 200 000 square kilometres in area — and therefore very difficult to manage. The proposal put forward by the Labor government would effectively significantly reduce rural and regional representation. That would be wrong. It would not be in the interests of democratic processes in this state or of proper representation for all Victorians. I totally reject it.

The bill proposes a proportional representation system of election to the upper house of this Parliament. I have real concerns that that would significantly reduce the absolute effectiveness of our Parliament. I also have real concerns — and many others would share my view — that under proportional representation minority groups or individuals, particularly those with extreme positions, could hold the balance of power in this Parliament. We have already seen the concern that was raised in the Australian community when the balance of power in the Senate was held by either Senator Mal Colston or Senator Brian Harradine.

Under the proportional representation system proposed by the government the balance of power in Victoria could be held by a representative of One Nation, of the Nuclear Disarmament Party, of S11 or of an extremely racist group with connections to a fascist or Nazi party. That would be an absolute and utter disgrace. It would not provide for an effective Parliament or for the good operations of a government in this state. If the balance of power is held by a small minority it tends to frustrate effective government and distort the legislative outcomes and government processes. The experience right around the world where proportional representation is the system of election to parliaments is that minority groups are wielding absolutely disproportionate power. No Victorian would want to see that in this state.

I refer to some of the advantages in the current system under which the Legislative Council is an effective house of review. For example, between 1994 and 1998 more than 40 bills were amended and improved by the upper house. In 1992 the upper house introduced the Scrutiny of Acts and Regulations Committee, which is a vital committee of this Parliament. In 1987 the first Victorian Estimates Committee was introduced by the upper house of this Parliament.

The upper house has always been able to work with the government of the day, irrespective of the numbers in that place and whether it was during the Bolte, Cain or Kirner years. The upper house has had many opportunities to act as a house of review. Its procedures also enhance its role. It has a 30-day rule governing the

answering of questions on notice, unlimited time for adjournment debates and unlimited time for debates on motions. In addition, the gag or guillotine is not applied to the second-reading and committee stages of bills. All those are important features of a house of review.

Many of our community leaders have served in the upper house. A few of the names that spring to mind include former Premier Lindsay Thompson; former Prime Minister Sir Robert Menzies; the Treasurer, John Brumby; former Attorney-General Jim Kennan; former Premier Joan Kirner; and the Deputy Leader of the Opposition. All of them have made a significant contribution to the community.

The constitution and our parliamentary system have served and continue to serve Victorians well. They are well regarded by the Victorian community, and there is no need to change them. The opposition rejects the legislation, which is fatally flawed.

The SPEAKER — Order! I am of the opinion that the second reading of the bill requires to be passed by an absolute majority. As there are not 45 members present in the chamber I ask the Clerk to ring the bells.

Bells rung.

Members having assembled in chamber:

House divided on motion:

Ayes, 45

Allan, Ms	Kosky, Ms
Allen, Ms	Langdon, Mr (<i>Teller</i>)
Barker, Ms	Languiller, Mr
Batchelor, Mr	Leighton, Mr
Beattie, Ms (<i>Teller</i>)	Lenders, Mr
Bracks, Mr	Lim, Mr
Brumby, Mr	Lindell, Ms
Cameron, Mr	Loney, Mr
Campbell, Ms	Maddigan, Mrs
Carli, Mr	Maxfield, Mr
Davies, Ms	Mildenhall, Mr
Delahunty, Ms	Nardella, Mr
Duncan, Ms	Overington, Ms
Garbutt, Ms	Pandazopoulos, Mr
Gillett, Ms	Pike, Ms
Haermeyer, Mr	Robinson, Mr
Hamilton, Mr	Savage, Mr
Hardman, Mr	Seitz, Mr
Helper, Mr	Stensholt, Mr
Holding, Mr	Treize, Mr
Howard, Mr	Viney, Mr
Hulls, Mr	Wynne, Mr
Ingram, Mr	

Noes, 41

Asher, Ms	Maclellan, Mr
Ashley, Mr	Maughan, Mr
Baillieu, Mr	Mulder, Mr

Burke, Ms	Naphine, Dr
Clark, Mr	Paterson, Mr
Cooper, Mr	Perton, Mr
Dean, Dr	Peulich, Mrs
Delahunty, Mr (<i>Teller</i>)	Phillips, Mr
Dixon, Mr	Plowman, Mr
Doyle, Mr	Richardson, Mr
Elliott, Mrs	Rowe, Mr
Fyffe, Mrs	Ryan, Mr
Honeywood, Mr	Shardey, Mrs
Jasper, Mr	Smith, Mr (<i>Teller</i>)
Kilgour, Mr	Spry, Mr
Kotsiras, Mr	Steggall, Mr
Leigh, Mr	Thompson, Mr
Lupton, Mr	Vogels, Mr
McArthur, Mr	Wells, Mr
McCall, Ms	Wilson, Mr
McIntosh, Mr	

Motion agreed to by absolute majority.

Read second time.

Committed.

Committee

Clause 1 agreed to.

Clause 2

Mr INGRAM (Gippsland East) — I move:

1. Clause 2, line 10, omit “22” and insert “18”.

Dr DEAN (Berwick) — I was about to ask the honourable member for Gippsland East to explain the amendment. However, it appears to be a technical amendment that is needed because of the consequences of the honourable member’s further amendments being agreed to, in which case the government’s bill will have only 18 clauses rather than 22. This is a change the honourable member must make if he is to continue to move his other amendments.

Mr INGRAM (Gippsland East) — As the honourable member for Berwick has explained, the amendment alters the commencement clause. It changes the number of clauses because of the subsequent amendments I have foreshadowed.

Amendment agreed to; amended clause agreed to.

Clause 3

Dr DEAN (Berwick) — The previous amendment related to the situation whereby a political party can nominate a person to replace the member whose seat has been vacated. Amendment 3 refers to a register of parties. The previous amendment attempted to remove any capacity for a party to nominate a replacement so that the only way a by-election could occur would be

by countback. It is an interesting attempt to remove the grouping of candidates from the existing bill. It was my understanding that the member who is moving the amendment would allow the grouping of candidates. I ask the honourable member for Gippsland East whether in his view the amendment attempts to remove from the bill — —

The CHAIRMAN — Order! I point out to the honourable member for Berwick that the committee is dealing with clause 3, to which no amendment will be moved. The honourable member may be one clause ahead of himself.

Mr Plowman — On a point of order, the amendments have not been distributed. Is it not your duty, Madam Chairman, to ensure that the amendments are distributed before the debate commences?

The CHAIRMAN — Order! The amendments were circulated earlier in the day when the debate commenced.

Clause agreed to.

Clause 4

Mr INGRAM (Gippsland East) — I move:

2. Clause 4, page 3, line 16, omit “(1)”.
3. Clause 4, page 3, lines 18 to 28, omit these lines and insert —
“dissolution of the Assembly —
a) the”.
4. Clause 4, page 4, line 8, omit this line and insert —
“(b) if, on a recount under paragraph (a), the”.
5. Clause 4, page 4, line 25, omit “; (b) or (c)” and insert “or (b)”.
6. Clause 4, page 4, lines 28 to 34, omit sub-clause (2).

These amendments change the way vacancies are to be filled when a person either ceases being a member of the Legislative Council or dies. The amendments allow the filling of casual vacancies by countbacks. That is the system that will apply to the filling of casual vacancies regardless of whether the person who has ceased to be a member of the Council was elected as a member of a political party or as an Independent.

The reasons for moving the amendment are clear. Firstly, I have a fundamental view that no-one should become a member of Parliament unless he or she has faced the voters. In other words, before a party can put someone into a seat in the Council, that person should

have faced the voters. If a casual vacancy is filled by a person who is nominated by a political party, in essence that person could become a representative of the people without having faced the people.

Mr BRACKS (Premier) — The government would prefer to have the bill stand as it is, but it accepts the argument put by the member for Gippsland East that there is an alternative to filling vacancies with party choices, which was the original intention. That is the case in the Senate, on which the legislation is modelled, and it is also the case in New South Wales and South Australia. We are aware that vacancies are filled by countback in Western Australia, Tasmania and the Australian Capital Territory. If a member has died or is no longer able to continue in office, a countback is held to fill the position with the next preferred candidate. That is the system proposed by the member for Gippsland East.

While it is not our first approved option it is still a very workable option and it is one the government will accept. It does not at all detract from the bill. It is a method of filling a vacancy which is legitimate, which is in place in a number of states, which is workable, and which still reflects the choice at the ballot box at that time and considers the next preferred choice. So in this case, Madam Chair, the government accepts the amendment.

Dr DEAN (Berwick) — It is absolutely extraordinary to hear what the Premier has just said. In effect he has said, ‘We have gone to a great deal of trouble to bring in a bill which we believe is an appropriate way for the upper house to operate. Oh, by the way, we are now going to change one of the fundamental tenets of the legislation simply because the Independent member has decided to put that up’.

One would have to ask: why doesn't the government have the strength of its convictions and put to the committee what it knows it wants and let the committee decide? Had the government done that it would have had our support, so the bill would have left this chamber intact with that provision still there.

Honourable members interjecting.

Dr DEAN — You are very sensitive about this. I will go over the reasons why it is inappropriate to simply have a countback in such a situation. If a member of Parliament retires prior to a general election and has to be replaced and the legislation prevents you from having a by-election, you are left in the position of hoping to fill that vacancy with a person who is of the same political view or the same persuasion as the

person who has left. The most likely way of achieving that is to have the party from whom that person originated nominate another person of the same political view.

If you remove that provision and simply operate on a countback you are likely to end up with the reverse situation. If there is a contest between groups of people — say, the Greens and the Removal of Trees Party — on an issue such as the planting or chopping down of trees, one of those groups will win and the one that comes second will probably be of the opposite political persuasion. So with the countback system, which the government has now agreed to put in, you will probably get someone of the opposite political persuasion filling that spot. It is absolute nonsense.

This is a situation where the very basis of trying to fill a vacancy in a proportional representation situation requires the provision that the government had included in the bill and which it knew was correct. The government has made a complete fool of itself by removing it on the basis that an Independent wants to go down that path. The Independent wants to go that way for obvious reasons. I understand that and I accept them, because it suits the Independent. However, the government has also gone down that track. Had it had the courage to do what it should have done, it would have had the support of the opposition and the provision would have been intact. The opposition will vote against the bill in total, but at least the government would have been able to walk out of this place with its integrity intact.

However, the government has made a deal, which it did not have to do, with the Independents for entirely political reasons. That is what Victorians are seeing again and again. We have seen it with the Equal Opportunity (Gender Identity and Sexual Orientation) Bill and the Juries Bill and now we are seeing it with this bill. The government simply cannot stand up for its own convictions and put forward its own legislation without trying to do deals it does not have to do for political reasons.

Mr LENDERS (Dandenong North) — The honourable member for Berwick clearly does not understand the amendment that has been moved by the honourable member for Gippsland East to clause 4, nor has he listened to the Premier's comments. The government was committed to a number of provisions in the bill, and clause 4 which deals with proportional representation is one of them. There are different ways of filling casual vacancies. As the Premier said, two models are being used throughout the country. The preferred choice of the government was the Senate,

South Australian and New South Wales model, but we have accepted the amendment of the honourable member for Gippsland East to support the — —

The CHAIRMAN — Order! I advise honourable members that Channel 7 will be filming the chamber shortly.

Mr LENDERS — The government will support the amendment of the honourable member for Gippsland East that deals with the ACT, Tasmania and Western Australian model. It would be worth while for the honourable member for Berwick and other members opposite to understand what a countback involves. The concerns of the honourable member for Berwick would probably be legitimate concerns if political parties only ran sufficient candidates for positions they might win, but what the Liberal Party in Tasmania, the ACT and Western Australia does, and what the Labor Party does, is to run more than sufficient candidates.

Honourable members interjecting.

The CHAIRMAN — Order! We have several amendments to go this morning. I ask honourable members to cooperate with the Chair and ensure that they are dealt with in a reasonable and logical manner. That will only happen if honourable members are allowed to speak without constant interruption. I ask the committee to allow honourable members on their feet to be heard.

Mr LENDERS — In almost all circumstances a countback will involve the same party providing the replacement as has occurred in the three jurisdictions I mentioned — the Tasmanian Assembly, the ACT Assembly and the Western Australian Legislative Council. It is a common provision that was supported by the National Party in Western Australia and by the Liberal Party in Tasmania and in the ACT. It is easy to understand and it is the way countbacks are done. The amendment to clause 4 is sound and should be supported.

Mr COOPER (Mornington) — It was a valiant attempt by the honourable member for Dandenong North. I give him 10 out of 10 for trying to persuade the committee that this is really something the government is happy with. But the reality of what has been put to the committee by the honourable member for Berwick is the views and desires of the voters, not those of the government.

The views and desires of the voters are expressed in the votes they cast at elections. When they elect a member of, say, the ALP to represent them in the Legislative Council and for one reason or another that member has

to retire or needs to be replaced, surely the views of the voters at the election in which that member was elected should be taken into account. If the electorate voted for a member of the ALP and that person has to be replaced, the views of the voters should be respected and a member of the Labor Party should be nominated to fulfil the remainder of that term.

The point that the honourable member for Berwick has made is valid. If you have a contest and it ends up, as most of them do, with the remaining two people being a candidate for the Labor Party and a candidate for the Liberal Party, in the situation that is advanced by this amendment and now accepted by the government, that would mean that the Labor member of the Legislative Council who retired, died or had to be replaced for some other reason would have to be replaced by a member of the Liberal Party. That may well suit the Liberal Party — in fact it would — but the reality is that it would not reflect the views expressed by the electorate when the original member was elected. That is the point the honourable member for Berwick has put across and it needs to be taken into account. That was probably the reason why in framing the legislation the government incorporated in the bill the system that it did — that is, one that enables the views of the electorate to be reflected. That is the reason the government has included it.

What do we have now? The honourable member for Gippsland East comes in and moves an amendment that suits him — he probably believes it is a good amendment, and no doubt he does because he has moved it — and the Labor government falls over. It just rolls over like a puppy dog having its tummy tickled and says, 'That's okay, we are prepared to basically do anything. We will prostitute ourselves, simply so we do not have the Independents voting on one side of the Parliament and us on the other'. So long as it does not destroy the bill, this government is apparently prepared to accept whatever is going on. Underneath this is also the acceptance and knowledge by the government that eventually the bill in its entirety will be defeated in any case.

I find it quite amazing that the principle of the desires of the electorate is being cast aside in this amendment. The original political content of the decision by the electorate is ignored; the people who voted for the original member that needed to be replaced are told their views do not count. In the situation where, under this amendment, a Labor member of the Legislative Council is replaced by a member of the Liberal Party, how does one explain to the electors who elected the original Labor Party member that their views have been taken into account? The reality is that you cannot do so.

All you could do would be to go along and say, 'We wanted it to reflect your views, but when we were confronted with having the Independents vote against us in the house we decided that discretion was the better part of valour, so we just gave in. That is what we do — just roll over and give in'.

The government may not get the bill through Parliament, and it appears that it will not, but it would be nice for the government to at least have some sort of integrity.

Mr INGRAM (Gippsland East) — I remind opposition members that members of the parties would put up enough members, usually one or two more than they would expect to get elected at that election.

Honourable members interjecting.

Mr INGRAM — If the opposition parties do not have the depth to be able to put up enough good candidates in elections and if they cannot handle it, that is up to them.

Honourable members interjecting.

The CHAIRMAN — Order! Once again I seek the cooperation of honourable members in allowing this debate to continue in a seemly manner. I cannot hear the honourable member for Gippsland East because of the interjections from the opposition side. I ask honourable members to keep their voices at a level that enables the honourable member for Gippsland East to put his points to the committee.

Mr INGRAM — As I was saying, the parties would put up enough members, at least one or two more than they would expect to win at that election, so that on a countback the members that would be elected would be members of that party. The amendment gives all members in those elections an equal opportunity. It provides the same framework and restrictions for Independents, members of minor parties and members of the major parties.

Dr NAPTHINE (Leader of the Opposition) — I recognise the comments made by the honourable member for Gippsland East and understand fully his amendment and the implications of it. However, I reject it because it is not the best way to proceed. Clearly the best way to proceed under a proportional representation system is the way that was originally proposed by the government in its bill — the way it operates in the Australian Senate and the way that was outlined by the Premier. If a person from a political party retires prematurely or dies before the completion of his or her term the best way to proceed is to replace that person

with a nominee of the same political party. That is the way it operates in the Senate and that is the way proposed in the bill.

I understand what the honourable member for Gippsland East is proposing. I think it is wrong because it fundamentally runs the risk of an inadvertent outcome. I understand the issue he raises about having multiple members standing as on a Senate ticket, where the Labor Party and the Liberal Party may stand six or seven candidates respectively even though the likelihood is they will get only three or four elected. However, with a countback system there is no guarantee that the person who wins the countback will be of the same political persuasion as the person who retires or dies. There is therefore no guarantee the outcome will reflect the views of the electors as they cast their votes at the time of the election. Under a countback system they might elect a candidate from the Shooters Party, and if that candidate died in office after being elected they might end up with a candidate from a completely different political sector, such as the gun control lobby.

I understand the intent of the honourable member for Gippsland East. I understand exactly what he says. I also understand that in most cases a countback would throw up somebody of the same political persuasion. However, there are some cases where it will not. There are cases where it will throw up a candidate of a completely contrary political persuasion. For that reasons the amendment should be rejected. The house should adopt the system which the Premier and the Labor Party say is the best system and with which the opposition agrees.

Honourable members interjecting.

The CHAIRMAN — Order!

Dr NAPTHINE — Thank you for your assistance, Madam Chair. As I was saying — —

Dr Dean interjected.

The CHAIRMAN — Order! I ask the honourable member for Berwick to allow his leader to speak without constant interruption.

Dr NAPTHINE — In conclusion, the opposition agrees with the Premier. It agrees with the Labor Party that the only fair and responsible way to have a replacement process under a proportional representation system is the system outlined in the original bill and the system that operates in the Australian Senate.

Committee divided on amendments:

Ayes, 44

Allan, Ms	Ingram, Mr
Allen, Ms	Kosky, Ms
Barker, Ms	Langdon, Mr (<i>Teller</i>)
Batchelor, Mr	Languiller, Mr
Beattie, Ms	Leighton, Mr
Bracks, Mr	Lenders, Mr
Brumby, Mr	Lim, Mr
Cameron, Mr	Lindell, Ms
Campbell, Ms	Loney, Mr
Carli, Mr	Maxfield, Mr
Davies, Ms	Mildenhall, Mr
Delahunty, Ms	Nardella, Mr
Duncan, Ms	Overington, Ms
Garbutt, Ms	Pandazopoulos, Mr
Gillett, Ms	Pike, Ms
Haermeyer, Mr	Robinson, Mr
Hamilton, Mr	Savage, Mr
Hardman, Mr	Seitz, Mr
Helper, Mr	Stensholt, Mr
Holding, Mr (<i>Teller</i>)	Treize, Mr
Howard, Mr	Viney, Mr
Hulls, Mr	Wynne, Mr

Noes, 41

Asher, Ms	Maclellan, Mr
Ashley, Mr	Maughan, Mr (<i>Teller</i>)
Baillieu, Mr	Mulder, Mr
Burke, Ms	Naphine, Dr
Clark, Mr	Paterson, Mr
Cooper, Mr	Perton, Mr
Dean, Dr	Peulich, Mrs
Delahunty, Mr	Phillips, Mr
Dixon, Mr	Plowman, Mr
Doyle, Mr	Richardson, Mr
Elliott, Mrs	Rowe, Mr
Fyffe, Mrs	Ryan, Mr
Honeywood, Mr	Shardey, Mrs
Jasper, Mr	Smith, Mr (<i>Teller</i>)
Kilgour, Mr	Spry, Mr
Kotsiras, Mr	Steggall, Mr
Leigh, Mr	Thompson, Mr
Lupton, Mr	Vogels, Mr
McArthur, Mr	Wells, Mr
McCall, Ms	Wilson, Mr
McIntosh, Mr	

Amendments agreed to.

Amended clause agreed to; clause 5 agreed to.

Clause 6

Mr INGRAM (Gippsland East) — I move:

7. Clause 6, lines 18 to 27, omit sub-clause (1D).

The amendment is the first of a large number of amendments that basically set about removing the provision for above-the-line voting in the bill. One of the basic principles of a democratic system is that people elect their representatives. In my view a system in which people can vote for parties undermines that

principle. Supporters of above-the-line voting say that people vote for parties anyway by following the tickets, and that it does not matter if they tick a party box.

Independents cannot have above-the-line voting and cannot group together as can candidates of parties, and the amendment will provide equal opportunities for everyone. Because of the way the proposed provinces are to be drawn up there would be a reasonably small number of candidates — around 20 would be a fairly high number — and it would not be too difficult to go through and individually number those in the standard way we vote in normal elections.

Mr BRACKS (Premier) — The government opposes amendment no. 7 onwards. It opposes them for good and valid reasons. One is that above-the-line voting, which has now been well accepted for the Senate ballot paper, works to reduce informality. In fact, in percentage terms the number of Victorians voting informally for the Senate has gone down from double figures to about 4 per cent. It is important in our democracy and democratic system to ensure that a vote is valid and to maximise the potential of a valid vote.

I also state for the record that above-the-line voting is a choice. It is not as if it is a mandatory requirement that a voter must vote for a party or a group which is otherwise not a party but which is still grouped above the line. It is a matter of choice.

Voters have the choice of marking ballot papers above the line, which is a party vote, or below the line, which is where they can fully fill out their ballot papers. Individual voters can choose the facility the honourable member for Gippsland East requires by filling their ballot papers out fully and not going above the line.

That system, which has worked well in the past, balances the need to reduce informal voting with the need to give voters the choice of filling out their preferences extensively. However, if they choose to vote for a party, they must realise that the party has already stipulated the preferential arrangements that will flow from their filling out their ballot papers above the line. Nevertheless, voters can make a conscious choice to do that.

It is interesting to note that, by choice, most voters vote above the line. At the last federal election 97 per cent of Victorians chose above-the-line voting. They have effectively voted to support the system under which the Senate is elected. That system reduces informal voting and allows for the exhaustive filling in of ballots. That proposal, when encompassed in compulsory voting,

reduces the chances of informal voting. It is a sensible way to go.

The government will support the intention of the bill and oppose the amendment.

Dr DEAN (Berwick) — It is difficult to know whether to start with the hypocrisy we have just heard from the Premier or the conflict of logic we have heard from the honourable member for Gippsland East.

It has just been said that although as a matter of convenience it was previously not necessary to have a group or party vote, and although it is much more convenient than having a countback, all of a sudden convenience is the go. The opposition also agrees that convenience is the go here, just as it agrees that convenience is the go in relation to party nominations and by-elections.

During the debate on the previous amendment we were told we should support it because if there are more members than are required within the group, that person will slip in and therefore there will be no problem with the countback because the party person will be there. The honourable member is now moving to abolish grouping, which means the basis of his argument in support of his first amendment is now completely shot. I suppose that is just one of the things that happen when you are involved in that sort of business!

The next matter is that the amendment refers to proposed new section 159(1C). Unfortunately, if you look at The Constitution Act Amendment Act you find there is no section 159(1C). It could be that the previous bill would insert section 159(1C), but even if that is so it has not yet been approved by the upper house — so we are amending an amendment that has not been agreed to.

I am happy for the government to sort this one out. Either way the constitutional lawyers will come into play because it appears to me to be another gross muck-up, which has been par for the course since the government came to office.

Committee divided on amendment:

Ayes, 3

Davies, Ms (*Teller*) Savage, Mr
Ingram, Mr (*Teller*)

Noes, 82

Allan, Ms Leighton, Mr
Allen, Ms Lenders, Mr
Asher, Ms Lim, Mr
Ashley, Mr Lindell, Ms
Baillieu, Mr Loney, Mr

Barker, Ms Lupton, Mr
Batchelor, Mr Maclellan, Mr
Beattie, Ms Maughan, Mr
Bracks, Mr Maxfield, Mr
Brumby, Mr McArthur, Mr
Burke, Ms McCall, Ms
Cameron, Mr McIntosh, Mr
Campbell, Ms Mildenhall, Mr
Carli, Mr Mulder, Mr
Clark, Mr Naphine, Dr
Cooper, Mr Nardella, Mr
Dean, Dr Overington, Ms
Delahunty, Mr Pandazopoulos, Mr
Delahunty, Ms Paterson, Mr
Dixon, Mr Perton, Mr
Doyle, Mr Peulich, Mrs
Duncan, Ms Phillips, Mr
Elliott, Mrs Pike, Ms
Fyffe, Mrs Plowman, Mr
Garbutt, Ms Richardson, Mr
Gillett, Ms Robinson, Mr
Haermeyer, Mr Rowe, Mr
Hamilton, Mr Ryan, Mr
Hardman, Mr Seitz, Mr
Helper, Mr Shardey, Mrs
Holding, Mr Smith, Mr (*Teller*)
Honeywood, Mr Spry, Mr
Howard, Mr Steggall, Mr
Hulls, Mr Stensholt, Mr
Jasper, Mr Thompson, Mr
Kilgour, Mr Trezise, Mr
Kosky, Ms Viney, Mr
Kotsiras, Mr Vogels, Mr
Langdon, Mr (*Teller*) Wells, Mr
Languiller, Mr Wilson, Mr
Leigh, Mr Wynne, Mr

Amendment negatived.

Clause agreed to.

The CHAIRMAN — Order! As amendment 7 has been lost, amendments 8 to 33 are consequential and, therefore, cannot be put. Honourable members can speak on those clauses if they wish.

Clauses 7 to 22 agreed to.

New clauses

Mr INGRAM (Gippsland East) — New clause B in amendment 34 has surprised me. After going through the bill and the act, it appears the original act contained incorrect wording. Parliamentary counsel seem to have snuck this one in on me.

Dr DEAN (Berwick) — To pick up on what the honourable member has just said, certainly new clause A in amendment 34 is meant to be clause 9A dealing with ballot papers. The Constitution Act Amendment Act needs a new clause inserted and the words ‘a general election’ substituted for ‘any’. That

new clause needs to be inserted so the amendments can be framed in the way the honourable member wants.

In relation to new clause B, I am aware that in looking through The Constitution Act Amendment Act the parliamentary draftsman decided there was a technical problem with one of the sections. At present section 165C has the words 'if a person', then 'has been endorsed as a candidate in an election', and 'if a person a request has been'. It does not make sense. The only way to make sense is get rid of 'a person', so it would read 'if a person has been endorsed as a candidate and if a request has been made'.

In simple language, the parliamentary draftsman has seen an opportunity through the honourable member to fix The Constitution Act Amendment Act. It is a bit hard on the honourable member, because that is not what he asked for. New clause A achieves what the member wants, but new clause B could not possibly be accepted because it has nothing to do with his amendments. It would be helpful if he could move the new clauses separately rather than as the same amendment.

The CHAIRMAN — Order! The committee will treat the amendment as new clauses A and B.

Mr LENDERS (Dandenong North) — New clause A is not clear, as the honourable member for Berwick says. It should be supported, but the problem with new clause A is that, assuming it is adopted by the committee it would amend the constitution, and in such an unusual circumstance the Court of Disputed Returns would not allow a ballot for one of the provinces. The new clause would remove the provision for a by-election in those cases.

That is not such an unusual circumstance. It occurred in Tasmania in the Denison re-election in the 1980s where the entire election was struck out. It is something the draftsman did not foresee, so for those reasons, while it is not a major point, if one of the eight provinces was forced to a full re-election new clause A would preclude that, and therefore it should not be supported.

Dr DEAN (Berwick) — It is not my task to try to sort out a problem in relation to whether the Independent needs new clause A or not. I do not want to get into an argument as to who is right and who is wrong, but I do not want the honourable member for Gippsland East to be in a position where he thinks he does not need this amendment; he certainly does. It deals with ballot papers and the term 'general election' was amended in the previous act to include both the Council and the Assembly. The new clause effectively

means the ballot paper will be the same for a general election in relation to the upper house and the lower house, which is what the honourable member wants. He basically wants the same process. He wants to get rid of schedule 10 and just have schedule 9.

It is my view that if new clause A is not included he will be caught still with schedule 10 and there will be a situation where just the Assembly ballot paper is the paper referred to. The honourable member for Gippsland East does not want that. I do not know what to do because it is pretty hard to get legal advice at this time, but he should at least know that he needs new clause A to achieve appropriately his aim.

Mr LENDERS (Dandenong North) — As I suggested earlier, perhaps the solution to this is that it be dealt with as suggested by the shadow Attorney-General. Given the great wisdom we expect from the upper house in considering amendments when bills are between here and the other place, in the cold, hard light of day we can sort out the issue.

The CHAIRMAN — Order! Due to some confusion about the legal circumstances of the new clause it has been suggested that I report progress to the house and that we resume in committee at a later stage.

Dr DEAN (Berwick) — The situation is not complicated at all; I am sorry if it sounds so. The only thing that is important is that the honourable member for Gippsland East puts the right new clause — in other words, he has put it that he wants new clause A to be passed but that he does not want to move new clause B.

The honourable member can move new clause A and the committee will vote on it. It is my understanding that both sides will vote against it. It is important to ensure that what is moved is correct, and I am helping him, I hope, to move the correct new clause. He is proposing new clause A; he is not proposing new clause B. The committee will vote against new clause A.

Mr INGRAM (Gippsland East) — I move:

'A. Ballot-paper

In section 165(1) of **The Constitution Act Amendment Act 1958** for "any" substitute "a general election".

New clause negatived.

Reported to house with amendments.

Report adopted.

*Third reading***ADJOURNMENT****House divided on motion:****Mr BATCHELOR (Minister for Transport) — I
move:***Ayes, 45*

That the house do now adjourn.

Allan, Ms	Kosky, Ms
Allen, Ms	Langdon, Mr (<i>Teller</i>)
Barker, Ms	Languiller, Mr
Batchelor, Mr	Leighton, Mr
Beattie, Ms (<i>Teller</i>)	Lenders, Mr
Bracks, Mr	Lim, Mr
Brumby, Mr	Lindell, Ms
Cameron, Mr	Loney, Mr
Campbell, Ms	Maddigan, Mrs
Carli, Mr	Maxfield, Mr
Davies, Ms	Mildenhall, Mr
Delahunty, Ms	Nardella, Mr
Duncan, Ms	Overington, Ms
Garbutt, Ms	Pandazopoulos, Mr
Gillett, Ms	Pike, Ms
Haermeyer, Mr	Robinson, Mr
Hamilton, Mr	Savage, Mr
Hardman, Mr	Seitz, Mr
Helper, Mr	Stensholt, Mr
Holding, Mr	Trezise, Mr
Howard, Mr	Viney, Mr
Hulls, Mr	Wynne, Mr
Ingram, Mr	

Motion agreed to.**House adjourned 7.25 a.m. (Thursday).***Noes, 41*

Asher, Ms	Maclellan, Mr
Ashley, Mr	Maughan, Mr
Baillieu, Mr	Mulder, Mr
Burke, Ms	Napthine, Dr
Clark, Mr	Paterson, Mr
Cooper, Mr	Perton, Mr
Dean, Dr	Peulich, Mrs
Delahunty, Mr (<i>Teller</i>)	Phillips, Mr
Dixon, Mr	Plowman, Mr
Doyle, Mr	Richardson, Mr
Elliott, Mrs	Rowe, Mr
Fyffe, Mrs	Ryan, Mr
Honeywood, Mr	Shardey, Mrs
Jasper, Mr	Smith, Mr (<i>Teller</i>)
Kilgour, Mr	Spry, Mr
Kotsiras, Mr	Steggall, Mr
Leigh, Mr	Thompson, Mr
Lupton, Mr	Vogels, Mr
McArthur, Mr	Wells, Mr
McCall, Ms	Wilson, Mr
McIntosh, Mr	

Motion agreed to by absolute majority.**Read third time.***Remaining stages***Passed remaining stages.****Remaining business postponed on motion of
Mr BATCHELOR (Minister for Transport).**

