PARLIAMENT OF VICTORIA

PARLIAMENTARY DEBATES (HANSARD)

LEGISLATIVE ASSEMBLY

FIFTY-FOURTH PARLIAMENT

FIRST SESSION

31 October 2000

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FIFTY-FOURTH PARLIAMENT — FIRST SESSION

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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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TUESDAY, 31 OCTOBER 2000

Tuesday, 31 October 2000

The SPEAKER (Hon. Alex Andrianopoulos) took the chair at 2.06 p.m. and read the prayer.

QUESTIONS WITHOUT NOTICE

Industrial relations: reforms

Dr NAPTHINE (Leader of the Opposition) — I refer the Premier to Email's decision yesterday to shed 650 jobs from Victoria and further to Labor's plan to reintroduce a state industrial relations system that the Victorian Employers Chamber of Commerce and Industry confirms will cost 22 000 jobs in this state.

Honourable members interjecting.

The SPEAKER — Order! I ask the house to come to order. The Leader of the Opposition is entitled to ask his question.

Dr NAPTHINE — Is it a fact that the Premier received written advice from the Department of Premier and Cabinet that recommended against proceeding with the legislation?

Mr BRACKS (Premier) — Firstly, can I say on behalf of the Victorian government how devastating the decision of Email is for the 550 to 600 men and women workers and their families. While the current owner of the company will not revisit that decision, we are hopeful that in any subsequent takeover — and the company is subject to takeover bids — whether by Smorgon or Electrolux, we will have negotiations with those companies. My understanding is that the scale-down will be over a 15-month period.

Clearly, honourable members on this side of the house will do everything possible to retain those jobs in Victoria. That is in contrast to the former government, which was warned — —

Honourable members interjecting.

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

Mr BRACKS — The former government and the former Premier were warned about this some 18 months ago.

Honourable members interjecting.

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

Mr BRACKS — At the weekend, when the Minister for Manufacturing Industry was having discussions, he was informed by the chief executive officer of the company that the former Premier had been warned about the situation some 18 months ago.

Opposition members interjecting.

The SPEAKER — Order! The honourable member for Bentleigh!

Mr BRACKS — When the Kennett government was in power three Email factories closed — under its watch; during its term of government. I refer in particular — —

Opposition members interjecting.

The SPEAKER — Order! The honourable member for Monbulk!

Mr BRACKS — The question has to be asked: where were the Leader of the Opposition and Mr Birrell when Email at Mount Waverley was closed? They certainly were not involved then!

Where was the opposition when the Lovelock Luke factory at Mitcham — part of the Email group — was closed? Where were the opposition when the Dorf factory was closed?

Opposition members interjecting.

The SPEAKER — Order! The honourable member for Wantirna!

Mr BRACKS — That happened in March last year, my first week as opposition leader in this place, and the issue at that time was the closure of the Dorf factory in Oakleigh — one member of the Email group. The previous government had no plans for manufacturing in this state.

Let me illustrate that case. Under the previous government — —

Dr Napthine — I raise a point of order on the question of relevance, Mr Speaker. My question was whether the Premier had received written advice from his own department recommending against proceeding with state industrial relations legislation. I suggest that his remarks have not been relevant to the question since he stood up. I ask you to bring him back to the question.

The SPEAKER — Order! I do not uphold the point of order raised by the Leader of the Opposition. The Chair has stated repeatedly that it is not in a position to direct a minister how to answer a question.

I am of the opinion that the remarks of the Premier in answering the question were relevant, and I will continue to hear him.

Mr BRACKS — One simple fact illustrates the lack of commitment on the other side of the house to manufacturing. In the past four financial years, when these opposition members were part of the former government, there was a net loss of 15 200 manufacturing jobs in Victoria. In the first seven months of this government 20 000 additional jobs have been created in Victoria.

Honourable members interjecting.

The SPEAKER — Order! I will not allow question time to proceed when interjections of that level are a constant occurrence. I ask members on both sides of the chamber to listen to the Premier's answer in silence.

Mr BRACKS — I give a further illustration: between October 1999, when the ALP took office, and July 2000, the government has facilitated new investment projects with a total value of $1.2 billion that are expected to produce 6300 new jobs in Victoria. The record is clear.

I am disappointed in the decision of Email to move and consolidate its operations. However, the government will not stop at that. We will seek to ensure that discussions are held with any successor in order to retain those jobs in Victoria. For the first time ever in the state there is an audit of manufacturing industry, for this very reason.

Dr Napthine — Once again, Mr Speaker, I raise a point of order on the issue of relevance. The question was whether the Premier had received written advice from his own department advising against the reintroduction of state industrial relations laws. He should table that advice or, at least, answer the question.

The SPEAKER — Order! I will not allow the Leader of the Opposition to take a point of order and then proceed to ask his question again.

I am of the opinion that the Premier is not being succinct, even allowing for interruptions, and I ask him to conclude his answer.

Mr BRACKS — In conclusion, I repeat that the government will do everything possible to ensure that the decision by Email is reversed and that the jobs are kept in Victoria.

The government is doing everything possible to ensure a greater number of manufacturing jobs in Victoria. To one of the many questions asked of me by the Leader of the Opposition could I answer this way: he shows his lack of knowledge of the industrial relations system in referring to the effect on Email of the industrial relations laws that we are planning to introduce. Email operates under a federal system so it is not affected by the Victorian legislation, for goodness' sake!

Snowy River

Mr STEGGALL (Swan Hill) — My question is to the Premier, and I seek clarification of the government's position on the provision of water for the Snowy River from the Goulburn–Murray system. It is clear from the Premier's remarks in this house and elsewhere that Victoria is providing 50 per cent of the agreed funding, despite being entitled to only 25 per cent of the water allocation from the Snowy River scheme. Is it therefore correct to draw the conclusion that Victoria will also be providing 50 per cent of the water required?

The SPEAKER — Order! I am of the view that the question is seeking an opinion from the Premier. I ask the Deputy Leader of the National Party to rephrase his question.

Mr STEGGALL — I seek clarification of the government's position on the provision of water for the Snowy River from the Goulburn–Murray system. It is clear from the remarks of the Premier in this house and elsewhere that Victoria is providing 50 per cent of the agreed funding despite being entitled to only 25 per cent of the water allocation from the scheme. Is it a fact that Victoria is intending to provide 50 per cent of the water for the scheme?

Mr BRACKS (Premier) — The answer is simple: the majority of the water will come from New South Wales. I issue a challenge to the coalition parties: Victoria will reach 28 per cent of the flow of the Snowy sooner if you can persuade your colleagues to commit at a federal level.

The SPEAKER — Order! I ask the Premier to address his remarks through the Chair.

Mr BRACKS — The answer is no.

Schools: e-learning strategy

Mr NARDELLA (Melton) — Will the Minister for Education inform the house of details of the government's new e-learning strategy, particularly a

fairer funding formula so that all Victorian students will have access to computers in schools?

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

Skill in learning technologies is now a prerequisite for secondary and tertiary students, and it is rapidly becoming a prerequisite for primary students and the entire community. Recently the Premier announced the formation of an innovations commission to advise the government on the development of the state's e-learning strategy. The focus of the council will be on information and communication technologies (ICT) to enhance the work of teachers and students in and beyond the classroom. It will be a forum for new ideas that will recognise and share cutting-edge initiatives taken by individual schools and groups in ICT to enable more flexible approaches to schooling that are appropriate to a knowledge-based society.

As honourable members will be aware, the Bracks government has taken positive steps to help Victorian schools respond to the demands of the knowledge environment. It has already provided teachers with notebook computers and has provided schools with software, curriculum content, support materials and technical support for ICT. However, more needs to be done if all students, wherever they attend school, are to benefit from the new technologies. Possibilities now exist for curriculum creativity so that students may share in the work not only in their schools but beyond the school gate.

The Bracks government understands that a great capacity for learning exists beyond the classroom and I am delighted to announce today that it has scrapped the former government's cruel computer-funding formula. As honourable members opposite will recall — —

Mr Perton interjected.

The SPEAKER — Order! The honourable member for Doncaster should cease interjecting.

Honourable members interjecting.

The SPEAKER — Order! The house should come to order. For the final time I call on the honourable member for Doncaster to cease interjecting.

Ms DELAHUNTY — As honourable members will recall, particularly those from the National Party, there has been a growing digital divide. Under the former government's flawed computer-funding formula some students did not have access to computers. Why was that? The reason was that the funding formula was cruel, flawed and unfair.

Honourable members interjecting.

Ms DELAHUNTY — It hits a sensitive nerve across the table. Under the former funding formula schools were required to raise $3 to receive a government subsidy of $1 for computers, which meant that although Victorian schools in some areas had the capacity through fundraising to raise substantial funds for computers, the opportunities for schools without that capacity were limited.

Mrs Peulich interjected.

The SPEAKER — Order! The honourable member for Bentleigh.

Ms DELAHUNTY — Honourable members of the then opposition were not the only people who complained about the unfair formula. The Auditor-General also complained. The shadow Minister for Education will recall the Auditor-General's note in May 1999, which commented on the growing disparity between the number of schools that did not have access to computers compared to the number that did. He said:

> Many schools in disadvantaged socioeconomic circumstances have limited capacity to raise funds from local sources and may be unable to maximise the benefit of the subsidy.

He was referring to the miserly, miserable $1 subsidy. The Auditor-General went on to say:

> By way of contrast, schools in regions which have significant local resources and are able to maximise community contributions will benefit substantially.

What we saw under the former government's miserable computer-funding formula was that — —

Mr Perton — On a point of order, Mr Speaker, your guidelines call on ministers to be succinct, and a guideline of 5 minutes has been set in place. The Minister for Education is engaging in unspeakable rubbish — —

Honourable members interjecting.

The SPEAKER — Order! If the honourable member for Doncaster proceeds down that track, he runs the risk of his point of order not being upheld. I counsel him that he must not take a point of order to make a point in the debate. I am of the opinion that the minister needs to be succinct, and I ask her to conclude her answer.

Ms DELAHUNTY — We know of the unspeakable rubbish that parents had to go through under the last government to raise money for computers. They had to run lamington drives, organise sausage sizzles and hold raffles. That is all over now. The government will fund schools according to need, not according to the ability of the parents to run sausage sizzles. There will be no winners or losers when it comes to school computers under this government, which wants high standards and high levels of opportunity.

Email: relocation

Dr NAPTHINE (Leader of the Opposition) — I refer the Premier to comments by the Minister for Manufacturing Industry that the Labor government had committed $18 000 to guarantee Email's operations in Melbourne. Further, I refer the Premier to an advertisement in Saturday's *Age* about establishing a strategic communications unit within the department responsible for manufacturing, which will pay at least $160 000 for two staff to be employed in that unit. Can the Premier tell the house why the government's obsession with spin is worth nine times more than it is prepared to commit to save 650 jobs in Victoria?

Mr BRACKS (Premier) — It would be great to have an original idea instead of one borrowed from the United Kingdom, because that is what the Leader of the Opposition is doing. First of all, one should always examine the question, and the question was wrong. The Minister for Manufacturing Industry did not say that. He talked about $18 000, which was to provide support for the further enhancement of jobs and opportunities for Email, not for retention.

Dr Napthine interjected.

Mr BRACKS — In response to the Leader of the Opposition's interjection, yes, the government is disappointed that it was not informed, as the former Premier, Mr Kennett, was informed, of the impending closure of Email. That would have had a material impact on those grants. The resources were put in as they always are — on the basis of expansion and more jobs for Victoria, not as the opposition purports. The only group that was told about potential problems at Email was the members on the other side of the house — and they did absolutely nothing about it!

Manufacturing: government policies

Mr CARLI (Coburg) — I refer the Minister for Manufacturing Industry to the government's commitment to boost manufacturing industry in Victoria.

Mr Leigh interjected.

The SPEAKER — Order! The honourable member for Mordialloc has been warned a number of times; I ask him to cease interjecting. The honourable member for Coburg, completing his question.

Mr CARLI — Will the Minister for Manufacturing Industry inform the house of the investment and new jobs created in the past year alone in this important industry?

Mrs Peulich interjected.

The SPEAKER — Order! I have warned the honourable member for Bentleigh a number of times; I shall not do so again.

Mr HULLS (Minister for Manufacturing Industry) — You can either cry crocodile tears about manufacturing or you can be fair dinkum about it. The Bracks government has a long-term vision for manufacturing in this state. The government has established an Office of Manufacturing within the Department of State and Regional Development and has commenced a series of industry audits. It will shortly embark on some strategic industry plans. The government is also working closely with industry to begin turning around an outdated view of manufacturing.

The view of manufacturing in this state is that of an outdated, dirty, smokestack industry without a future. That is not the view of the government. It believes that the innovation and expertise that exists in manufacturing in this state is as good as it is anywhere else in the world. The government wants to change the current image of manufacturing. It cannot be changed overnight, but the government has to start to turn it around.

The facts with regard to manufacturing are as follows. As the Premier said, the number of people employed in manufacturing in the past 12 months has increased by 20 000. The number of people employed in the manufacturing industry in the last 12 months of the Kennett government declined by 15 200. Further, in the year to March the value of factory construction in Victoria increased by more than 7 per cent compared with the same figure to March last year.

I turn to exports. If you do not innovate and export manufacturing you die; it is as simple as that. Manufacturing exports have grown by $1.3 billion to a record high of $7.3 billion, including growth in automotive exports from $1.5 to $2.1 billion.

Honourable members interjecting.

Mr HULLS — Obviously opposition members do not think that is good news, but the government believes it is good news for manufacturing in Victoria. The Bracks government has made an active contribution to that growth by directly facilitating through the Department of State and Regional Development more than $730 million in new investment and more than 3800 new jobs in manufacturing in the past 12 months.

There are still hurdles to overcome, and image is the big problem. The government has embarked on a strategy that starts on Friday, when Manufacturing Week will be kicked off in Geelong. As part of Manufacturing Week the government will be trying to convince people that manufacturing is part of the new economy. We have all heard about the new economy, but people need to understand that in many cases it is manufacturing that is drawing on and driving the development of new technology and business-to-business e-commerce systems in the new economy. People also need to understand that manufacturing industry designs and makes the hardware for the new economy. Manufacturing means long-term, sustainable jobs for young people.

I conclude by saying that you can take one of two views about manufacturing: you can take the negative view or the positive view. It is similar to the situation of two salespersons arriving in India to sell shoes. One of them says, 'You have no chance of selling shoes here — no-one is wearing shoes'. The other person says, 'I am going to make a fortune here — no-one is wearing shoes'.

You can take either the positive or the negative view, and the government takes the positive view. Manufacturing has a long-term future — —

Honourable members interjecting.

The SPEAKER — Order! I warn the honourable member for Bentleigh.

Mr HULLS — People can be part of the vision for manufacturing in Victoria, by ensuring that the state's critical mass is maintained and that manufacturing grows, or they can choose not to be a part of that vision and go to other states that have no vision and no long-term future in manufacturing — states like South Australia.

Business: government incentives

Ms DAVIES (Gippsland West) — I direct a question to the Treasurer concerning the use of public moneys to assist and encourage private industry. How does this government intend to avoid the trap that caught former Liberal and Labor governments of either being seen to play favourites with the companies it assists or trying and failing to pick winners?

Honourable members interjecting.

Mr BRUMBY (Treasurer) — The opposition is a bit excited today. The question that honourable members from both sides of the house want answered is why the Leader of the Opposition was ploughing through the positions vacant section of Saturday's *Age*.

Honourable members interjecting.

The SPEAKER — Order! I ask the Treasurer to come back to answering the question.

Mr BRUMBY — The question asked by the honourable member for Gippsland West is important. The Bracks government employs a range of strategies to attract investment to Victoria.

Firstly, the government creates the right environment for business investment in Victoria. It does that in a number of ways: by creating world-class infrastructure in Victoria — which Victoria now has with the curfew-free airport and a great rail, road and port system — and through government programs such as the private–public partnerships programs, through which the government is investing more than $1 billion in new infrastructure over the next few years to create leading-edge and world-class infrastructure.

Secondly, the government has created the best skills environment in Australia.

An honourable member interjected.

Mr BRUMBY — I am answering the question, which is what the government is doing to attract business investment to Victoria.

Ms Asher interjected.

Mr BRUMBY — The Deputy Leader of the Opposition says that by talking about infrastructure and skills I am wide of the mark. I suggest that the Deputy Leader of the Opposition gets out and talks to a few businesses. If she does she will realise that the two most important factors in attracting investment to Victoria are the quality of skills and the education system, and

the quality of infrastructure in place in Victoria. The government is committed to creating that environment.

The third important measure is to provide a competitive taxation environment. The government has promised $100 million of tax cuts from July next financial year and $400 million of tax cuts over the next three financial years.

The fourth important ingredient is the government's investment facilitation programs. I stress for the information of the honourable member for Gippsland West that the Bracks government, like the former Kennett government, applies a system of grants to industries or particular firms. The government does not provide either loan or equity finance. So a sensible system of investment facilitation is in place in Victoria. The annual report tabled today shows that over the past 12 months $1.67 billion in new investment came to Victoria, compared with the $1.5 billion in new investment that came to Victoria in the last financial year of the previous Kennett government.

The final thing the government is doing to create the right environment for business investment in Victoria is fostering and supporting the new economy. As honourable members are aware, Victoria has more online services than any other state in Australia. The government provides services in e-commerce, e-purchasing and biotechnology such as Bio 21, and through providing government services online. Under the Bracks government, Victoria is leading Australia in the new economy.

Put together world-class infrastructure, world-class skills, a competitive taxation environment, a business attraction program based around grants, not loans or equity and, finally, strong support for the new economy and what you get is a package of measures that in the past six months have given Victoria the fastest rate of job growth in its history. The economy has clocked up more than 2.5 percentage points of job growth in the past six months, well above the average of that enjoyed under the last full 12-month period of the former Kennett government. More than the former Kennett government, the government is winning in attracting investment, winning in attracting jobs and winning in terms of the commentary through magazines such as the *Economist* and *Fortune*, which picked Melbourne and Victoria as the places to invest in Australia in this century.

Email: relocation

Dr NAPTHINE (Leader of the Opposition) — I refer the Premier to reports that the government has blamed Email, the previous government and now the South Australian government for the demise of Email's Melbourne operations and I ask: when is the government going to stop blaming other people and accept that its refusal to lower rates and business taxes and its massive Workcover premiums is costing jobs in Victoria?

Mr BRACKS (Premier) — I am not sure what commentary the Leader of the Opposition is getting his information from — —

Dr Napthine interjected.

Mr BRACKS — Is that right? Maybe he should be listening to the company itself, which is reported in today's *Age* as having said that the Kennett government did nothing 18 months ago when representatives of the South Australian government went to Sydney to ensure the Adelaide plant was not in jeopardy. Maybe he should — —

Honourable members interjecting.

The SPEAKER — Order! I warn the honourable member for Mordialloc!

Mr BRACKS — I do not remember the company saying in the past two days that the situation had anything to do with Workcover or business taxes. If the Leader of the Opposition had been attentive he would have noted that the company was saying it was consolidating on one site. It was landlocked in Brunswick and has consolidated by reducing its work force overall. According to the company, the opportunity to change that situation occurred 18 months ago when, as reported on the front page of the *Age* today, the previous Premier was informed. One must ask the question, 'What was the opposition's position on manufacturing when it was in government?' It was absolutely nowhere. It had no interest at all. As the Minister for Manufacturing Industry said — —

Honourable members interjecting.

Mr BRACKS — The difference between the sides is fundamental. The government cares about jobs and manufacturing, the opposition does not. This is feigned concern. The opposition sees this as a political issue. The government sees it as a fundamental issue for the economy. All the Leader of the Opposition can see is a life raft to save his own position. It is not that. It is more important. It is a matter of people's jobs.

Hospitals: autopsies

Mr SEITZ (Keilor) — I ask the Minister for Health: what is the government's response to the allegation that fully informed consent may not have been obtained by Victorian hospitals before organs were removed from deceased patients?

Mr THWAITES (Minister for Health) — Concerns have been raised both overseas and in Australia relating to the retention, use and disposal of tissue and body parts during autopsies. The particular issue is whether informed consent for those procedures has been given by parents and next of kin. The practice appears to have been adopted in some hospitals that when an autopsy has been carried out body parts have been removed and the body has been buried without all the parts, but the next of kin have not been fully informed.

The government believes families have a right to be fully informed before they give consent to an autopsy. The government is investigating the practices of all hospitals to ensure that fully informed consent in such cases is given. Letters are being sent to all hospitals requesting details of the practice and pointing out that it is appropriate that next of kin be advised about consent for retention and detailed examination of tissues and organs, the specified length of retention and the preferred method of disposal. Advice is also being sought from the college of pathologists to ensure that their professional guidelines are consistent with modern views on informed consent.

I am also supporting my colleague the New South Wales Minister for Health in seeking a national approach and guidelines to this very important issue.

Email: relocation

Ms ASHER (Brighton) — I refer the Premier to the 650 jobs heading west and to the government's $18 000 attempt to keep Email and its jobs in Melbourne. I ask him to advise the house how much money was spent producing the glossy brochure distributed with today's *Age* that puts the government's spin on Victoria's manufacturing industry on the same day as 650 Victorian jobs are lost to Adelaide.

Mr BRACKS (Premier) — There are two things involved here. The first is that the Deputy Leader of the Opposition has repeated the mistake made by the Leader of the Opposition about the grant, and it shows how lazy the opposition is in its question drafting.

Secondly, I assume that behind the question is the assumption that somehow the government should not support Manufacturing Week in Victoria. As the Minister for Manufacturing Industry has outlined, the government clearly supports and backs manufacturing. In conjunction with the Australian Industry Group and others the government is conducting Manufacturing Week. Manufacturing plays an important part in the new economy, and Manufacturing Week will help promote the image of manufacturing to one of a modern, forward and outward-looking globally orientated industry. The government is right behind that campaign and behind Manufacturing Week.

The implication behind the question of the Deputy Leader of the Opposition is that she does not support Manufacturing Week. Let that be on her own head!

Paralympic Games: athletes

Ms LINDELL (Carrum) — I refer the Minister for Community Services to the highly successful Paralympic Games in Sydney and ask what action the government has taken to recognise the achievements of Victorian athletes who took part in the games.

Ms CAMPBELL (Minister for Community Services) — I thank the honourable member for Carrum for her interest in the subject and in particular her interest in a Paralympian from her electorate, Tim Sullivan.

Today Victorians acclaimed their Paralympians at a street parade and reception organised by the City of Melbourne. Representatives of the state government took part in the wonderful lunchtime celebrations and, on behalf of Victorians, presented etched glass medals to three representative athletes to say thank you, congratulations and well done!

Whether at the opening or closing ceremonies or the various events held during the Paralympics, Australians got behind the Paralympians as spectators while the athletes engaged in winning medals and representing their country. Today the government also congratulated the coaches, officials, families and friends who enabled Victoria's Paralympic athletes to head to Sydney to represent their country.

I place on record on behalf of not only the government but the entire Parliament our congratulations to the Australian athletes who won an outstanding total of 149 medals, 63 of which were gold. As a special token of Victoria's appreciation, the government presented the glass medallions to the three representative Paralympians and announced that a state function will be held to acknowledge the achievements of every single Victorian Paralympian, to which honourable members will be invited.

The three Paralympians who were particularly honoured were Julianne Adams, a silver medallist with the women's wheelchair basketball team; Tim Matthews, a gold medallist in the 4x100-metre sprint and also a bronze medallist in the 100 and 200-metre track events; and Don Elgin, a bronze medallist in the pentathlon.

I repeat that the government will be acknowledging all Victorian Paralympian athletes, and that each and every one of them will be proudly presented with a glass etched medal on behalf of all Victorians.

Honourable members were probably warmed by two well-publicised stories about the effect of the Paralympics on changing community attitudes that were told to me by Paul Bird, the chef de mission, and Keith Gilbert, the assistant chef, when I visited the Olympic Village on Sunday. I was told that a couple of children who had attended a wheelchair rugby match told their father that what they wanted for Christmas was not the usual high-powered electronic games but a wheelchair. They were so impressed with the rugby wheelchair athletes that they wanted to emulate them.

The other fabulous story told to me, which I hope honourable members read about in the newspaper yesterday, was that Paralympians are used to having people come up to them and say, 'How did your accident happen?' or 'What happened to you?', but that now as a result of the Paralympics people are asking them, 'What sport do you play?'. That is being asked not only of Paralympians but also of many others who rely on wheelchairs to get them around.

Victorians recognise that the Paralympian athletes lived the words of their theme song, 'You rose to the moment'.

Mr McArthur — On a point of order, Mr Speaker, I draw your attention to sessional order 3(5), which states:

> All answers to questions shall be direct, factual and succinct.

I also draw your attention to the behaviour during today's question time of four government ministers which any independent or objective observer would judge as very poor.

The house witnessed the spectacle of the Premier taking 8 minutes, the junior Minister for Education taking 7 minutes, the minister for the former manufacturing industry taking 6 minutes and the Treasurer taking 7 minutes to answer questions.

Given that sessional orders set aside 30 minutes for 10 questions to be asked and answered, the average time allowed per question is 3 minutes. The house started question time today at approximately 7 minutes past 2 and finished at 5 minutes to 3. Question time was clearly out of control — not from the point of view of the Chair, Sir, but from the point of view of the ministers responding to questions.

Mr Speaker, I request that you examine the *Hansard* record of ministers' responses given during question time and advise the house whether they fit within the requirement of sessional orders that answers be direct, factual and succinct; how question time will operate in future under sessional orders; and whether the house can expect a repetition of that sort of poor performance.

Mr Thwaites — On that extremely long and tedious point of order, Mr Speaker, I make the brief point that in many cases the questions asked by the opposition contain three, four or five assumptions and more than one question, which adds to the length of answers given and to the length of question time.

In two of his questions the Leader of the Opposition made three opening remarks before he got to asking the question. The opposition needs to address that issue if it is going to complain about the length of answers given to questions.

The SPEAKER — Order! The honourable member for Monbulk raised a point of order relating to the sessional order requirement for answers to be direct, succinct and seeking factual information. In speaking to the point of order the Deputy Premier referred to the length of questions asked. I remind honourable members that sessional orders refer to both questions and answers.

I do not uphold the point of order. I am of the opinion that today question time lasted longer than was necessary as a result of the level of interjection coming from both sides of the chamber, which wasted an extraordinary amount of time.

I also refer all honourable members to my statement on this matter earlier this year, when I indicated to the house my expectation that question time would be concluded in a period of about 40 minutes.

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 BAILLIEU (Hawthorn) (499 signatures)

Laid on table.

COMMONWEALTH TREATY DOCUMENTS

Mr BRACKS (Premier), by leave, presented the following treaty documents:

Agreement between the government of Australia and the Kingdom of Spain on remunerated employment for dependants of diplomatic, consular, administrative and technical personnel of diplomatic and consular missions, Madrid — 6 March 2000

Amendments to appendices I and II of the Convention on International Trade in Endangered Species of Wild Fauna and Flora of 3 March 1973, Nairobi — April 2000

Treaty on extradition between Australia and the Republic of Latvia, Riga — 14 July 2000

Exchange of notes, constituting an agreement to further amend the exchange of letters constituting an agreement between Australia and Japan establishing an implementing arrangement pursuant to the agreement between Australia and Japan for cooperation in peaceful uses of nuclear energy of 5 March 1982 as amended, Canberra — 16 June and 1 August 2000

Exchange of notes, constituting an agreement between Australia and the United States of America to further amend and extend the agreement concerning space vehicle tracking and communication facilities of 29 May 1980 as amended, Canberra — 4 August 2000.

Laid on table.

SCRUTINY OF ACTS AND REGULATIONS COMMITTEE

Alert Digest No. 10

Ms GILLETT (Werribee) presented *Alert Digest* No. 10 of 2000 on Mineral Resources Development (Amendment) Bill, together with appendices.

Laid on table.

ENVIRONMENT AND NATURAL RESOURCES COMMITTEE

Ovine Johne's disease

Mr SEITZ (Keilor) presented report, together with appendices, extracts from proceedings, minority report, minutes of evidence, and research and investigation reports.

Laid on table.

Ordered that report, appendices, extracts from proceedings and minority report be printed.

PAPERS

Laid on table by Clerk:

Adult, Community and Further Education Board — Report for the year 1999–2000

Agriculture Victoria Services Pty Ltd — Report for the year 1999–2000

Albury-Wodonga Development Corporation — Report for the year 1999–2000

Architects Registration Board of Victoria — Report for the year 1999–2000

Australian Grand Prix Corporation — Report for the year 1999–2000

Board of Studies — Report for the year 1999–2000

Building Control Commission — Report for the year 1999–2000

Children's Court of Victoria — Report for the year 1999–2000

Cinemedia Corporation — Report for the year 1999–2000

Docklands Authority — Report for the year 1999–2000

Education, Employment and Training, Department of — Report for the year 1999–2000

Emerald Tourist Railway Board — Report for the year 1999–2000

Financial Management Act 1994 — Report from the Minister for Finance that she had not received the 1999–2000 Annual Report of Vicfleet Pty Ltd, together with an explanation for the delay in tabling

First Mildura Irrigation Trust — Report for the year 1999–2000

Gambling Research Panel — Report for the year 1999–2000

Gascor Pty Ltd — Report for the year 1999–2000

Geelong Performing Arts Centre Trust — Report for the year 1999–2000

Gippsland and Southern Rural Water Authority — Report for the year 1999–2000

Goulburn-Murray Rural Water Authority — Report for the year 1999–2000

Government Superannuation Office — Report for the year 1999–2000

Greyhound Racing Control Board — Report for the year 1999–2000

Heritage Council — Report for the year 1999–2000

Infertility Treatment Authority — Report for the year 1999–2000

Legal Practice Board — Report for the year 1999–2000

Legal Practitioners Liability Committee — Report for the year 1999–2000

Library Board of Victoria — Report for the year 1999–2000

Marine Board of Victoria — Report for the year 1999–2000

Melbourne 2006 Commonwealth Games Pty Ltd — Report for the period 15 July 1999 to 30 June 2000

Melbourne Convention and Exhibition Trust — Report for the year 1999–2000

Melbourne Market Authority — Report for the year 1999–2000

Melbourne and Olympic Parks Trust — Report for the year 1999–2000

Melbourne Port Corporation — Report for the year 1999–2000

Melbourne Water Corporation — Report for the year 1999–2000

Met Train 1 (Bayside Trains) — Report for the for period 1 July 1999 to 23 December 1999

Met Train 2 (Hillside Trains) — Report for the for period 1 July 1999 to 23 December 1999

Met Tram 1 (Swanston Trams) — Report for the for period 1 July 1999 to 23 December 1999

Met Tram 2 (Yarra Trams) — Report for the for period 1 July 1999 to 23 December 1999

Overseas Projects Corporation of Victoria Ltd — Report for the year 1999–2000

Parks Victoria — Report for the year 1999–2000

Parliamentary Committees Act 1968 — Response of the Premier and Treasurer on action taken with respect to the recommendations made by the Public Accounts and Estimates Committee report Reforms for Scrutinising the Budget Estimates

Parliamentary Contributory Superannuation Fund — Report for the year 1999–2000

Planning and Environment Act 1987:

Notices of approval of amendments to the following Planning Schemes:

Baw Baw Planning Scheme — No C11

Boroondara Planning Scheme — No C4

Buloke Planning Scheme — No C1

Cardinia Planning Scheme — No C3

Darebin Planning Scheme — No C14

Hobsons Bay Planning Scheme — Nos C3, C13

Mitchell Planning Scheme — Nos C2, C4, C5

Maroondah Planning Scheme — No C9 Part 1

Wangaratta Planning Scheme — No C6

Plumbing Industry Commission — Report for the year 1999–2000

Premier and Cabinet, Department of — Report for the year 1999–2000

Public Record Office Victoria — Report for the year 1999–2000

Public Transport Corporation — Report for the year 1999–2000

Regulator-General, Report of the Office for the year 1999–2000

Roads Corporation (Vic Roads) — Report for the year 1999–2000

Royal Botanic Gardens Board — Report for the year 1999–2000

State and Regional Development, Department of — Report for the year 1999–2000

State Sport Centres Trust — Report for the year 1999–2000

State Superannuation Fund — Report for the year 1999–2000

State Training Board — Report for the year 1999–2000

State Trustees Limited — Report for the year 1999–2000 (together with Financial Statements of the Common Fund) (two papers)

Sunraysia Rural Water Authority — Report for the year 1999–2000

Transport Accident Commission — Report for the year 1999–2000

Treasury and Finance, Department of — Report for the year 1999–2000

Tricontinental Holdings Limited — Report for the year 1999

Tourism Victoria — Report for the year 1999–2000

Urban Land Corporation — Report for the year 1999–2000

V/Line Passenger Corporation — Report for the year 1999–2000

Victims of Crime Assistance Tribunal — Report for the year 1999–2000

Victoria Grants Commission — Report for the year ended 31 August 2000

Victorian Casino and Gaming Authority — Report for the year 1999–2000

Victorian Channels Authority — Report for the year 1999–2000

Victorian Coastal Council — Report for the year 1999–2000

Victorian Energy Networks Corporation — Report for the year 1999–2000

Victorian Government Purchasing Board — Report for the year 1999–2000

Victorian Institute of Sport — Report for the year 1999–2000 (two papers)

Victorian Meat Authority — Report for the year 1999–2000

Victorian Medical Consortium Pty Ltd — Report for the year 1999–2000

Victorian Relief Committee — Report for the year 1999–2000

Victorian Workcover Authority — Report for the year 1999–2000

Wimmera-Mallee Rural Water Authority — Report for the year 1999–2000

Young Farmers' Finance Council — Report for the year 1999–2000

Zoological Parks and Gardens Board — Report for the year 1999–2000.

The following proclamation fixing an operative date was laid upon the table by the Clerk pursuant to an order of the house dated 3 November 1999:

Dairy Act 2000 — Section 65 on 27 October 2000 and remaining provisions on 31 October 2000 (*Gazette G43*, 26 October 2000)

INFORMATION PRIVACY BILL

Council's amendment

Returned from Council with message relating to amendment.

Ordered to be considered next day.

ROYAL ASSENT

Message read advising royal assent to Local Government (Restoration of Local Democracy to Melton) Bill.

BUSINESS OF THE HOUSE

Sessional orders

Mr BATCHELOR (Minister for Transport) — I desire to move, by leave:

That so much of sessional orders be suspended on Wednesday, 1 November 2000, to allow:

(a) in substitution of a discussion on a matter of public importance pursuant to sessional order 9, consideration of general business order of the day no. 7, and government business after statements by members; and

(b) in the event of general business order of the day no. 7 not being disposed of at the conclusion of the time provided for under sessional order 9(7), such item shall be set down on the notice paper for the next sitting and any member speaking at that time may, upon the resumption of debate thereon, continue such speech.

Motion agreed to.

MINERAL RESOURCES DEVELOPMENT (AMENDMENT) BILL

Section 85 statement

Ms GARBUTT (Minister for Environment and Conservation) (*By leave*) — I wish to make a statement pursuant to section 85 of the Constitution Act 1975 of the reasons why that section should be altered or varied by clause 70 of the Mineral Resources Development (Amendment) Bill in lieu of the statement in the second

reading speech made in relation to the bill on Thursday, 5 October.

Clause 70 of the bill states that it is the intention of section 89(3) inserted by section 60 of the Mineral Resources Development (Amendment) Bill to alter or vary section 85 of the Constitution Act 1975.

Section 89(3) provides for a limit to the amount of compensation that a court or tribunal may order to be paid for loss of amenity to $10 000.

The reasons for the limit are as stated in the second-reading speech. Essentially, the government wants to constrain the potentially open-ended liability for mining companies, which is seen as a major disincentive to exploration and mining investment in Victoria.

If the government's intention in imposing the limit on loss of amenity claims is to be achieved, it is essential that the provision imposing that limit be beyond challenge in the Supreme Court. For this reason the government considers it appropriate to limit the jurisdiction of the Supreme Court in the way set out in clause 70 of the bill.

BUSINESS OF THE HOUSE

Program

Mr BATCHELOR (Minister for Transport) — I move:

> That, pursuant to sessional order 6(3), the orders of the day, government business, relating to the following bills be considered and completed by 4.00 p.m. on Thursday, 2 November 2000:
>
> Duties Bill
>
> Crimes (Amendment) Bill
>
> Agricultural Industry Development (Amendment) Bill
>
> Mineral Resources Development (Amendment) Bill
>
> Fisheries (Amendment) Bill
>
> Statute Law Revision Bill
>
> Transport (Miscellaneous Amendments) Bill
>
> Essential Services Legislation (Dispute Resolution) Bill
>
> Associations Incorporation (Amendment) Bill

Mr McARTHUR (Monbulk) — The opposition does not oppose the motion. However, I wish to make a few brief points, particularly about matters that the house will be dealing with this week and about sessional order 6, which relates to the government business program. There has been some discussion between the government and the Liberal Party — and, I assume, the National Party — about those bills, and we believe with some careful juggling of speaking lists and times we can manage to get through the nine bills.

I direct to the attention of the house tomorrow morning's debate, when during the time usually set aside for matters of public importance we will be discussing a private member's bill. That matter is not included in the government business program, but on examination of the sessional orders it is not clear whether those sorts of matters could be included in the government business program. I direct the attention of honourable members to sessional order 6(2), which states:

> Before the house meets for business in any week, the Leader of the House and the Deputy Leader of the Opposition (or their nominees) may meet as a Government Business Programming Committee with a view to reaching agreement on the manner in which the house is to deal with government business of the week.

The clause also contains details about making the outcomes public. Subclause (3) states:

> On the first day of the sitting week the Leader of the House or his or her nominee before the calling on of government business may move without leave a motion setting times and dates by which consideration of specified bills or items of business have to be completed …

I draw the attention of the house to the difference between the wording of subclauses (2) and (3). Subclause (2) clearly deals only with government business matters, whereas subclause (3) specifies that bills or other items of business may be included in the government business program. That is an anomaly that needs some consideration. Perhaps the sessional orders need clarification at some stage so that in the event of a government business program motion which included another item of business apart from government bills and potentially an item that was contentious and was not agreed to or supported by all sides, we would not be reduced to having a long procedural argument about whether such an item could be included in the motion for the guillotine at the close of business at the end of the week.

When those items are debated on their own they can often be contentious enough, and the house does not need to be put in the position of having a heated argument about whether something like that can be included in the guillotine motion. We should deal just with the merits of those items.

I draw that matter to the attention of the Leader of the House and of the Chair. Perhaps at some stage we can meet to discuss and resolve the issue so a potentially difficult situation can be avoided in the future.

Mr RYAN (Leader of the National Party) — The National Party has been consulted by the government about the week's business program. It accords with it and looks forward to participating in its disposition.

Motion agreed to.

MEMBERS STATEMENTS

Manufacturing Week

Ms ASHER (Brighton) — I draw the attention of the house to the glossy supplement in the *Age* of today's date on Manufacturing Week headed 'Manufacturing — a pillar of prosperity'. The irony is that it appeared on the day that the headlines read '650 Victorian jobs to go to South Australia'. Is this an embarrassing accident for the government, or is it in fact a deliberate diversion?

There are a number of interesting things about Manufacturing Week. Firstly, Manufacturing Week extends for two weeks and one day; it is not a week at all. Even more significantly, four of the events have already been held — a typical late spin by the government. It is like the ball spinning when it is past the stumps — typical in terms of the performance of this government. Interestingly, there are two official openings: one is a launch, one is an opening — —

Mr Robinson interjected.

Ms ASHER — You do not play spin. This government is an expert in playing spin. Unfortunately, in this instance the spin is late and there are two openings by the Minister for Manufacturing Industry.

This glossy brochure is an example of something we were told we would not hear about. The brochure is inappropriate and an embarrassment to the government, appearing on a day when 650 jobs have left Victoria to go to South Australia. The Premier could not even answer the question about how much it cost. The brochure should be fully costed and explained to the taxpayers. The government should get on with its job of producing employment for Victoria and not spin.

Laburnum Angling Club

Mr ROBINSON (Mitcham) — On Saturday I had the privilege of attending the 40th anniversary celebrations of the Laburnum Angling Club at Nunawading. The dinner was an occasion to reflect on four decades of service to the broader Mitcham electorate. The club currently has 80 members and has grown substantially over the past few years.

Ms Duncan interjected.

Mr ROBINSON — For the information of the honourable member for Gisborne, I did not have fish for dinner. The growth of the club over recent years reflects the dedicated effort of the president, Kevin Terry, and his hardworking committee. The club maintains a family focus and seeks to involve women and children in its activities. It prides itself on its sense of fellowship. The evidence of its success was apparent on Saturday evening.

The club also participated the following day in Sunday's successful Whitehorse festival, which drew large crowds. Saturday night was a positive celebration of the past 40 years, and I look forward to many more anniversaries of the Laburnum Angling Club and a continuation of all the good work it does in the eastern suburbs.

Wangaratta jazz festival

Mr JASPER (Murray Valley) — I direct to the attention of the house the fact that the 11th annual festival of jazz and blues will be held at Wangaratta from Friday, 3 November to Monday, 6 November. In the late 1980s a small group of Wangaratta people discussed options to assist in the development of Wangaratta. The decision was taken to promote a jazz festival and make Wangaratta a mecca for Victorian, Australian and international jazz enthusiasts and musicians.

In those early years the committee battled to establish the Wangaratta festival of jazz and blues. However, it is a great success story of promotional activity. Wangaratta is now recognised as the jazz capital of Australia, with an Australia-wide and international reputation that draws jazz musicians and enthusiasts from across Australia and overseas to participate in and listen to some of the great jazz exponents.

The festival has won a number of awards, including the Victorian Tourism Award for four consecutive years; it is now featured in the Victorian Hall of Fame; it won the *Australian Financial Review* festival of the year award for 1998–99 and has won an Australian National Tourism award; it has been declared a hallmark event alongside events such as the Australian Formula One Grand Prix, the Melbourne Cup, and the Australian Open Tennis Championships. This year Wangaratta National Jazz Awards will be also held for guitarists. Over a number of years they have been held for pianists, vocalists, saxophonists and drummers.

I congratulate the chairman, Mrs Patti Bullus, and her small hardworking committee on their dedication over

a number of years working with a huge number of volunteers in developing the great success story for Wangaratta. Jazz and blues sessions will be conducted at a number of venues at Wangaratta over this coming weekend for thousands of enthusiasts. I invite honourable members to join us in this great national event.

CFA: Lara brigade

Mr LONEY (Geelong North) — I congratulate the Lara fire brigade and its captain Fred Grove on last week winning a highly commended award from the National Australia Bank's 2000 National Community Link awards, which also carried with it a cheque for $1000. The winning program for which the Lara fire brigade received the award was focused on providing fire safety information to multicultural groups within the community, and a large part of its focus was on newly arrived migrants using the Adult Migrant Educational Service. It focused that part of its program particularly on unique Australian fire regulations such as fire ban days and fire danger ratings and periods, so that newly arrived migrants into a bushfire prone area will have some understanding in the coming summer when they hear those terms.

Honourable members will well remember the bushfires that devastated the Lara area some years ago and caused widespread damage. It is great to see that the Lara fire brigade is making huge efforts within the local community, particularly with new arrivals, to ensure safety throughout the region.

Len Foster

Mr WELLS (Wantirna) — As shadow Minister for Police and Emergency Services I wish to pay tribute to Mr Len Foster, chief executive officer of the Country Fire Authority. His role with the CFA will change significantly following the announcement of changes.

Len has worked for 10 years as chief executive officer of the CFA under coalition and Labor governments, and his work has won the respect of many. He has assisted the CFA to become one of the most respected firefighting organisations in the world and his ability to manage some 63 000 volunteers in an environment of diverse stakeholders is an enviable achievement.

Len Foster has performed the role of chief executive officer with distinction and will be most remembered for his initiative and vision in introducing community support facilitators — a brilliant concept that gave full-time support to the volunteers. In my opinion he was forced to sign the new enterprise bargaining agreement with the United Firefighters Union in an environment of intimidation and political pressure by the union and because of Minister Haermeyer's refusal to stand up to the UFU and support the volunteers.

The elimination of the community support facilitator in favour of full-time union-determined positions is a direct threat to the longstanding tradition of volunteerism that has underpinned the success of the CFA. Volunteers have been left out in the cold by the union action, which is aimed solely at increasing the union's power base to the detriment of volunteers' best interests and community safety.

I wish Mr Foster well for the future and offer special thanks for a job well done.

Greater Dandenong: Living Treasures program

Mr LENDERS (Dandenong North) — With great pleasure I acknowledge the contribution of the City of Greater Dandenong through its Living Treasures of Greater Dandenong program and awards, which I had the pleasure of attending on 13 October.

Twelve contributors to Dandenong — Maria Erdeg, Wal Turner, Gwen Jarvis, Jim Hardy, Ann Halpin, Graham Thomas, Albert Blashki, Patricia Dow, Val Wilson, Mary Borg, Eric Wilson and Maurie Jarvis — were presented with the prestigious awards which are the brainchild of Colleen Lazenby, the heritage coordinator of the City of Greater Dandenong.

The Living Treasures program honours the remarkable people of the city, broadens the definition of a heritage asset, celebrates history and heritage as they are being made, and raises the public profile of history and heritage in the City of Greater Dandenong. The program offers dignity to 12 great voluntary contributors who have given a lot of their lives to the city to make it a better place. It is something that all other 77 municipalities in the state could take heed of. It is one of many great products to come out of Dandenong, and the awards ceremony acknowledging the work of 12 human treasures in front of their families, friends and local councillors was one of the most dignified occasions I have attended as a member of Parliament.

It was a great night and one I commend to the house. The honourable member for Springvale, who is also from the City of Greater Dandenong, was with me. The honourable member for Dandenong was there in spirit only because he had another function to attend. However, he was there last year for the first year of the

program. I commend the City of Greater Dandenong on the program. It is good; you should all come to see it.

Hospitals: Bentleigh electorate

Mrs PEULICH (Bentleigh) — It is great to hear the honourable member for Dandenong North recognise living treasures. However, I understand he is popularly known in his electorate as a hidden treasure.

I wish to draw to the attention of the house the worsening state of Victoria's hospitals, especially those serving the Bentleigh electorate. The quarterly report for June 2000 of the Department of Human Services reports on the acute health division of Victorian hospitals and shows that the Monash Medical Centre in Clayton and the Sandringham hospital, both of which serve my electorate, are much worse off under the Bracks government than they were under the Kennett government.

The emergency department of the Monash Medical Centre was bypassed 159 times in the June 2000 quarter as opposed to only 14 times in the June 1999 quarter. The number of patients in emergency for longer than 12 hours — and previously a lot was said about trolleys — was 341 in June 1999 and 744 in June 2000.

The number of patients on waiting lists for elective surgery at Monash in the June quarter of 1999 was 3355 and a year later the figure was 3712 — a more than 10 per cent increase. At Sandringham the figures went from 847 in the June quarter of 1999 to 1064 a year later — a more than 20 per cent increase.

I call on the Minister for Thwaiting to take action. The people of that Bentleigh electorate are sick and tired of his excuses.

Werribee integrated care centre

Ms GILLETT (Werribee) — I place on record my appreciation to the Minister for Health and his outstanding staff for helping the community of Werribee to achieve the first real step forward in the process of delivering an integrated primary health care centre to the community.

I have a file full of letters to the previous minister of the failed Kennett government assuring me that the primary health care centre was the highest priority for his department. That may have been so, but it was not a high enough priority for the then minister to tell his government about it and it was never taken through the cabinet process for funding.

I thank the Minister for Health for taking the first important step of purchasing the necessary land so that the centre may be built. I also wish to record my gratitude to the Wyndham council, as it is currently constituted, for working cooperatively with the health department to get to this stage.

I will work with vigour to ensure this health resource, which is vital to my community, finally becomes a reality under the Bracks Labor government.

Ministers: correspondence

Mr SPRY (Bellarine) — Last week I touched briefly on the matter of ministerial responses to correspondence. It is impossible for honourable members to represent constituents effectively when they are compelled to wait weeks, and in some cases months, for a response to correspondence. When the issues involved are urgent, and in some cases, personal, any delay can be deeply distressing. The two worst offending ministers are the Minister for Transport and the Minister for Environment and Conservation.

Last week, the Minister for Transport had the gall to criticise the Honourable Ian Cover in another place in the adjournment debate on a cooked-up accusation raised by the honourable member for Geelong North. This charade was characterised by inaccuracies, which were either deliberate or used in ignorance.

In any event, I will look briefly at the record of the two previously mentioned ministers. On 17 May I raised with the Minister for Transport an issue concerning a rail infringement. The matter goes back nearly six months. Despite the fact that I have sent three subsequent letters — on 25 July, 22 August and 11 October — the matter is still outstanding. It is unacceptable and it does not go unnoticed.

Kyneton hospital

Ms DUNCAN (Gisborne) — I am delighted at the recent announcement by the Minister for Health about the Kyneton hospital. A site was finally chosen, and after some negotiation it has been purchased. The news is excellent for the surrounding district and especially for the township of Kyneton, whose people have fought long and hard for the health service. Prior to the change of government many of them were pessimistic about the hospital's long-term survival.

An honourable member interjected.

Ms DUNCAN — The Liberal Party candidate was the Honourable Rob Knowles, the former Minister for Health.

From the last election campaign the Labor Party knows that people in rural areas are passionate about their health and education services and the many other institutions that provide employment and help meet the basic needs and rights of small communities. Last year's promise of $11 million towards the Kyneton hospital was a genuine recognition of the needs of the communities in and around the electorate of Gisborne. It is a great feeling to be the sitting member and delivering on a promise that will be good for those towns. Perhaps the coalition parties should have tried it!

The new hospital will deliver the highest quality health care. The location will afford easy access from the freeway and the town of Kyneton, and it will provide the Kyneton ambulance service with a site that allows for a more efficient operation. It will be state of the art, and its design will meet the changing health needs of the community for decades to come. It will include support from ancillary services such as pathology, as well as allied health and community-based services.

The new hospital will provide an excellent standard of health care, a better working environment for staff, and improved accident and emergency facilities.

COURTS AND TRIBUNALS LEGISLATION (MISCELLANEOUS AMENDMENTS) BILL

Second reading

Mr HULLS (Attorney-General) — I move:

That this bill be now read a second time.

The main purposes of this bill are to:

amend the Administration and Probate Act 1958 to allow the Registrar of Probates to make probate orders in accordance with rules of the Supreme Court;

recognise current arrangements between the Supreme Court and civil transcript providers;

provide for rehearings and reassessments of guardianship orders; and

establish provisions for class actions.

Probate orders

The bill will facilitate the electronic authentication of probate orders by the Supreme Court Registrar of Probates.

The current provisions of the Administration and Probate Act dealing with the authentication of probate orders date back to the early part of last century — long before it was contemplated that court orders could be validly authenticated on anything other than paper.

However, times have moved on and rapidly changing technology has revolutionised the way a modern society does business.

The courts have not been immune to these changes. In fact, Victorian courts and tribunals have embraced technology in a number of areas as a means of providing better services to court users.

The amendment to the Administration and Probate Act comes out of the Supreme Court's administrative review. The review has a number of components addressing technology, business excellence and redesigning the business of the court.

The probate design project is part of this review. It is looking at ways of improving the business design of the probate office which would see most of the work of the office move from a paper-based system to an electronic system. This would not only improve the efficiency of the office but would make it much easier for people to apply for probate orders.

The court's initiative cannot be fully put into effect because the Administration and Probate Act requires probate orders to be made on paper.

The bill amends the act to allow the court to make rules as to the manner in which probate orders can be authenticated.

This is consistent with last November's ministerial statement 'Connecting Victoria' by the then finance minister the Honourable John Brumby. This sets out this government's vision of all Victorians sharing the benefits of technology.

While only a small part of the government's vision, this amendment has been developed in an environment which recognises how technology is changing the way we live and accommodates further change through technology.

Civil transcripts

The bill also amends the Evidence Act 1958 to give effect to arrangements currently in place between the Department of Justice and transcript providers in civil cases.

Where a court orders that its civil proceedings be transcribed, it is essential for the administration of justice that those transcriptions are accurate and timely.

At present a preferred transcriber is selected on a tender basis against a range of professional and technical criteria to deliver transcription services to a minimum quality.

The system of appointing civil transcribers was developed by the Department of Justice and the Supreme Court as the most effective and efficient way of ensuring the delivery of high-quality civil transcripts for both the court and litigants.

The amendment, which will facilitate the appointment of transcript suppliers, will ensure that both the court and litigants receive the best possible service with regard to civil transcriptions.

Guardianship orders

Prior to the creation of the Victorian Civil and Administrative Tribunal, guardianship and administration orders were made by the Guardianship and Administration Board and were subject to merits review. This review mechanism recognised that guardianship and administration orders affect the basic rights of people to make decisions about their financial arrangements and about the way in which they conduct their lives. The transfer of authority from one person to another over such fundamental issues is a serious matter. Merits review provided a level of protection for the rights of people with disabilities and impairments that was widely recognised as essential by those working in this area.

However, upon the creation of VCAT in 1998, the previous government was more concerned to subject all jurisdictions within its auspices to a common procedure. It decided that retention of a two-tiered review for the guardianship and administration jurisdiction was not warranted and this mechanism was consequently removed. Whilst in Opposition, this government strenuously opposed this removal and is accordingly delighted to have the opportunity to reinstate a fundamental protection of the rights of Victorians with disabilities. This amendment is also supported by the president of VCAT. The president is of the view that the issues raised in the guardianship list are qualitatively different from those in any other jurisdiction, a view which is shared by those organisations working for and with people with disabilities across the state.

In addition to reinstating a right of rehearing for guardianship and administration orders, the amendments propose a right of rehearing for applications for special procedures made under Part 4A of the act. Part 4A was introduced to achieve two fundamental objectives: the provision of a mechanism for careful assessment of applications for special procedures such as sterilisation; and the facilitation of access by people with disabilities to routine medical and dental treatment.

Prior to the introduction of part 4A, it was necessary for a guardian to be appointed each time consent was required for a routine physical examination or dental treatment of a person with a severe disability, in the event that next of kin were not available to give consent. This process was roundly criticised, as it significantly delayed the provision of basic medical and dental treatment to people with severe disabilities, many of whom were forced to wait unreasonable periods of time simply to have an ingrown toenail removed or a standard dental procedure performed. Part 4A was introduced to alleviate this delay.

For this reason the proposed amendments do not seek to introduce a new right of rehearing for applications concerning routine medical and dental treatment, given that such a step would diminish the purpose of these particular provisions and act as an additional hurdle in the delivery of prompt medical and dental treatment to people frequently faced with a series of impediments.

However, the government considers it crucial to recognise the fundamental nature of those applications for special procedures brought under part 4A. The government views applications for sterilisation, termination of pregnancy, or the removal of any tissue or organ from a person, as fundamental questions of human rights, and therefore as requiring special protection and additional safeguards. Consequently the proposed amendments introduce a new right of rehearing for special procedure applications, other than medical research.

The government does not propose to introduce a new right of rehearing for applications for medical research. These applications are made by hospitals and related institutions and mainly involve clinical trials. Under procedures developed by the deputy president in charge of the guardianship list at VCAT, the Office of the Public Advocate, ethics committees and the research community, no application is pursued unless consent has been actively sought and gained from the proposed participant's next of kin. These procedures are therefore already subject to their own form of safeguards.

The right of rehearing of a guardianship, administration or special procedure order applies to the parties to the

original application. In addition, a person entitled to notice of the original application, but who was not a party, may bring an application for rehearing with leave of the tribunal. The Public Advocate may also bring an application for rehearing. The amendments provide for a hierarchical mechanism for the conduct of the rehearing, ensuring that it is conducted by a member senior to the member who made the original decision. In the event that an original decision was made by a multimember panel, the amendments ensure that the decision is reheard by a vice-president or the president of the tribunal.

As well as reinstating a right of rehearing for some matters in the guardianship list, the amendments resolve existing confusion concerning the systematic review of every guardianship and administration order to assess the need for the order's continuation, as provided for under section 61 of the Victorian Civil and Administrative Tribunal Act 1998. Section 61 uses the term 'review' and the amendments will replace the term 'review' with the term 'reassessment'.

These amendments are a further demonstration of the government's commitment to the rights of people with disabilities, and to access to justice for all Victorians.

Class actions

The bill introduces a new part 4A into the Supreme Court Act dealing with group proceedings, or class actions as they are commonly known.

The Supreme Court introduced rules for class actions on 1 January 2000. The rules were designed to allow one person to represent other persons having claims arising out of the same, similar or related circumstances.

The previous court rules and sections 34 and 35 of the Supreme Court Act 1986 contained provisions for a representative action procedure but these provisions had been interpreted narrowly and fallen into disuse.

The Supreme Court's initiative was based on the provisions of part IVA of the Federal Court Act 1976 and was designed to provide Supreme Court litigants with a procedure which closely followed the Federal Court procedure.

The rules provided the means by which ordinary litigants could access the court system.

We live in an age of mass production and distribution of goods and services. The potential for loss or damage which can be caused by a single supplier of goods or services on a mass scale is enormous. However, while the overall damage may be great, the amount of damage incurred by an individual may be relatively small in proportion to the legal fees and court costs.

In the worst cases, litigants can face ruin yet lack the means to bring proceedings to redress the wrong they have suffered. The class actions procedure addresses some of the imbalance between ordinary litigants and large and powerful corporate litigants.

The first case initiated in the Supreme Court under the court's new class actions procedure was *Schutt Flying Academy (Australia) Pty Ltd v. Mobil Oil Australia* (the Mobil Oil case).

All of us will recall the unhappy circumstances leading up to that case. In November and December 1999, many hundreds of light aircraft throughout Australia were grounded as a result of what was thought to be contaminated fuel supplied by Mobil. The owners, operators and pilots of light aircraft claimed loss or damage as a result of the contamination. The media reported that many were facing financial disaster.

One operator brought an action on behalf of all potential litigants affected by contaminated fuel under the new Supreme Court rules. Mobil challenged the power of the Supreme Court to make these rules.

In June 2000, the Court of Appeal upheld the court's power to make the rules by a bare majority. Mobil has now sought leave to appeal to the High Court.

Although the procedure therefore remains currently available to litigants through the Rules of Court, it is essential that the rules be strengthened to dispel any lingering concerns and to place the validity of the procedure beyond doubt.

Legislation for class actions is long overdue. The court's attempts to get a sensible legislative response to this issue is summed up by Mr Justice Brooking in his judgment in the Mobil Oil case:

> In 1997 the judges of the Supreme Court suggested to the then Attorney-General that Parliament should legislate along the lines of part IVA of the Federal Court Act. The suggestion seemed to be well received. But by 1999 no legislation had been introduced or even foreshadowed and so the judges turned their minds to the introduction of the Federal Court system by means of rules of court.

I am pleased to be able to introduce the legislation sought for so long by the court.

Section 85 statement

I would now like to make the following statement of reasons for altering or varying section 85 of the Constitution Act 1975.

Clause 15 of the bill inserts a new section 128A into the Supreme Court Act. This states that it is the intention of the new section 33ZD(b) of the Supreme Court Act and of section 14 of the bill, to alter or vary section 85 of the Constitution Act 1975.

The new section 33ZD allows the court to order the actual parties to the proceedings to pay costs but reduces the court's general discretion in section 24 of the Supreme Court Act to order costs against members of the group or class.

Existing costs rules usually require the unsuccessful party to pay the successful party's costs. Changes in the costs rules are necessary because class actions are complex and expensive. Ordinary litigants could not afford to maintain proceedings against large and powerful corporations or governments in these circumstances.

The new section 33ZD(b) is designed to protect members of the class from personal liability for costs by limiting the court's power to order costs against individuals, except in the circumstances set out in the new sections 33Q and 33R, that is where the court establishes a subgroup and where a question arising for the litigation relates to only one member.

Clause 14 repeals sections 34 and 35 of the Supreme Court Act which provided for representative proceedings. Group proceedings replace this form of class action.

I commend the bill to the house.

Debate adjourned on motion of Ms ASHER (Brighton).

Debate adjourned until Tuesday, 14 November.

DUTIES BILL

Second reading

Debate resumed from 5 October; motion of Mr BRUMBY (Treasurer).

Ms ASHER (Brighton) — The opposition does not the oppose the Duties Bill, which started its life as an initiative of the former Treasurer, the Honourable Alan Stockdale, whom I had the honour of succeeding in the seat of Brighton.

One of the main features of the Duties Bill is that it is a plain-English rewrite. However, the explanatory notes, as useful as they are, contain more than 100 pages, and the bill itself is enormous, running to 222 pages. Whether the bill is in plain English is for those of us who are non-lawyers to judge. However, it is simpler and easier to refer to than the Stamps Act, which the bill will repeal.

The various forms of stamp duty are divided into various chapters, and I found the index at the end of the bill particularly useful. I note that the bill is part of a national process of ensuring uniformity among the states. It is useful for those of us who are not legally qualified because it enables us to easily find out our liabilities in general terms. I am pleased the process has ended with a simpler bill being introduced. As I said, it is much more accessible than the Stamps Act, which is a nightmare to read.

It is disappointing that the duty on marketable securities under the Stamps Act has been removed in response to the commonwealth–state GST arrangements. Although the overall policies in the bill are substantially the same as those in the Stamps Act, there are a couple of minor changes.

I am happy to put on the record my gratitude to the Treasurer for providing an hour's briefing on that issue and on the differences between the Duties Bill and Stamps Act, which includes the tightening up of anti-avoidance measures and cross-border issues. For example, the bill attempts to streamline stamp duty arrangements among the states to avoid double duty being incurred, as happened previously.

As I said, the bill had its genesis under the previous government and the former Treasurer, the Honourable Alan Stockdale. The process was commenced in 1993, and in 1995 an exposure draft was issued to give a range of people, including those involved in taxation, the accounting industry and the legal profession, an opportunity to comment on it. Converting one act to another to achieve a plain-English outcome is an enormously detailed exercise.

In 1997 a further draft — a New South Wales bill — was issued. It acted as a template for the process, and the previous government undertook an extensive round of consultations. The current government claims to have undertaken that same level of consultation, but I am not in a position to know whether that has occurred, except in one instance involving the Law Institute of Victoria, to which I will refer.

The bill has been talked about for years. One of the drivers of the bill has been the taxation industry association. Having uniformity among the states, insofar as it is practicable, is in that organisation's interests. That is not to suggest that an approach based on the lowest common denominator should be taken, but uniformity has advantages — for major taxpayers such as business, for example — by allowing for a reduction in compliance costs. It is in all our interests to ensure as much uniformity in administrative procedure as possible.

As I said, the government claims to have consulted widely on the matter. I refer to a letter sent by the Law Institute of Victoria to Mr Rod Rogers, the chief adviser to the Commissioner of State Revenue, dated 7 September. The letter draws attention to the fact that a draft duties bill had been sent to the Law Institute of Victoria on 23 August with a request for a response by 4 September. The institute said the deadline was impossible to meet.

I draw the distinction between asking the Law Institute of Victoria to look at a bill and asking other organisations — for example, employer and taxpayer organisations, which have been involved in a consultation process — to re-examine a draft bill. An appropriate level of consultation takes place when employer, taxpayer and accountancy organisations are involved in conceptually studying a bill over a number of years. That level of consultation was provided under the previous government. However, when an officer of the government sends a draft bill to the Law Institute of Victoria, I would have thought that officer would be asking the institute for a detailed comment on complex legal issues. To have asked the institute on 23 August to have a response in by 4 September was absurd.

I support the criticism about the undue delay in decision making as a result of the 320 reviews that are taking place — or whatever the revised number is today. However, given that the Law Institute of Victoria was asked to comment on a detailed and complex bill that consists of more than 200 pages, as well as more than 100 pages of explanatory notes, one would expect that the institute would have been furnished with a detailed explanation of it beforehand.

Consultation is not an opportunity to defer decision making; rather, it is about providing an opportunity for experts outside government — or inside government, but presumably the people inside government have had access to the process beforehand — to have a say. I would have thought it appropriate to consult with the Law Institute of Victoria, given that many of its members will be dealing with the issues and advising their clients on a day-to-day basis. To ask the institute to comment on a draft bill within that time frame is absurd.

The nexus for the levying of duty has changed: it will now be charged on the transfer rather than on the contract. I will briefly refer to some other features of the bill.

People paying stamp duty on leases will now have two mechanisms by which to calculate the duty. There will be a consumer price index rate and what departmental officers term a reappraisement rate. If the Commissioner of State Revenue and the taxpayer agree on a consumer price index rate for leases — and I assume it will be an increase — that will now be able to be struck. Obviously there will be once-only payments, and there will be winners and losers, including the State Revenue Office. However, if the people paying leases choose the second method, which is a regular duty review at each reappraisement under the lease, they will have the option of that measure, too. There will be more flexibility in the handling of the duty that applies to leases.

The second part deals with some smaller issues. I reiterate that there are no policy changes in the bill, which is an opportunity lost by the government.

Mr Holding interjected.

Ms ASHER — I hear the chihuahua barking over there. He always amuses me. He can bark the whole way through; but as a more experienced member, let me advise the young chap that doing so will just prolong the agony.

The second issue relates to the hire of goods. In border areas, for example — the honourable member for Benambra will have a keen interest in the streamlined administrative procedures — the nexus applying to the stamp duty levied on the hire of goods will now be only those goods solely or predominantly used in Victoria. Previously, there were examples on the South Australian or New South Wales borders where — —

Honourable members interjecting.

Ms ASHER — I hear more yapping, which is exceeded only by the volume of the comments of the honourable member for Dandenong North.

The ACTING SPEAKER (Mr Nardella) — Order! I ask the honourable member to ignore interjections.

Ms ASHER — Previously there may have been examples of double duty. The bill purports to remove that by establishing a new nexus, where those hiring goods used solely or predominantly in Victoria will be charged the Victorian duty. However the government has taken the opportunity to stick in a tax increase, and I refer in particular to the special hire arrangements, which I will come back to shortly.

Special hiring arrangements may apply to fleets where the capped Victorian rate under the current Stamps Act is $4000. The government has taken the opportunity to increase that to $10 000, which is the New South Wales level. The Victorian rate has not increased for some time, but this government is typical of Labor governments everywhere: when there is an opportunity to increase a tax, it will increase it, even under the guise of administrative smoothness. Of course, the New South Wales government could have reduced the rate to $4000, which is the level at which the former Liberal government capped it.

The third feature includes changes to mortgages. Whereas now there will be no distinction between limited and unlimited mortgages, previously different bodies had to stamp different types of mortgages. Both are now required to be stamped using simplified procedures. The duty on covenants, bonds and debentures has been removed, which is a good move. Of course, the entire reform procedure started under the previous Treasurer, Alan Stockdale.

There are some significant advances in interjurisdictional mortgages. I am thankful to the departmental officers who provided a briefing to Liberal Party members and who pointed out the high level of compliance costs, albeit for a range of larger institutions — but that will also apply to a number of smaller law firms. Duty will be based on a pro-rata percentage of Victorian-based assets, where the taxpayer could never pay more than 100 per cent. The bill introduces a number of additional flexibilities, but the key point remains that the previous compliance procedures relating to interjurisdictional mortgages were costly, and this is a genuine attempt by a number of jurisdictions to reduce compliance procedures.

There are some procedural simplifications, which should be welcomed. For example, instead of one mortgage document going from state to state to be stamped, now there is provision for a statement to be stamped.

The bill includes some anti-avoidance provisions. The departmental officers drew attention to the problems relating to private valuations of used car sales, where clearly the government will embark on spot checks and the like. Anti-avoidance provisions are fine, but it is the way they are wielded, particularly as they affect ordinary citizens, that will be the critical issue in consumer judgment, particularly in anti-avoidance issues and stamp duty relating to used cars.

The commencement date for the legislation is 1 July 2001. The government has indicated by way of briefing that it expects its brochures and new forms to be available from February 2001 onwards. I seek an assurance that they will not be glossy — —

An Honourable Member — No photos.

Ms ASHER — And no photos of the Minister for Manufacturing Industry! I seek assurances from the minister that the new forms — the State Revenue Office has considerable freedom in the production of new forms under this reform — will be available for business, because all too often governments are tardy in producing forms, which has an impact on business. I seek an assurance from the Treasurer that the timetable will be adhered to for the benefit of all those businesses and consumers alike who pay stamp duty.

I urge the Treasurer to drive the process and achieve some results — in complete contrast to his performance as Minister for State and Regional Development.

I am advised by the government that a series of seminars will be held for practitioners in the area from April 2001 onwards. The opposition looks forward to the government adhering to that timetable.

I have already referred to the law institute's complaint that it was impossible to cast a legal eye over the Duties Bill in the time allowed — that is, from 23 August to 4 September. I have also referred to the government's using the bill to increase taxes. Every member of Parliament should be in favour of uniform administration between the states. The significant additional costs incurred by businesses and private taxpayers where there has been no uniformity have been highlighted. However, the instigation of cooperation and uniformity between the states should not be used as a trigger to align tax rates.

Whenever states want to align their tax rates the worst scenario seems to emerge — that is, the state with the lower tax eyes off the state with the higher tax and pops up its tax rates to the higher level.

I have already referred to the special hiring arrangements. For example, under the special hiring arrangements for fleet vehicles this state had a cap of $4000 and New South Wales had a cap of $10 000. The

Victorian government, without drawing too much attention to it, suddenly decided it would raise the cap.

Another example of the government using the noble aim of administrative streamlining between the states to pop up a tax is the increase in mortgage duties. I draw honourable members' attention to that policy shift, which will expand mortgage duty to include the imposition of duty on mortgage-securing bill facility arrangements. We are not talking about peanuts here.

Mr Lenders — It is stamp duty.

Ms ASHER — Indeed, it is stamp duty. Not only that, the government also expects revenue increases of up to $5 million. That is not peanuts at all.

Although the government's rhetoric is, 'We are finishing off a Kennett government project. We are seeking to streamline taxes between the states; we are seeking uniformity; and we are seeking to reduce compliance costs', buried in the 200-page bill are at least two examples of the government using the opportunity to pop up taxes. That is an emerging theme of this government.

However, I also give credit where credit is due. I will refer to a couple of positive aspects of the bill, because I am a generous person. Speaking as a non-lawyer, it is commendable that the bill is written in plain English. The elimination of double duties for border businesses and residents is another positive feature of the bill.

However, the Liberal Party's key criticism of the bill is that it treats the state taxation review process and the duties imposed under the bill as two separate processes. The Liberal Party is not the only organisation that is disappointed about that.

Mr Holding interjected.

Ms ASHER — The honourable member for Springvale mocks the issue of taxation reductions. If the government had wanted to match its rhetoric that it is pro-business, it would have reduced business taxes by now, instead of having yet more consultations and yet another review.

This is not just the Liberal Party talking. I refer to a letter from the Law Institute of Victoria — hardly a body aligned with the Liberal Party — to Mr Rod Rogers, chief adviser to the Commissioner of State Revenue, dated 7 September. The letter states:

> If the government is serious in respect of that review —

that is, the review of state business taxes —

> it ought to consider what its review committee has to say before proceeding with a completely different and inconsistent process.

The law institute is disappointed that the government did not introduce some policy changes in the bill — instead, it is just a rewrite. The government had the perfect opportunity to institute some tax reductions at the same time as undertaking a significant rewrite of the legislation.

I also refer to a letter from the Victorian Employers Chamber of Commerce and Industry to me dated 18 October 2000, which states:

> There are in fact some minor but positive reforms, particularly those aimed at ending double taxation between states.
>
> However, this bill has been introduced before the completion of the review of state business taxes, and it may have been more efficient to introduce all proposed changes at once.

This is not a Liberal Party political point-scoring game. Key groups in the community — no-one would argue that the law institute and VECCI are not key groups — are disappointed that the government did not take the opportunity to reduce state business taxes as a consequence of introducing the bill.

Mr Nardella interjected.

Ms ASHER — The honourable member for Melton is back in the chamber. I love it when the honourable members for Springvale and Melton give me a chorus of approval. I know I entertain them. Those honourable members can keep interjecting — and the honourable member for Brighton will keep enjoying herself!

To put the Duties Bill in context, I turn to the revenue from stamp duty. All honourable members will be aware that in recent times the government has been receiving increased stamp duty revenues.

Mr Haermeyer — It has to do with the state of the economy.

Ms ASHER — The Minister for Police and Emergency Services should pay tribute to Prime Minister Howard for that. I am pleased to hear that acknowledgment from the minister, who also entertains me — even though he is a good Essendon man.

I refer honourable members to the section in the *Financial Report for the State of Victoria 1999–2000* that deals with tax aggregates. It is sometimes difficult to work out which proportion of tax aggregates is stamp duties and which proportion is taxes. However, I will refer to a number of significant increases in tax

collection from the financial year 1998–99 to the financial year 1999–2000.

In the past two financial years the collection of taxes on property has increased by 19 per cent from, in round figures, $2.4 billion to $2.8 billion. I acknowledge that land taxes are included in the classification, as well as stamp duties on property. Motor vehicle taxes have increased by 2.2 per cent over that period. I also acknowledge that registration and other licence fees are part of the classification, but I will move on to try to find some more accurate figures. Taxes on insurance — it is probably fair to say that the insurance industry is particularly irritated by the manner in which stamp duty is levied on its products — have increased by 8.8 per cent over the period, from $531 million to $578 million.

I will now try to break down those broad categories. I refer to page 12 of the *Financial Report for the State of Victoria 1999–2000*, which advises that conveyancing duty revenue in 1999–2000 was $288 million, 28.6 per cent higher than in 1998–99. As the Minister for Police and Emergency Services said earlier by interjection, the report goes on to say that continued growth in 1999–2000 was attributable to the strength and growth of the housing market arising from a tight rental market, high consumer confidence, interest rates that were relatively low by historical standards, and net interstate migration to Victoria. The government does not expect to see that strong growth in stamp duty collections continuing into the future, and I will come to that shortly.

I note that page 13 of the report says that mortgage duty receipts increased by $25 million, or 26.9 per cent, in 1999–2000. Page 14 of the report indicates that in 1999–2000 taxes on insurance increased by $47 million, or 8.8 per cent, compared with 1998–99. As the Leader of the National Party said earlier, between 1998–99 and 1999–2000 insurance contributions to fire brigades increased by $16 million, or 9.3 per cent.

Page 15 of the report shows that in the view of the Department of Treasury and Finance higher average prices of vehicles resulted in an increase in stamp duty collections of $11 million, or 2.6 per cent. The government has benefited considerably from increases in revenue collected from stamp duties. That comes as a surprise to no-one.

Comparing the actual revenue collected by the government with the revenue budgeted for brings home the point that stamp duty has been a windfall for the Bracks government, delivering moneys it never expected. I refer in particular to page 144 of the report, which shows that revenue from conveyancing duty was $1.3 billion, some $383 million, or 42 per cent, higher than the budget estimate — a huge gain. As someone who has recently purchased a property in Brighton, I have made my own personal contribution to the Bracks government surplus through stamp duty. I hope the government spends it carefully.

Mr Haermeyer interjected.

Ms ASHER — It is about confidence in the future of Brighton, Minister.

Revenue from mortgage duty has exceeded the budget estimate by $28 million, or 30.3 per cent. Again, that is a very significant increase, reflecting, according to the government's financial report, higher-than-forecast land values.

A similar story, but without such vast numbers, is revealed in the taxes collected on insurance business. In 1999–2000 taxes on insurance totalled $24 million, which is 6.7 per cent higher than that budgeted for. It is in the stamp duty on land in particular that the government has received significant additional moneys.

The 2000–01 budget papers contain the government's estimates of what it thought would happen in the financial year. State government revenues traditionally ebb and flow, particularly revenues from the stamp duty on land. The government is not expecting the same stamp duty rate bonanza on land transfers. No doubt everyone is looking at mortgage clearance rates post GST and their impact on the property market to discern the effect on consumer and business confidence and on the residential property market, including owner-occupiers.

On page 132 of *Budget Statement 2000–01* we find that increases in interest rates and a general easing in economic growth, plus the introduction of the GST, are expected to slow the revenue from conveyancing in future years. Obviously there was a build-up before 30 June as people rushed to purchase new homes before the introduction of the GST.

I refer honourable members to chart 6.6 entitled 'Conveyancing duty collections' on page 132 of *Budget Statement 2000–01*, which shows that housing affordability was thought likely to decline in 2000–01. The document states that as a result revenue was expected to decline by $200 million in 2000–01 to just over $1 billion. That moderation was expected to continue in 2001–02, although revenue is 'expected to recover during the final two years of the forward estimates period'.

However, in contrast to motor vehicle and insurance taxes, the forecast decline in stamp duties on the conveyancing of property, as estimated by the government in its budget papers, is expected to be reversed, so we are expecting to see some increases in the duty collected from those taxes.

Stamp duty on marketable securities, which have also increased in recent times, will cease as part of the commonwealth–state agreement that led to the introduction of the GST. Further changes to stamp duty, like any significant reform, will require cooperation from the commonwealth government. The state government is free to initiate some alterations to stamp duty, and it has the financial capacity to do so. But a serious rejigging of the tax system, such as removing some of the higher stamp duty imposts, will, as I said, require cooperation from the commonwealth government.

Obviously the Prime Minister had envisaged there would be some discussions on this area, but due to the agreement with the Democrats in the Senate on removing the GST on food that more wholesale and substantial structural reform of the tax system will not be discussed until 2005. However, there is still room — and I stress this — for rate reductions. For example, in Victoria stamp duty on conveyancing is at a higher rate than elsewhere, and the higher stamp duties are on residential properties, the more disincentive there is for people to change houses.

I touch on the issue of the state tax review committee, which is mentioned in the second-reading speech and which is obviously fundamental to this bill on stamp duties. The first issue I raise in relation to this committee is one of time frame. The government made a budget announcement that it may bring in a $100 million tax cut on 1 July 2001 and said it may introduce another tax cut of $100 million on 1 July 2003. Those two tax cuts were predicated on a surplus of $100 million and general economic growth. It was the biggest announcement of Claytons tax cuts yet seen in this Parliament.

The usual government process followed. A discussion paper outlined what state taxes were — the thought of a business group putting in a submission on a business tax reduction and needing a little paper telling them what state taxes were is beyond me — followed by an interim report. It was expected that the report would cast some light on what the government may do if it had the $100 million surplus and there were economic growth. However, the interim report is just a summary of submissions.

As I said the other day, the opposition asked to see the submissions but the answer was no. The opposition is meant to be consulting but it cannot see the submissions. I am a realist in politics and accept that the government does not want to allow the opposition to see the submissions, but individual protagonists and people who had put in submissions also asked if they could see other submissions and were refused, yet Victoria is meant to have an open, honest and transparent government.

The opposition has seen the interim report. There is a load of submissions, including two from government departments, one of which will be of particular interest to the honourable member for Monbulk because it advocates tax increases in his area. A report will go to the Treasurer on 11 December but will there be a decision on 12 December? No way! It is part of a budget decision, even though the Treasurer said in this place last week that the tax cuts were definite.

Mr Holding interjected.

Ms ASHER — I am relevant. I continue my call on the government to announce tax cuts.

I also refer to the fundamental issue regarding business taxes. The honourable member for Springvale would do well to get hold of the submissions that other people are not allowed to have and read them, because if he did — —

An honourable member interjected.

Ms ASHER — Maybe he is not allowed to get them. They may not be available to the backbench, either.

Mr Holding interjected.

Ms ASHER — I have addressed the bill and I am talking about stamp duty.

The business community is fundamentally split on this issue: part of it wants to see a payroll tax deduction, which is not the subject of the bill, but another part wants to see a stamp duty reduction, which is exactly what the bill proposes to do.

I refer to the discussion paper put out by the state tax review committee to see who pays stamp duties, because that is important in terms of where the burden lies. Page 7 of the paper indicates the estimated proportion of taxes that are business taxes. Land transfer stamp duty is paid as a business tax in 30 per cent of cases, which obviously leaves ordinary Victorians paying land transfer stamp duty in 70 per

cent of cases. It is estimated that business pays insurance taxes on 50 per cent of the occasions, so obviously consumers pay for half as well. The paper also indicates that motor vehicle stamp duty is paid by business on 20 per cent of occasions, or possibly more, which shows the heavy incidence of that tax being paid by consumers. The issue is not one only of the impact stamp duties have on business, but also of the impact they have on individual consumers.

Mr Holding interjected.

Ms ASHER — I am talking about the bill. The honourable member for Springvale would do well to listen and learn about the broader issues concerning Victorian stamp duties.

I turn to the submissions that the opposition is not allowed to have. I refer to a number of suggestions for stamp duty reform that should have been taken up by the government. It has done a complete rewrite of the Stamps Act, yet — talk about a government of lost opportunities — it has lost the opportunity to look at the issue of stamp duty reductions.

In particular, I refer to a study put together by Access Economics for the Real Institute of Australia, which argues very strongly in favour of a reduction in stamp duties.

The study considers the economic welfare gain from a $100 million reduction in state tax, which is what the government said it might do on 1 July next. The study argues that reductions in stamp duty on non-residential conveyances will yield the greatest economic benefit to Victoria. I quote from page ii, which states:

> Reducing stamp duties on conveyances would result in gains to economic welfare, economic activity and investment that are many times the gains that would arise if payroll taxes were reduced by the same amount.
>
> In the case of stamp duties on non-residential conveyances, the gains to economic welfare, GDP and investment would be 4 times, 12 times and 10 times (respectively) the gains from reducing payroll taxes.

The Access Economics submission goes on to argue that:

> All industries would benefit from a reduction in stamp duties on non-residential conveyances. The largest beneficiaries would be the wholesale, retail and repair industry, the business services industry and the accommodation, restaurants and clubs industry.

The submission examines the effect on residential conveyances but argues strongly in favour of a reduction in stamp duty on non-residential conveyances. The government will have a problem with this. Given that $100 million is a relatively small amount, it will probably not be possible to do what the Treasurer and Premier will be inclined to do — that is, cut payroll tax by $50 million and stamp duty by $50 million. That would be next to nothing in terms of any economic impact. It is interesting that Access Economics has singled out a cut in stamp duty on non-residential conveyances as providing the greatest economic welfare gain from the $100 million reduction in state taxes.

I also refer to the submission of the Real Estate Institute of Victoria (REIV) on residential conveyancing stamp duty, a state tax which every Victorian home owner is obviously familiar with and which is levied at a higher rate than it is in other states. The Real Estate Institute of Victoria recommends:

> … that stamp duty be removed or reduced for first home buyers, regardless of property purchase price.

Again, I have no idea whether the government will consider that constructive suggestion by the REIV to facilitate the entry of genuine first-home buyers into the housing market, but it should be considered. The REIV goes on to argue that:

> Stamp duty on conveyancing discourages mobility. The amount of duty payable is significant, both in absolute terms and relative to other transaction costs.

The REIV argues that stamp duty rates have not been adjusted to account for rising house prices and they have not been adjusted to account for the sorts of increases I have just read out, which show what the government gained in revenue this year as opposed to what was projected in its budget. The REIV argues that what it calls bracket creep:

> … has meant a 65 per cent increase in the amount of stamp duty payable on a median priced house between 1990 and 1999.

It gives the example — its source is the Victorian Valuer-General's office — that in 1990 the median house price was $131 500, on which the stamp duty was $3550. In 1999 the median house price in Victoria was $170 000, on which the stamp duty — and I agree with the use of the terminology 'bracket creep' — was $5860. The government has done nothing about alleviating the stamp duty paid by purchasers of median priced houses. That is the view of the REIV.

I move on to the submission from the Property Council of Australia — which the opposition is not meant to have. The property council makes a number of suggestions, and I hope the government takes the time to read them. The honourable member for Springvale is waving his bill around. I urge him to look at the clauses

that set out the stamp duty rates on conveyancing, which are a key part of the bill. If I might help his education as a young man in Parliament, I urge him to look at those clauses.

The property council has examined those clauses and made a number of suggestions, three of which are:

> … introduce a timetable for totally abolishing stamp duty on commercial property conveyances …

That is its no. 2 request. I will not refer to its no. 1 request, which is about land tax, because that is not the subject of the bill. The government would do well to note the property council's recommendations on stamp duties. The council has always been pretty accurate about the investment that flows to this state, and it has always been active in putting together constructive suggestions for reform. The property council has requested:

> … a timetable for totally abolishing stamp duty on commercial property conveyances at the earliest opportunity;

The council has also asked for the elimination of stamp duty on lease transactions as well as other duties and fire levies. I am sure the Leader of the National Party will comment on that. The property council has also requested that the government state business taxation review committee neutralise the GST-inflated impact of the tax on a tax on commercial property transactions. They are critical requests from the property council, which I urge the government to consider when it has another bash at rewriting the bill. It will have to take on some of the tough issues when it re-examines the rates of stamp duty, which is ignored in the bill, instead of replicating what was previously there.

I turn now to the submission by the Insurance Council of Australia. In a secret submission that no-one is meant to have the council has put taxes into three abolition groups: the highest-priority group, the middle-ranking group and the lowest-priority group. Included in the highest-priority group are the abolition of:

> stamp duties on non-residential conveyancing
>
> stamp duties on insurance
>
> stamp duties on motor vehicles
>
> fire services levy

It also goes on to delineate in its middle-ranking group:

> stamp duty on residential conveyancing
>
> other stamp duties

According to the Insurance Council of Australia, payroll taxes and taxes on gambling are in the lowest-priority group for abolishing state taxes.

There is a split in the business community, so the government will have to make a decision. The Victorian Employers Chamber of Commerce and Industry and the Australian Industry Group have argued strongly for the abolition of payroll tax. However, the REIV, the Property Council of Australia and the Insurance Council of Australia — and, I am sure, others — have argued equally as strongly for stamp duty reform. Yes, they will broadly welcome the individual items in the bill that I referred to earlier — some cross-border simplicities and some reduction in compliance costs — but they are looking for something more substantial. They are looking to the government for cuts in the rate of stamp duty. They are looking for a political commitment to cut state taxes, not waffly words about cutting it next year if things are okay. They are looking for a real political commitment to cutting taxes.

I turn now to a tax on a tax — that is, the conscious political decision by the government to charge stamp duty on GST-inclusive prices. This is an interesting policy choice. The government says on the one hand, 'We do not like the GST', but on the other hand it says, 'We will stick some money into our pockets as we profiteer from it by whacking stamp duty on a GST-inclusive price'. That is an unbelievable piece of profiteering and hypocrisy from the Treasurer and the government. The government has made a conscious decision to raise revenue by whacking stamp duty on a GST-inclusive price. As I have said to the house before, at least Michael Egan, the New South Wales Treasurer, has the decency and integrity to say that there may well be a windfall gain to the states from that approach to levying stamp duty. He has also had the integrity to say that if there is a windfall gain to the states he will look at the issue.

That is in complete contrast to the Victorian Treasurer, who has told the Parliament that there will be no windfall gain because of the levying of stamp duty on GST-inclusive prices. That is a nonsense.

The justification the Treasurer has put forward for levying stamp duty on a GST-inclusive price is that it protects the state's revenue base. He has told the *Age* that it will mean the state will gain between $100 million and $200 million. That is the broad range.

According to Access Economics' budget monitor forecast, in the financial year 2000–01, Victoria will gain $130 million from levying stamp duty on GST-inclusive prices. Access Economics has been favourably referred to by the Labor party on many occasions, particularly in the run-up to the 1999 state election when, if you listened to the now Premier, you

would have thought it was the foremost economic institute in the state.

This year the government will receive $130 million as a result of profiteering from levying stamp duty on GST-inclusive prices, but it will give only a measly $100 million back to business, maybe. In other words, if there is a $100-million surplus or if there is economic growth, business may get a proportion of what the government gets from its windfall gains from stamp duty.

In conclusion, the opposition does not oppose the Duties Bill, although it believes the bill is limited. The government should have used the opportunity of redrafting the Stamps Act not just to streamline administrative procedures or look to uniformity between the states. It should have done something substantial for Victorian businesses and individuals. Instead of giving us 200 pages of administrative legislation, it should have given us one page of tax cuts — just one page! Introducing tax cuts would have resulted in a far more substantive bill.

As I said, although members of the opposition do not oppose the bill, we regard it as another lost opportunity.

Mr RYAN (Leader of the National Party) — Some may say that the 222 pages and 286 clauses in the bill are as boring as all get out! In reality, the pages of this legislative to me have a great deal to do with supporting government finances. Therefore, that description would do this magnificent piece of work a terrible injustice!

Overall it is good legislation that the National Party will not oppose. In effect it is a rewrite and an upgrade of the Stamps Act of 1958. The provisions of the original act have been varied in a number of instances, some of which I will refer to in my contribution. The shadow Treasurer, the honourable member for Brighton, dealt with the bill in superb detail, and as a consequence my comments will be short. I certainly will not replicate all that she said during her contribution.

This is national scheme legislation. The reform process started in 1993 in New South Wales. I again make a plea for the development of an appropriate process for scrutinising national scheme legislation. The bill highlights the difficulties that arise when individual jurisdictions go through a scrutiny process and inevitably finish up with outcomes that differ from one to another. It is in the interests of everybody involved in the legislative process to have a mechanism to scrutinise these instruments of national legislation.

Overall, the process of developing legislation has been good. There has been a significant degree of consultation with a wide range of interest groups and individuals. I particularly commend the input of the property law group of the Law Institute of Victoria, which has had much to do with the bill before the house. The institute has expressed concern about the short time available for consultation. Nevertheless, on the way through the legislation has benefited from the efforts of many of those at the institute. I congratulate them on their participation in the process.

The bill was the subject of an exposure draft that was issued in July 1995. It is a good way of developing legislation in that it enables stakeholders to have input into the end product. In 1996 the Taxation Institute of Australia made a detailed submission that comprised, from my memory of the second-reading speech, 70 submissions from individuals and groups. That was also a significant part of the development of the bill.

In Victoria there has been further extensive consultation since late 1997. The process was suspended while the tax package was developed at a federal level. The bill is an initiative of the former Kennett government, and it is a great relief to all those engaged in its gestation that at long last the measure is before us. There are many outstanding features in the bill's construction, including self-contained chapters. We do not have the difficulty, which we had with the old Stamps Act, of trying to cross-reference provisions in order to trace the processes applicable to particular items.

On the other hand, the chapters are separately headed and the document is convenient to read. A great innovation for those who wish to find their way around the bill is an alphabetical contents list at the back. Modern language is used and the terminology in the bill is simply constructed. To my disappointment I could not find one 'hereinafter' or 'whereinbefore' in its pages. The lawyer in the Wizard of Id stories would have been out of a job had he had to comply with this piece of legislation! It is a tome of 222 pages, but the complex issues grappled with are reduced to a form that is relatively easy to read.

The bill reflects the current Stamps Act with some modifications. It contains various innovative aspects to which I will quickly refer. Stamp duty payable on transfer documents is abolished, which is an excellent move. The duty will now be paid on transactions and the change of ownership brought about by transactions.

The bill is designed to accommodate the development of technology. An associated issue deals with land-rich problems arising through the construction of portfolios of property so that shares in a company may change hands, thereby bringing about a change in the

ownership of the property owned by that entity without the need to pay duty on the property transfer itself. Provisions in the bill accommodate the difficulties that have arisen in such cases.

Another good idea is the reduction in the rate of lease premiums. The parties will now have the option of setting the lease figures on the basis of an amount that has the CPI increase built into it or by some other agreed formula, and the duty on the lease will be paid accordingly. The terrible business of upstamping the lease wherever circumstances might have required it under the old legislation will be removed. The term used in the excellent briefing on the legislation was 'set and forget', which summarises the position well, and the parties will be able to do that.

From the government's point of view, in a financial sense there will be unders and overs, winners and losers, but for the purposes of the parties and from the perspective of commercial integrity the proposed changes are a great idea. They will save costs on administration and to the parties themselves, and the National Party supports those initiatives.

The bill contains various provisions regarding mortgages and interjurisdictional mortgages. Cross-border difficulties such as cases where the silly situation exists that a person who owns property located partially in Victoria could end up paying more than 100 per cent of the stamp duty, which has been a problem for decades, will be solved. The mortgage statement will be available for stamping as opposed to the former situation of documents having to be traipsed around the country to be stamped from one jurisdiction to another. It is a great innovation.

The bill creates the opportunity for the government to slip in a couple of tax increases. As the honourable member for Brighton said, it is the wont of governments of all political colours that where comparative taxation levels are available there is sometimes an inability to resist the urge to examine levels that apply in other jurisdictions and ask the question: why not raise our level to meet the highest of theirs, as opposed to any concept of the reverse process occurring? That has happened in this instance, but those occurrences are relatively limited.

The real pity is that the government did not take up the opportunity provided by the legislation to institute a range of innovative attacks on the Victorian system of taxation that afflicts business. Earlier in the year an economic summit was held in Victoria. Along with others, I sat in the chamber and heard submissions from the various organisations and groups. The outstanding plea was for a reduction in payroll tax, but honourable members have seen no sign of that being delivered in any way, shape or form. Promises have been floating around, but the fact of legislation being passed at a time when the business review is under way sends a terrible message to the general community — particularly to people who are participating in the process — that if the government is prepared to introduce the legislation before the review process is complete there will be no reduction in business taxes arising out of all the work the process entails. That is unfortunate and sends a wrong message to business that the bill is being debated today without any move being made by the government to introduce the changes it was exhorted to make by speakers at the summit earlier this year.

As the honourable member for Brighton said, over the past few days the Victorian Employers Chamber of Commerce and Industry commentary has been loud and long concerning other issues. However, VECCI is a strong supporter of a reduction in government taxes, and one can only hope that in time the government will use the opportunity available to it of providing a handsome legacy by paying due regard to the wishes expressed in this chamber only a few months ago by a wide variety of Victorian individuals and entities that are interested in Victoria's future.

The bill is sensible legislation. Although some opportunities have been missed, nevertheless it is the culmination of many years of work by many competent and able people who have dedicated a tremendous amount of energy to it. I wish it a speedy passage.

Mr LENDERS (Dandenong North) — I will make some brief comments on the bill, which is the result of a long and cooperative effort to make doing business in Victoria and the rest of Australia easier by cutting out a great deal of duplication across different jurisdictions. The use of modern language will make it easier for people in this and other states to do business across borders. As the honourable members for Gippsland South and Brighton touched on, the bill brings the language of the legislation into the 21st century. That is important when talking about getting the burden of government off the back of business. The role of government is to create a good environment in which business in the state can work, and there is both a social and economic dimension to that responsibility. Those matters have been addressed through a good process.

I touch on two issues with regard to where the bill is at this stage. The bill is the old Stamps Act rewritten in modern language and reduced in size by half, and it is important to consider where it fits in the process of business taxation reform in Victoria. Since the election

of the Bracks government a number of amendments have been made to the Stamps Act, and amendments will continue to be made to the new Duties Act, presuming it passes through both chambers and is proclaimed. The process is ongoing — Treasury bills come and go to make amendments to the tax regime, as appropriate.

I turn to the business tax review. The process of introducing the Duties Bill has gone on for a number of years. It was put on hold while the federal government's tax adventure was on, but it is now back on because the Victorian government has undertaken a review of business taxes and will deliver the business tax cuts that the then Treasurer promised in a budget speech in May — it will deliver the $100 million to $200 million of various outcomes provided in the forward estimates. There are no ifs or buts about it, the reputation of the government is at stake.

The form that the cuts will take will depend on the outcome of the review, and there are more voices in business in this state than those of the Victorian Employers Chamber of Commerce and Industry and the state opposition. Once that review is completed it will be put in place. There is nothing inconsistent or illogical about the review being held in parallel with the introduction of the Duties Bill. For every day the amendments are delayed costs are added to businesses.

The consultation process adopted by the government through the State Revenue Office is about not only looking at the legislation in New South Wales but also consulting extensively with the bankers association, the equipment lessors association, the finance conference, the society of corporate treasurers, the Insurance Council of Australia, the Law Institute of Victoria, the Property Council of Australia, the Real Estate Institute of Victoria, the Taxation Institute of Australia, the Victorian Employers Chamber of Commerce and Industry and the Victorian Automobile Chamber of Commerce, as well as with numerous legal practitioners, banks, accounting firms and others.

The consultation has meant that after many years a bill has been introduced that brings Victoria into the 21st century, reduces red tape — particularly for interstate transactions — and in some cases saves thousands of dollars for businesses that do not need to get various assessments on a whole range of issues. That is a good result.

My colleagues on this side of the chamber will deal with a number of other issues in the bill, such as interjurisdictional mortgages, land-rich corporation definitional issues and the whole archaic issue of the issuing of stamps. As the Leader of the National Party said, a feature of the legislation is that transactions rather than documents are now being looked at as things to be assessed for taxation purposes. It is necessary to consider such matters in a review.

The final matter I turn to goes to points raised by the shadow Treasurer and by the Leader of the National Party. They cannot have it both ways in opposition — they cannot call on the government to raise revenue, defend revenue and fund initiatives without going into debt, then every time there is an effort to tighten the revenue base or improve the revenue, criticise the government for it. Any opposition member who one day wants to be Treasurer needs to understand that.

The bill is good legislation, and it is overdue. I commend it to the house.

Mr LUPTON (Knox) — As has been reiterated by previous speakers, the bill is good legislation. However, I must agree with the honourable member for Gippsland South when he said that a number of opportunities have been missed. The object of the bill is quite clear: it is to replace the Stamps Act with a modern statute expressed in clear language and with a more contemporary conceptual foundation. That is wonderful English prose — it is magnificent.

A concern I have is that ALP policy has put stamp duty on top of the GST. An opportunity was there for the government to find another way of imposing a tax. Even applying the GST and stamp duty separately so that the GST did not include the stamp duty would have been a fair and reasonable way to deal with the matter. The ALP is opposed to the GST — it has been opposed to it all along — yet when the first opportunity came along to make a profit out of the exercise, it did so.

I turn to the financial report for the state of Victoria for this financial year and refer to some of the matters raised in it. I turn first to taxes on property. Conveyancing duty increased by $288 million or 28.6 per cent, marketable securities increased by $73 million, land tax revenues increased by $33 million, mortgage duty receipts increased by $25 million, gambling taxes increased by $112 million, insurance duty revenue increased by $47 million, motor vehicle tax collections increased by $19 million, annual registration fees rose by $7 million, revenue from business franchise taxes was $95 million, and revenue from regulatory fees and fines was $28 million.

Mr Lenders — You are reading from the Stockdale budget outcomes.

Mr LUPTON — You are now in government. You brought your own budget down and you did nothing about it!

The government has reaped an enormous amount of money through tax changes yet there is no attempt in the bill to try to counter that effect. The application of stamp duty on top of the GST is unjust — it is wrong. In opposition the government criticised the level of payroll tax, yet over the past few years payroll tax had been reduced. I agree — I do not like it — that the payroll tax increases included superannuation, but now there is an opportunity for the government to reduce the payroll tax, yet no attempt has been made to do so. The government has lost an excellent opportunity to make a worthwhile contribution to business in Victoria. The Leader of the National Party emphasised the fact that in the forum conducted in this chamber there were bleatings and requests from business in Victoria for payroll tax to be reduced to give it a hand, and that income from all other taxes has increased.

I raise the issue of used car sales. I do not know how it is to be addressed. Currently the situation is that a person selling a car puts a value on it — and if it is sold to a family member it usually sells for $3000 even if it is worth $10 000. I would not be game enough to do that so I would probably drop a bit of money. Basically there is an opportunity to rip off the government, for want of a better term.

The anti-avoidance measures in the bill provide that the market value has to be determined so that the sale price or market value, whichever is greater, is the figure on which the tax will be levied. What is the market value of a motor vehicle? I suggest that one could go to seven car yards and obtain seven different prices. I have a concern that having the bureaucracy involved in trying to come up with what is the reasonable market value of a second-hand motor vehicle will probably use up half the money that is collected through the stamp duty.

The bill is necessary. However, I believe there was an opportunity for the government to take a bigger step forward, particularly in respect of payroll tax, and reduce the tax burden on small and big business. Overall I believe it is a good bill.

Mr HOLDING (Springvale) — I wish to make two brief comments on two different aspects of the debate on the Duties Bill as it has progressed so far. The first relates to the furphy that has been run by the opposition, particularly the honourable member for Brighton, who dealt with it at length, which is the notion that somehow the bill presents a lost opportunity — that because the government did not package all sorts of different business taxation measures and reforms into this bill it was somehow abandoning its commitment to business taxation reform or had missed a tremendous opportunity. That shows a fundamental misunderstanding of the purpose of the legislation and the origin of the bill.

The bill has come from an interjurisdictional taxation discussion or reform process that has involved not only Victoria but also New South Wales, Tasmania and the Australian Capital Territory. In fact, all the states and territories have agreed that the various stamps acts in the different states created all sorts of anomalies; were couched in language that was outdated, outmoded and completely inappropriate; created all sorts of cumbersome burdens on business and other people, including consumers who were required to use those different pieces of archaic legislation; and that much good would come from reviewing it on a consistent and uniform basis across the various jurisdictions. That is exactly the basis on which the legislation has been brought before the house.

Those are the terms on which the legislation was developed by the previous government, and the terms on which the New South Wales legislation was passed in 1997 and came into effect in June 1998. They are also the terms on which this government picked up the legislation on coming to office. It is ridiculous for opposition members to say that the bill should be dealing with payroll tax or with another form of business tax review.

The government has established a separate process of business tax review that is open and involves consultation with and input from various business organisations, including large and small businesses across Victoria and peak organisations, such as those in the legal profession and accounting bodies. All sorts of organisations have had input into the process. The government has stated the various objectives and has shown an open mind about the outcomes of the process, which is completely appropriate and transparent. It should be commended for the legislation instead of being attacked because of it, as the opposition is doing. The opposition has implied that the passage of the bill should be delayed, which would mean that the process of reform of stamp duty and other various duties would be prolonged.

I will deal briefly with what is probably the most effective and important aspect of the legislation — that is, the provision that deals with interjurisdictional consistency on mortgage duties. It has been driven by Victoria at an interjurisdictional level and will provide

for consistency across all jurisdictions. I commend the bill to the house.

Mr SMITH (Glen Waverley) — It is interesting to hear government members patting themselves on the back and telling everyone how well they have done. However, I have a letter from the Law Institute of Victoria, which was also referred to by the Deputy Leader of the Opposition and which was written by the president of the Law Institute of Victoria, Ms Tina Millar. It is dated 7 September and is addressed to Mr Rod Rogers, chief adviser to the Commissioner for State Revenue. The honourable member for Springvale talks about consultation, but he should look at the fifth paragraph of that letter. It states:

> Notwithstanding the prior consultation, as outlined above, it is not possible for LIV to provide you with detailed comments on the draft duties bill nor even to identify the main issues in the time frame that you have allowed. It was not possible to reply at all by the 4 September 2000 — which is the deadline you set.

The government is patting itself on the back because no-one has bothered to read the letter. The government assumes that because the bill is huge it must be okay. The letter also states:

> Examples of changes adverse to taxpayers are:

Eight examples are set out under bullet points. I will refer to a couple of them. The first states:

> Duty is charged in Victoria on a transfer of land. It is now proposed to be charged on 'any other transaction that results in the change in beneficial ownership of dutiable property' — whatever that means.

In other words, the president of the Law Institute of Victoria, who is recognised by the community as being one of the top legal brains in Victoria, quotes from the bill but does not know what it means. The letter continues:

> In the context of land conveyancing it presumably means, inter alia, the making of a contract. This appears clearly intended to follow from clause 204(1)(f). It may also include acquisition of a beneficial interest in goods, beyond cases where goods are subject to an arrangement (why use a clear expression when something uncertain and indeterminate will do?) that includes a dutiable transaction in respect of any estate in land elsewhere referred to in the clause …

Under the fifth bullet point Ms Millar refers to other changes that are adverse to taxpayers. The letter further states:

> The provisions of chapter 2 appear to adversely affect purchasers of land where contracts of sale may have settlement dates of 90 days or more, in that the contract of sale will now have to be stamped in lieu of an instrument of transfer. It is also noted that the unfavourable rates of stamp duty applicable to land sales in Victoria remain unaltered, despite the introduction of the GST of which Victoria will be a beneficiary.

The Law Institute of Victoria (LIV) is not silly, and from time to time we think it might be too close to the government. This letter has been prepared for Tina Millar by the senior research solicitor, Peter Lowenstern, who is an eminent person in this area.

Another adverse change to taxpayers is highlighted in the sixth bullet point, which states:

> Where ad valorem scales apply to amounts inclusive of GST, there is often no reduction in rate to compensate taxpayers. An example of this is in the case of leases.

The law institute is saying that the government's beneficial interest as a result of the GST is not being passed on. It refers to the tax on a tax mentioned by the honourable member for Brighton.

The eighth bullet point states:

> The provisions of chapter 7 were the subject of rather more discussion with the State Revenue Office than is the case with other provisions of the bill, yet the bill does not highly reflect those discussions.

In other words, there were long discussions with government but the LIV feels it was wasting its breath. The institute is saying, 'Why bother?'. The letter continues:

> In part, LIV recognises the difficulties were not of Victoria's making. LIV does, however, point out that there is an increase in the duty base by the inclusion of bill finance and 'contingent liabilities'. The drafting in respect of 'contingent liabilities' is circular and obscure. The provisions in respect of 'mortgage packages' do not include any of the matters discussed between LIV and the SRO. There appears to be no concession, such as was discussed —

something might even have been agreed: I can read between the lines —

> in respect of the initial stamped amount of a mortgage that, before enactment of the Duties Bill, secured only bill finance. The consequence is that if a bill facility current at the commencement of the Duties Bill continues, duty may have to be paid on the amount secured.

A government that is having discussions with all the interest groups and gets a report card like that does not appear to be one that should pat itself on the back.

I am not a lawyer, and my final point is one that any sensible lay person would reach. The community's message to the government is that it must pass on the concessions to business in order to draw business to Victoria, whether it be through tax concessions, rate concessions or, if necessary, payroll concessions.

The government is not taking these issues on board. Email is leaving the state, and if the government does not pass on to business the windfalls it has had, it will be the beginning of a number of other firms leaving. The only way the government can get business to come to Victoria and stay is to offer incentives, not the $18 000 talked about by the Minister for Manufacturing Industry — who is also the Minister for Racing — earlier today. He should be spending more time in the next few weeks looking into his industry portfolio than going around all the racetracks, as he admitted doing the other day. These are important issues that will ensure business stays in Victoria, and when one of the main community pressure groups — the LIV — sends the SRO a letter of the sort I read, it shows that the government, for all its hype and spin, is not listening to the people who matter.

Let us see a healthy racing industry, but a minister involved with racing on a day-to-day basis is not going to encourage business to stay in Victoria and will not encourage the type of investment we are hoping will come.

The LIV claimed it did not have time to go through the bill properly, and if these pitfalls have been found, just imagine what the institute members would have found if the government had given them time to do a proper job. How the opposition is meant to get the advice it needs to give a proper response in such a short time I do not know: it is unbelievable.

Mr Lenders — It had three years.

Mr SMITH — The government is not interested in listening, and the more it goes down this track the less likely it is to retain the business necessary to keep running the most important aspect of the economy — the retention of the work force and ensuring that the unemployment rate reduces and the employment rate rises. When I see a response like the one issued by the LIV it gives me no confidence in the bill.

Mr LANGUILLER (Sunshine) — The bill is a major step towards implementing the government's program of reform of state taxes. The primary purpose of the Duties Bill is to replace the Stamps Act 1958 with simple, clear and equitable legislation, drafted in contemporary language and modern style.

I will translate that into simple language, as the honourable member for Dandenong North did recently when he gave me an excellent summary of the whole bill, explaining its substance succinctly. I do not claim to have understood it all, but he provided a lot of useful information.

The bill attempts to make the legislation useable, simple and accessible to all. I refer to a meeting I had recently with representatives of the Sunshine Traders Association, who told me about some of the costs the association incurred in seeking advice on the interpretation of the law. They said it would make their lives a lot easier if the government made some changes that simplified those matters.

The bill demonstrates that the government is tangibly pro-business, and it is another example of how good government can make businesses more profitable. I welcome the changes in the bill and commend the minister for making the legislation simpler and more accessible to humble mortals.

The bill also provides for uniformity across jurisdictions, which is important because it removes the double duty on cross-border transactions. The honourable member for Dandenong North referred to the example of Virgin Airlines, a company that operates across a number of Australian states and territories. The bill will do organisations like that an enormous financial and administrative favour by bringing Victoria into line with the other states and territories and making Victorian businesses more competitive. It will generate savings of the order of thousands of dollars.

There was much debate earlier today about the creation of jobs in Victoria. It can be safely argued that by generating thousands of dollars of savings for the business community, the bill will indirectly create new jobs in Victoria.

Prior to introducing the bill the government consulted extensively with the Australian Bankers' Association, the Insurance Council of Australia, the Law Institute of Victoria, the Property Council of Australia, the Taxation Institute of Australia, the Victorian Employers Chamber of Commerce and Industry and many other bodies. It is important to place on the public record the healthy relationship that exists between the government and employer organisations. The opposition should welcome that relationship instead of being critical in an unconstructive manner of the way the government is consulting with the business community.

In conclusion, I reiterate that the Duties Bill is modern legislation that will result in a high degree of uniformity between the other states and territories. The legislation will operate in conjunction with the Taxation Administration Act of 1997. I commend the minister and the government on a good piece of legislation and commend it to the house.

Mr SPRY (Bellarine) — I take the opportunity of speaking on the Duties Bill for the express purpose of ventilating the views of a number of my constituents who have expressed their concerns about a tax on a tax.

Among other things, stamp duty applies to insurance policies. The government has recently taken the opportunity to charge stamp duty not only on basic insurance policies but also on the goods and services tax component that has been added to those policies.

That issue is not strictly addressed in the bill because it is a separate matter of taxation policy. However, given that for the first nine months the Labor government has been in office tax revenues have increased by over $900 million, as revealed in the *Financial Report for the State of Victoria 1999–2000*, it seems odd that the government has not taken the opportunity to at least give some relief to the people of Victoria, and to home owners in particular, who have the sorts of problems about which I have been speaking.

I will name several of those people, as I am sure they would not take exception to having their cases highlighted in the debate. Mr W. J. Blease of St Leonards, Mr Peters of Moolap, Mr Ted Cullen of Clifton Springs and Mr Mitch Mitchell are just some of the people who are having difficulty in coming to grips with the decision by this high-taxing government to impose a tax on a tax.

As I said, the government had the opportunity to do something about that in the bill. I have written to the Treasurer about the issue, and I must commend him on the promptness of his response — in contrast to the response to an issue I raised earlier during members statements. The Treasurer has been consistently careful to ensure that his responses are prompt, and I appreciate that. I will quote from his letter, in which he explains the government's position on the issue:

> If the government were to levy stamp duty on the value of transactions excluding GST, in most cases the value on which stamp duty was levied would fall and there would be an overall net loss to state revenue.

My understanding is that as a result of the stamp duty being levied on the GST component as well as on the base premiums for insurance policies, the government has engineered a windfall gain of the order of between $100 and $200 million.

A government member interjected.

Mr SPRY — I stand corrected if that is the case, but that is my understanding. The Treasurer goes on to say in the same letter:

> The Bracks government has been careful to ensure that it does not receive a windfall gain as a result of state taxes applying to GST-inclusive values.

In spite of what the Treasurer says, the fact remains that the government is enjoying a windfall gain from that tax on a tax.

Those examples of taxation earnings by a high-taxing, high-spending government are not appreciated by the thinking members of the Victorian community, including the people I mentioned earlier.

Mr BRUMBY (Treasurer) — I begin by thanking those honourable members who contributed to what has been a good debate. I refer in particular to the Parliamentary Secretary for Treasury and Finance, the honourable member for Dandenong North; the honourable member for Geelong North, who is chairman of the Public Accounts and Estimates Committee; the honourable members for Springvale, Sunshine, Bellarine and Glen Waverley; the Deputy Leader of the Opposition and honourable member for Brighton; and other members of the opposition.

As I indicated in my second-reading speech, the bill is not controversial, and builds on reforms introduced by the former government. Governments all over Australia have been attempting to rewrite and simplify the legislation relating to stamps acts and duties to provide greater national consistency, and that is what the bill before the house does. The overall impact of it will be broadly revenue neutral.

The honourable members for Brighton and Bellarine raised the question of whether stamp duty should be applied on the GST-inclusive or the GST-exclusive price. The honourable member for Bellarine had the courtesy to say that if he were proved wrong about it he would apologise. The opposition has had a great deal of difficulty understanding the concept. The honourable member for Bellarine, unlike the honourable member for Brighton, is still in the house, so I will focus on that matter for a moment. The GST replaces a range of other taxes that existed previously. For example, it replaces the wholesale sales tax (WST). In the past the WST was always, by definition, embedded in the price of such things as insurance, and the cost of a transfer and state stamp duty was added to it.

Mr Rowe — There was never a WST on insurance.

Mr BRUMBY — That is a stupid statement. All of those taxes, including the WST — which cost the federal government billions to remove — were embedded in the price of products. For goodness' sake! That is what the GST is all about.

Mr Spry — But not on insurance.

Mr BRUMBY — Insurance companies work out of buildings that have been constructed and for which wholesale sales tax has been paid on the price of construction, and they use computers and paper on which WST has been paid. The whole price is embedded in the final product. The GST replaces those taxes. We have done in Victoria exactly what every other government in Australia has done, and the only thing that could be done to achieve policy consistency: we levied stamp duty on the GST-inclusive price in exactly the same way stamp duty was previously levied on the WST and other taxes embedded in the price.

I will give the opposition a piece of advice. The Deputy Leader of the Opposition and others are on the record on the issue, so when it comes to the next election opposition members will have to put their policies out into the market for costing. The Deputy Leader of the Opposition, who is the shadow Treasurer, said levying that tax on the GST-exclusive price would cost the state hundreds of millions of dollars per year in revenue. If the opposition is happy to say that is its policy, as it is at the moment, I am happy to give opposition members an opportunity to reconsider it based on the facts and the information. They are making appalling public policy and, by handing over hundreds of millions of dollars in untargeted tax cuts, are acting irresponsibly.

In the debate on the National Taxation Reform (Further Consequential Provisions) Bill the shadow Treasurer, the honourable member for Brighton, cited increases in revenue from this year's budget as evidence of windfall gains despite the fact that I have refuted that idea in the Parliament on numerous occasions. She repeated her claim in a media release dated 21 July in which she said that the 2000–01 state budget had forecast increases in stamp duty and that 'the Labor government stands to gain a major windfall, courtesy of Victorian taxpayers'. She went on to refer to increases of 17 per cent and 2.4 per cent projected for revenue collected from stamp duty on insurance and vehicle transfers respectively.

Anyone with half an iota of intelligence would understand that it is totally spurious to refer to increases in stamp duty revenue forecast in the state budget as evidence that there will be windfall gains to revenue. What the shadow Treasurer is referring to is the percentage increases reported on page 417 of *2000–01 Budget Estimates* as projected and changes between 1999–2000 budget figures and 2000–01 budget figures. Honourable members should remember that the 1999–2000 budget estimates were out by a factor of 10 — that is, the last budget brought down by Treasurer Stockdale projected a surplus of $128 million, but the surplus ended up being more than $1 billion. Because of the upward revisions of the 1999–2000 budget figures the honourable member for Brighton should refer to the changes between the revised figures — the actual figures for 1999–2000, as we now know — and the forecast for 2001. When we compare the actual amount the government received in 1999–2000 with the amount the government expects to receive in 2000–01 we find that, far from attracting windfall gains of 17 per cent or 2.4 per cent, those revenue items are set to decline by $200 million.

So who's a dill? Who's a fool? Who's irresponsible? Victoria's revenue is about to fall by $200 million, but the opposition is saying, 'That's not good enough. Let's put stamp duty on the GST-exclusive price and throw away another $200 million'! Do you think that is good economic policy?

The honourable member for Bellarine was good enough to say that if he is wrong, he will apologise. Here is the minute from Treasury that shows that the honourable member for Brighton is out by $200 million — —

Ms Asher — On a point of order, Mr Acting Speaker, the Treasurer has just waved around a piece of paper, saying, 'Here's the minute from Treasury'. Is he prepared to table that minute?

The ACTING SPEAKER (Mr Phillips) — Order! Is the Treasurer prepared to table the minute for the convenience of the house?

Mr BRUMBY — I would not normally table a minute, but I am happy to do so on the basis that the shadow Treasurer agrees that if she is wrong she will apologise to the house for misleading it.

Honourable members interjecting.

The ACTING SPEAKER (Mr Phillips) — Order! The answer is no.

Ms Asher interjected.

Mr BRUMBY — I have answered the question.

Ms Asher interjected.

The ACTING SPEAKER (Mr Phillips) — Order! The Treasurer, without interruption.

Mr BRUMBY — The shadow Treasurer has made two errors. The first is the $200 million error in her press release, and now she has apparently convinced her lacklustre opposition backbench that the appropriate policy — —

Honourable members interjecting.

The ACTING SPEAKER (Mr Phillips) — Order! This is almost like bay 13 at the football! It is very difficult for Hansard to hear voices clearly when a number of members are interjecting. I am sure the Treasurer enjoys interjections — at times he encourages them — but he should continue in a parliamentary fashion.

Mr BRUMBY — The high-tax experts opposite increased taxes during their period in government. When the shadow Treasurer was the Minister for Small Business the former government increased the tax take by more than 50 per cent. The shadow Treasurer was out by $200 million, and on top of that she wants to give away another $200 million in tax cuts by making stamp duty GST exclusive instead of inclusive.

As I said to the honourable member for Bellarine, in the run-up to the next election all the false promises the opposition has made will be costed. On this issue alone the opposition is talking about a cost to the budget of up to $400 million which, whether you apply it to schools or hospitals or business tax cuts, would have an enormous impact on our economy. When the sums are done it will be interesting to see whether the opposition is consistent or whether, as I suspect, it will walk away from the commitment it has made, because the backbench understands the shoddy, lazy bit of work presented by the shadow Treasurer.

Honourable members interjecting.

Mr BRUMBY — We have finally got the shadow Treasurer in the house. How long have you been shadow Treasurer? Twelve months? Have you had a single story in the press yet? Have you had one?

Ms Asher interjected.

Mr BRUMBY — There has been one story in 12 months. What a great effort! No wonder on the backbench they talk about the pathetic leadership on offer. The government is delighted that for all of the — —

Honourable members interjecting.

The ACTING SPEAKER (Mr Phillips) — Order! The level of interjections is far too high and disorderly. I ask members on the opposition benches to lower their voices.

Mr BRUMBY — The government is delighted that, for all the discussion about it, the opposition supports the bill.

Motion agreed to.

Read second time.

Remaining stages

Passed remaining stages.

CRIMES (AMENDMENT) BILL

Second reading

Debate resumed from 5 October; motion of Mr HULLS (Attorney-General).

Dr DEAN (Berwick) — The opposition supports the Crimes (Amendment) Bill which carries out three important tasks, all of which are concerned with the protection of our young in a society that is fast becoming so technologically efficient that it enables not only the good things but also the bad things in life to be distributed easily and quickly.

The first matter the bill considers is the problem continually created by child pornography and those strange people — I could use a stronger word than ‘strange’; I will say ‘those disgraceful people’ — who seem unable to control their own sexuality in order to take a dignified approach to their lives. They amass child pornography. The evil of child pornography is not just the fact that the mind looking at it is warped, but that to create it children have been placed in a position where their rights are completely annihilated. As a consequence of the community not being able to protect them, innocent children who rely on adults for their protection have completely lost those rights and their faith in humanity. I can only imagine what it must do to such young children to be subjected to sexual abuse. We need to do everything we can to try to prevent it occurring.

One of the reasons for the increase in penalties proposed by the government and supported by the opposition for this crime is that through the use of technology those disgraceful people find it much easier to obtain child pornography. The industry is growing, and the more it grows the more other people want to see such material. The more that happens the more often young people have their lives destroyed, their innocence removed, and the protection that they are entitled to receive from their community abolished or removed from them. The opposition has no hesitation in supporting that increase in penalty.

Secondly, the bill attempts to overcome an anomaly. Quite rightly, there is a separate offence — separate to rape and separate to assault — which exists as a

consequence of a young person being sexually penetrated. The offences are graded in accordance with the age of the young victim. Society has properly seen fit to make a law that if a person under 10 years is sexually penetrated, no matter what the circumstances, that is an incredibly serious crime and can be visited with a penalty of up to 25 years in jail. If the victim is aged between 10 and 16 and is sexually penetrated, that also is a crime, no matter what the circumstances, and the penalty is a maximum of 15 years in jail.

It is difficult to deal with a situation where a girl, for example, may be 16 and is sexually penetrated by a male who may be 17 or 16. The government has seen fit to change the penalties to ensure that if the victim is within that young age group and the person with whom the sexual act occurs is within two years of the victim's age, that is a lesser crime or misdemeanour. It is still inappropriate behaviour and is not encouraged, but it is a lesser crime.

Despite the best endeavours to ensure that sexual offenders against victims under 10 years of age receive one penalty and those whose victims are aged between 10 and 16 receive another penalty, a problem exists if the court is unable to say whether the child is under 10, and in fact does not know the child's age other than that it is under 16. That has resulted in a loophole that may enable the offender to escape conviction completely.

To overcome that situation there will now be a third offence involving a child under 16 to run alongside the offence of sexual penetration of a child under 10, and the same offence for a child aged between 10 and 16. Whether or not the court knows the victim is under 10, the perpetrator will not escape conviction. The penalty is not as great as that for an offence involving an older child, but at least it is a penalty and the perpetrators of such acts will be picked up by the legislation. It is essential in a civilised society that special legislation apply to those offences.

The third matter is the extension of the definition of rape to include not just female victims, as in the normal notion of rape, but also male victims. This refers not to bestiality or similar crimes but to cases where the male is forced, without his consent, to engage in sexual intercourse or penetration. It goes beyond physical force, which is what we normally associate with rape. We must remember that by definition rape is about a person — usually a female — having sexual intercourse without her consent. That does not necessarily mean there is a huge struggle or a physical battle. It means she does not consent, and that lack of consent is passed on and is known or ought to be known by the perpetrator.

If we regard rape in those terms, we can see how the reversal of that situation could occur where the male is the victim — in other words, where a male, as a consequence of his surroundings, is forced without his consent to engage in sexual intercourse as a consequence of being part of a brothel system or a system where he has to live in a particular house and undertake those acts. In considering the correct definition of rape, which is to do with non-consent, it is important also to cover a situation where a male can be placed in exactly the same situation.

The opposition supports the amendment, which will ensure the broad protection of the rights of the young. It is a platitude to say, but nevertheless it should be said again and again, that one of our major tasks in criminal law is to protect young people. They are our future and they have a right not to be exploited. They are vulnerable, and in our community a test of the degree of our civilisation is the protection we provide for those who are vulnerable. It is the key to our civilised existence. If we cannot get that right and if we cannot stop exploitation of the vulnerable, we have no right to call ourselves a sophisticated or civilised community.

I make one final comment on a matter that was put to me by the shadow Minister for Health about the definition of pornography and whether it will cover not just live photographs of activities that victimise children but also cartoons or images created on screen, as can be done on a computer by simply moving images around.

There is some doubt about whether that definition of sexual pornography is covered. My learned colleague the shadow Minister for Health has raised an important point. The government should look at that to ensure that fictional computer images are covered. Although they may be, it is important that we assure ourselves that they are.

Mr RYAN (Leader of the National Party) — One can hardly say it is a pleasure to join a debate on the issues encompassed by the legislation. I endorse the comments made by the honourable member for Berwick about the significance of the bill: the true measure of any society is how it cares for its most vulnerable members.

The legislation addresses three issue of concern relating to children. The first is the possession of child pornography. Clause 6 increases the penalty for that offence to a maximum of five years imprisonment, compared with the two-year term in section 70 of the Crimes Act. Nothing in the bill touches on the definition of pornography. I take the point of the honourable member for Berwick, who asked whether,

in today's age, a re-examination of the definition is needed. No doubt the government will take that on notice and deal with it as it sees fit.

The National Party agrees with the increase in the penalty and supports the steps the government is taking to deal with these concerns.

The second issue relates to sections 45 and 46 of the Crimes Act. Section 45 deals with the sexual penetration of a child under the age of 10, and section 46 deals with sexual penetration of a child aged between 10 and 16 years. Clause 5 will abolish those two sections by substituting proposed new section 45.

The proposed new section will have three levels of offence relating to the sexual penetration of a child under the age of 16. Proposed new subsection (1) states:

> A person who takes part in an act of sexual penetration with a child under the age of 16 is guilty of an indictable offence.

Proposed new subsection (2) breaks that basic offence into three levels. Firstly, proposed new paragraph (a) says that if the court is satisfied beyond reasonable doubt that the child was, at the time of the offence, under the age of 10, the offender will be liable to a level 2 term of imprisonment, which equates to a maximum of 25 years.

Proposed new paragraph (b) says that if the court is satisfied beyond reasonable doubt that the child was, at the time of the offence, aged between 10 and 16 and under the care, supervision or authority of the accused, the offender will be liable to a level 4 term of imprisonment, which equates to a maximum of 15 years.

Proposed new paragraph (b) contains an important pointer to the responsibility a community has for its most vulnerable members. It specifically refers to a child aged between 10 and 16 years being subjected to an appalling attack while 'under the care, supervision or authority' of the offender. I raise the point specifically, because there can be no greater breach of trust and faith than that committed by an individual who visits himself in the way the bill describes on a child who is in his care.

We are all familiar with the appalling stories of babysitters, friends of the family and others who sexually abuse children. The proposed new section has been drawn appropriately by making a nexus between the commission of the offence and the role played by the supervisor at the time of the offence.

The third level of offence, which is referred to in proposed new paragraph (c), deals with offences committed against children under the age of 16 in any case other than those in the first two categories. Offenders will be liable to level 5 terms of imprisonment, which equate to a maximum of 10 years maximum.

The provision is deliberately drawn to bridge the yawing gap in the law. Under sections 45 and 46 of the act, the onus is on the prosecution to establish the essence of the offence, incorporating the commission of the offence itself, the fact that it occurred and the age of the child. It has become necessary to establish whether the child was under the age of 10 in the case of section 45 or aged between 10 and 16, in the case of section 46.

The unintended outcome was that where the act had been committed there was a capacity for an accused to escape conviction if for whatever reason it were not possible to establish the age of the child. One can well imagine how individuals who possess this dark side of human nature could escape the penalties that should properly be imposed upon them in cases where poor kiddies have suffered from repeat offences committed over protracted periods. The proposed section will ensure that people who should be convicted are unable to avoid the punitive measures that ought properly be visited upon them.

The third principal feature of the bill refers to the definition of rape. The usual description of rape has been radically changed. Currently rape is understood to involve sexual intercourse with a woman without her consent. The bill extends the definition to include cases where a male is involved against his will and is the victim of the crime, so that those who have forced the outcome should properly be charged with and, where the relative fact circumstances are made out, convicted of rape. The National Party agrees with that extension of the law. Again, this all-embracing legislation will ensure that vulnerable people in the community have the protection to which they should properly be entitled in a civilised world.

Although there are other amendments in the bill they are not of the same import as the three elements that form the primary aspects of the legislation. I reiterate that the National Party supports the legislation and wishes it a speedy passage.

Mr WYNNE (Richmond) — I thank the honourable member for Berwick and the Leader of the National Party for their indications of bipartisan support for the legislation. I also reflect on the repugnant state of some sections of society in that a bill such as the Crimes

(Amendment) Bill must be debated and passed in the house. As other speakers have said, one wonders about the dark side of society where people derive some prurient pleasure from preying on the weak and vulnerable in the community. The bill reflects the strong intent of the government to send a clear message to the community that it finds such activity utterly repugnant and that the full force of the law will be enacted against them.

The bill goes to three particular elements. Firstly, it increases the penalty for possession of child pornography; secondly, it creates an offence of sexual penetration of a child under the age of 16; and thirdly, it extends the definition of rape to include where a male is compelled to sexually penetrate another person with his penis.

The offence involving a male victim being compelled to sexually penetrate another person clearly occurs in the community, and especially when people are in custodial situations. Such forced penetration now equates with other forms of rape and carries a maximum penalty of 25 years, whereas previously the procuration of sexual penetration carried only a 10-year maximum penalty.

An important loophole concerning the question of the proof of age of children has been closed. In some cases prosecution was being avoided because there was uncertainty as to whether a child involved in an offence was over the age of 10 at the time. As the Leader of the National Party said, where a child victim has tragically been the victim of multiple sexual assaults over a long period it is often difficult for the child to accurately advise when the offences occurred.

The third aspect of the bill extends the definition of rape, and in their contributions my colleagues have indicated the scope of that definition.

A query as to the definition of pornography was raised in the debate. I refer the house to section 67A of the principal act, which states:

> Child pornography means a film, photograph, publication or computer game that describes or depicts a person who is, or looks like, a minor under 16 engaging in sexual activity or depicted in an indecent sexual manner or context.

That definition should allay the concerns of the shadow Attorney-General and the Leader of the National Party. It is a broad definition that should remove any concerns about the capacity of someone to fall between the cracks of the legislation when downloading perverted material and seeking to manipulate it. The definition resolves that question.

I am pleased that there is bipartisan support for the bill. It is important that the Parliament sends a clear signal to the community that the behaviour of some of its perverted members is utterly repugnant and is something that will not be tolerated. I welcome the support for the bill from the opposition benches, and I share the wish that it receive a speedy passage.

Ms McCALL (Frankston) — The role of the Parliament is to recognise the importance of changing the law in line with changing times and attitudes. I have no difficulty in supporting the government's bill, in particular the three issues the bill enshrines.

There has been much discussion about child pornography. All honourable members acknowledge that children, especially those under the age of 16, are among the most vulnerable members of the community. That is so even though, once they reach the age of 13 or 14, they may be quick to tell us that they know how to behave and even though they sometimes tell their parents, aunts, uncles and godmothers to get a life because they know how life is.

The aim of the bill is to provide as much protection as possible to the vulnerable members of the community. I am pleased with the provisions that deal with child pornography. I also refer to the extension of the definition of rape. I admit it is not a topic with which I am terribly conversant, so I have had to defer to some of my male colleagues. However, I appreciate the motivation behind the extension to the definition of rape, in particular male-male rape and rape where the levels of coercion referred to are involved.

One matter that should be looked at involves sections 36 and 39 of the act, which deal with indecent assault as opposed to what could be clearly defined as sexual assault. That relates to crimes such as date rape — about which there has been a great deal of discussion in the United States and the United Kingdom — the occurrence of drug-induced sexual intercourse at rave parties, and the use of Rohypnol as a tranquilliser, which leads to date rape, whether it be male-female or male-male rape.

In the short time available I will direct the attention of the house to a practice involving the indecent assault of minors that does not come under the normal definition of sexual assault. The practice, which has raised its ugly head in Frankston, is the body piercing of medically sensitive parts of the bodies of under-age people without their providing proof of identity or proof of age.

Because of the minor sensitivities of my colleagues I do not propose to explain in detail what some of this body piercing involves, although the honourable member for Cranbourne seems keen to learn. Suffice it to say that expressions such as 'three-ring circuses' and 'Prince Alfreds' are now being bandied about within the young community. If anyone desires an explanation of the expressions, I am happy to give it to them at another time and in another place. This involves what can only be described as a form of indecent assault on minors.

One case in Frankston that came to my attention involved rings being placed through nipples as a form of body piercing. I have canvassed the issue with members of the medical profession, and I am told that for the nipples to be pierced they need to be erect. If a minor wants her nipples to be pierced — at a cost of $120, I am told — they must be made erect to enable the rings to be put through. One wonders how that is done. One wonders what type of behaviour is performed by the body piercer, who may be over 21 or 22, to enable the piercing to take place.

I have also canvassed the issue with my legal colleagues. We view it as very much coming under the heading of indecent assault. Even though it may be performed with his or her consent, my concern is that, at the age of 14, a minor would not necessarily be aware of what is going on.

We have taken a great step forward in recognising that we must protect our young people, not because we think we are clever, older and wiser but because we recognise that the community is asking us to do so. That is so whether it concerns child pornography, under-age sexual assault, or extending the definition of rape. However, I urge the house, when considering any further amendments to the Crimes Act, to look at a broader definition of indecent assault. I wish the bill a speedy passage, and I am pleased to support it.

Mr SEITZ (Keilor) — It gives me pleasure to note the opposition's support for the bill. The amendments were considered by a previous Labor government when I was a member of the Attorney-General's bills committee, which is now known as the Justice bills committee. The committee looked at the issue and decided on two separate age groups — under 10-years-old and 10 to 16-years-old — which were included when the amendments were introduced by that Labor government.

I am pleased that once again the house is furthering the legislation, because it reflects the dilemmas of a society coming to grips with modern technology, in particular the Internet. The pornography that has been disseminated across the world via the Internet has necessitated further amendments to the act. I hope the penalties in the bill will discourage people from disseminating pornography throughout society.

Rape is a horrible crime by any definition and under any circumstances, and it does not matter what age the victim is. However, it is even worse when young defenceless people do not have the ability to defend themselves physically or mentally. Sometimes years later they have the courage to make reports after stumbling on friends who listen to them, care for them and guide them through the process of turning the matters over to the police, which are then dealt with through the courts. These situations are always very difficult for young people.

I welcome the combining of the two age groups into one 16-year-old category, because it removes the loophole that existed when the age of a young child at the time of the offence could not be identified. It was then a case of the victim's word against that of the perpetrator. If the victim was two years older than when the crime was committed, the sentence was reduced — and I recall arguing about that point. I am glad that section will be removed, because it will allow the courts to make a better judgment on an issue that can involve shades of grey and difficulty in remembering dates and times. People who have gone through that sort of trauma have mental problems in recalling precise times and dates, which are horrific in themselves.

I hope this is not the end of debate on the legislation. A retraining program has been instituted for magistrates to ensure that they show respect and understanding for the women who bring those charges. I hope that magistrates and the police learn how to handle these sorts of details.

In many cases the victims have the courage to come forward to report a crime only later in their lives, which may be many years after it has taken place. Victims need to know they can make statements, either to the police or to another community support service, in a safe environment. I highly recommend the bill to the house and wish it a speedy passage.

Mr LUPTON (Knox) — I am pleased to join the debate on the Crimes (Amendment) Bill. The honourable member for Cranbourne and I served as members of the Drugs and Crime Prevention Committee, which examined the sexual abuse of children and saw some of the sorry types of persons that exist in society. The members of the committee joined together to interview individuals who recounted their experiences of being abused by people from all

walks of life. The bill is worth while and deserves all the support it can get.

The bill increases the penalty for the offence of possession of child pornography. In 1994, before the Internet was popular, the members of the committee visited the United States of America, where we saw how pornography was transferred rapidly through that country and around the world. Anything that can be done to stop that insidious practice deserves all possible support.

Importantly the bill creates an offence of the sexual penetration of a child under the age of 16 years. The committee interviewed and listened to tapes of interviews of people who had been sexually abused approximately 10 to 15 years earlier. Some of them were extremely young when the offence was perpetrated against them and only by the time they had reached their 20s were they able to face the facts and talk to us about the way they had been abused.

I will quote the chairman's introduction to the committee's report. It is not pleasant but it will give honourable members some idea of the sorts of animals that roam this world. It states:

> To hear factual accounts of the most obscene and perverse crimes, such as that of an offender on his way home from the hospital with his newly born daughter, masturbating at the thought of what he was going to do sexually to the child. Then regularly and intentionally penetrating the child with larger and larger objects until penile penetration was possible at the age of four. This is then followed by repetitive sexual assault till the child is eight years of age and the matter is finally brought to the notice of police.

What decent person would think anyone capable of doing that to his or her own child?

The honourable member for Cranbourne and I visited jails where we talked to both the victims and the perpetrators, and it was obvious that some of those people will never be cured. Anything that can be done under the laws of Victoria, Australia or the world to try to apprehend and bring such people under control deserves the full support and commendation of every member of Parliament. I am glad to see that the opposition supports the bill.

The definition of rape in the bill will protect males against being raped by being forced to perform the penetration. There has been a belief in the past that males are never raped, but history shows that around 9 per cent of rape cases reported to the Victoria Police involve males as victims. The bill recognises the fact that males are raped, and I am pleased that the protection against male rape will now be provided by statute. For far too long males who have undergone the trauma of rape have also had to experience and contend with the sniggering of uninitiated people in society. Some people look down on male rape victims despite the fact that the rape and abuse occurs through no fault of their own.

It is a shame it has taken so long for this excellent bill to be introduced. I am not being critical of the government by saying that, because the bill includes some of the recommendations of the committee on which the honourable member for Cranbourne and I served. I commend the bill to the house. I believe the community should use every method possible to bring paedophiles — who are worse than any description I could give of them — to justice and to protect children and males against rape. The bill should have the full support of Parliament.

Mr LONEY (Geelong North) — All honourable members understand the issues underlying the Crimes (Amendment) Bill and why it is needed. It could be said that the bill is not welcome in this place because we would prefer that the issues it attempts to deal with did not exist, but that is not the reality. The community expects issues of this sort to be dealt with properly. The bill concerns the protection of children and other vulnerable members of the community, and it is essential to do everything possible to ensure such people are protected.

The bill attempts to address a number of matters. Essentially there are three parts to the bill. It creates the new offence of rape of a male who is forced to penetrate another person, it creates a new offence of sexual penetration of a child under 16 years of age, and it increases the penalty for the offence of possession of child pornography. The first question that may arise in the community is why laws governing those sorts of behaviours are not already in place.

The bill has been introduced because of deficiencies found in the current legislation. It seeks to overcome those problems and in some cases, such as that of creating a new offence of rape, increase the penalties for people convicted of the offences mentioned.

The bill addresses the situation where currently a person is charged with indecent assault, which covers the forced penetration of a penis into another person's mouth, vagina or anus. This charge will now be extended to cover rape so that instead of carrying the current penalty of 10 years, the penalty will be 25 years — and the community expectation is that it should be precisely that.

The second part of the bill relates to the creation of a new offence of sexual penetration of a child under 16 years of age. This provision has been introduced because of a deficiency in the current law. If a particular case took some time to proceed to trial and the victim was not able to state precisely what time of year the offence occurred, there was technical argument that it may have occurred when the child was over 10 years of age rather than under 10 and so was treated as a different case. The change of law will ensure that this does not occur in the future. Again I suggest it is in line with community expectation.

The third part increases the penalty for the offence of child pornography from two years imprisonment to five years. The provisions of the bill are sensible and in line with community expectation and should pass expeditiously.

Sitting suspended 6.30 p.m. until 8.02 p.m.

Mr ROWE (Cranbourne) — It is with pleasure but with a degree of sadness that I support the Crimes (Amendment) Bill. I am pleased that the bill has bipartisan support. As a member of the Crime Prevention Committee from 1992 to 1996 and deputy chairman of the Drugs and Crime Prevention Committee from 1996 to 1999, I was part of the group that had as its reference the combating of child sexual assault and sexual assault against adult men and women.

That topic, which was examined by both committees, was disturbing and had a profound effect on all committee members. I pay tribute to all those who took part in the gathering of the evidence for the committee reports, including those members who have retired as serving members of Parliament. The Crime Prevention Committee consisted of the chairman, the Honourable Ken Smith; Mr Don Kilgour; Mr Robert Doyle; Mr André Haermeyer, the current Minister for Police and Emergency Services; Mr Hurtle Lupton; Mr Don Nardella, who at that time was a member of the Legislative Council; Mr Bob Sercombe, who is now a member of the federal Parliament; Mrs Jan Wilson, who has since retired; and me.

After the 1996 election the Drugs and Crime Prevention Committee was formed with the addition of the Honourable John Ross; Mr Barry Traynor; Mrs Jean McLean and Mr Eddie Micallef, the former member for Springvale, who made an excellent contribution to it. Following the inquiry into sexual assault against adult men and women the committee made some 50 recommendations, and more than 130 recommendations in relation to sexual offences against children.

One of the things the inquiry revealed was that the legal system and the judiciary let the victims down. Penalties against offenders are never high enough or hard enough. I recommend that the Attorney-General get the two reports out of the archives and examine them, because the 180 recommendations they contain were accepted on a bipartisan basis and were made with a view to making the experience of victims less traumatic, empowering the police and the community to respond to sexual offending, and giving the community in general a feeling of safety in reporting sexual offences, as in the past they have tended to be hidden.

I also pay tribute to Dr Sarah Crome, who was a member of the committee staff. Dr Crome wrote her thesis on male rape. A number of my colleagues found it difficult to understand the concept of male rape and how it could occur. I commend the Attorney-General and the government on changing the definition of rape to include male rape, as it occurs in our community but is under-reported due to the stigma attached to it. Because of the macho nature of the Australian male, it is considered a sign of weakness for a man to say he has been raped.

Male rape is not restricted to homosexual rape. The committee saw and heard evidence of the heterosexual rape of males, particularly adolescents, occurring in Australia, the United States, Europe and the United Kingdom. The Parliament of the United Kingdom passed similar legislation changing the definition of rape to include male rape.

The bill also refers to pornography. The committee found that paedophiles and those who engage in pornography are the lowest of the low who prey on the most vulnerable members of our society in the most perverse ways. While in the United States the committee was warned of the effect the Internet could have in Australia in the recruiting of victims and the gathering of electronic paedophilia. One of the recommendations the report made was that the definition of pornography be changed to include electronically enhanced images.

In the past it has been a defence that an image produced electronically was not an image of a real person and therefore could not be pornographic. The view of the committee was that an image produced in that way could be pornographic and that an image of a person under the age of 16, 10 or 5, as the case may be, whether produced electronically on not, could be

pornographic. I encourage the Attorney-General to examine the definition of pornography and the recommendations about it contained in the report.

I could easily talk for my full 20-minute allocation on the subject but, out of respect for my parliamentary colleagues, I will not. The subject is one about which I am passionate. I have served on the committee for some eight years, and the report produced on those matters is one of the longest and most in-depth of its reports.

I encourage the Attorney-General and the Minister for Community Services to have a hard look at community services, and at children's services in particular because from our investigation it appears that our youngest, most vulnerable and most at-risk people do not enjoy all the protection they should.

It is popular to say we should not be paying public servants exorbitant amounts of money, but expertise is needed in the area of child protection. We do not need 25-year-old university graduates giving advice to parents or attempting to protect young people. We need older people, and we need to be prepared to pay them.

The Minister for Police and Emergency Services was party to the recommendations about a sexual assault response team, which was to be made up of people from the Department of Human Services and Victoria Police. Such a team would be able to respond expertly to instances of sexual assault on either adults or children.

In closing, I again ask the Attorney-General to pick up both volumes of the committee's report and ask his people to have a hard look at them. It is about time a government, whether from this side of politics or the other, has the intestinal fortitude to tackle the issues and get down to the nub of the problem. It should pick up all 180 of the recommendations the bipartisan committee made in good faith in its report to make sure our children, our females and our vulnerable adult males are protected.

Mr HOLDING (Springvale) — Normally it is a pleasure to contribute to debate on bills in this chamber. All honourable members will agree, however, that the legislation now before us, while necessary and enjoying bipartisan support, is not a pleasure to debate or something from which anyone would derive satisfaction.

The Crimes (Amendment) Bill does three things. It extends the definition of rape and creates one offence of sexual penetration of a child under 16 to replace the two previous offences about which there had been some confusion in relation to 10-year-olds. The third area covered by the bill is the increase from two to five years in the penalty for the possession of child pornography, and it is that aspect of the legislation I would like to focus on tonight.

All honourable members are aware that in recent years there has been a tremendous increase in the amount of child pornography being transmitted, largely because of its wider availability on the Internet. An enormous amount of child pornography is now being transmitted, downloaded and accessed, and the bill will serve to ensure that a more suitable penalty is applied to people found accessing, downloading or transmitting the material.

A report from a Senate committee on inappropriate material being transmitted through the Internet chaired by Senator Paul Calvert was tabled recently in the Senate. I was staggered to read in it that a very large percentage of all pages of information now available on the Web are adult sites dealing specifically with child pornography. Child pornography sites are far more concerning than run-of-the-mill adult sites. It is important that the legislation now before the house should cover transmission, downloading and access of those sites. Such legislation will be increasingly important as Internet access to all members of the community and the amount of information available improves still further. It seems to be increasing at an exponential rate.

All honourable members and all members of the community must be concerned to ensure that information of that sort is properly regulated — or, more properly, outlawed — and that appropriate and suitable sentences and terms of imprisonment apply to people found to be transmitting and downloading that material.

I commend all aspects of the legislation to the house, and in particular those aspects that relate to increased penalties for the possession of child pornography.

Mrs FYFFE (Evelyn) — I am pleased to support the Crimes (Amendment) Bill. It is the responsibility of all adults, especially those in positions of authority, to protect, nourish and nurture our vulnerable and defenceless children. People who do not accept this responsibility and who seek gratification through pornography or rape, are the lowest of the low. They are the filth and scum of the human race and deserve the maximum penalty for the offences they commit.

Pornographic material is considered by most people to be offensive. The production, possession or procuring of young people for the production of pornographic

material abuses the rights of defenceless children, including their right to be protected. It also takes away their innocence. Child pornography and the rape of children destroy the futures of the victims.

It is well recognised that when victims of abuse reach adulthood — that is, if they are allowed to reach adulthood — they become people who cannot form relationships, often turning to drugs and subsequent lives of crime. Research shows that many of the victims of those crimes become involved in the production of child pornography and become child molesters themselves.

The creation of a single indictable offence for the rape of a child under 16 years of age is to be commended. The regulation of the Internet concerns people of all nations. We should do everything we can to make the possession of child pornography a punishable offence. I hope we will work with other nations to prevent the distribution of offensive material.

The definition of 'male rape' has been assumed to refer to anal rape. Whether through fear, which can produce an erection or ejaculation, or through the use of drugs taken voluntarily or involuntarily, it is accepted that a male can sustain an erection and sexually penetrate and then ejaculate against his will. As a society, we must and should make it more acceptable for a male victim to report being compelled to penetrate another person, whether male or female, with his penis without his consent. Whether it happens in a brothel or elsewhere is irrelevant. No-one, male or female, should ever be forced to have sex against his or her will.

It is a sad reflection on our society that we have to bring in a bill such as this. I wish the bill a speedy passage.

Mr ROBINSON (Mitcham) — I am pleased to have the opportunity of speaking on the Crimes (Amendment) Bill. I endorse the comments of earlier contributors and support the efforts that are being made to strengthen the laws applying to the exploitation of children, especially their sexual exploitation. The community strongly supports the measures in the bill.

The current system gives perpetrators of such offences an inherent advantage, which the bill seeks to further constrain. That advantage stems from the adversarial nature of our legal system, where witnesses can be put through rigorous cross-examination. The system has served us well for centuries, but it is grossly inadequate when it comes to protecting children who are sexually exploited and who are subsequently required to give evidence. Occasionally people who offend in such an abhorrent way do so knowing that the processing difficulties caused by the current configuration of our legal system hamper their being brought to justice.

I particularly support the measures in clause 6, which will increase the penalties for child pornography offences. I hope that the tougher legislation will convey a strong message to individuals who think about committing those sorts of offences.

I refer to the recent Australian Institute of Criminology trends and issues paper 156, headed 'Child sex tourism'. Although the bill does not deal with child sex tourism, which comes under the federal jurisdiction, the points raised in the paper are worth noting. It details the contents of the commonwealth's 1994 Crimes (Child Sex Tourism) Amendment Act, which makes it an offence to engage in or induce others to engage in intercourse with children outside Australia.

The paper details the connection between that activity and child pornography. It is not unusual for child sexual offenders to trade in publications or photographs of the acts in which they engage. Since 1994 there have been a number of successful prosecutions under the commonwealth act, and that is to be welcomed.

The point I make in closing is that the 1994 federal legislation, which was enacted by the then Keating government, flowed largely from Australia's participation in and support for the United Nations Convention on the Rights of the Child. Article 34 of that convention stipulates that the signatories will undertake to prevent the exploitation of children in pornographic performances and materials.

The bill advances the efforts of the commonwealth government in that area. It is worth reflecting, albeit obliquely, on the virtues of United Nations conventions. It has become commonplace for politicians to decry United Nations conventions and all they bring with them, but in this case all honourable members would endorse Australia's being a signatory to that convention, and in particular the motivation behind article 34.

I believe the bill enjoys the overwhelming support of the Mitcham electorate. I am therefore keen to commend it to the house.

Mr SMITH (Glen Waverley) — I endorse the government's intent with the introduction of the Crimes (Amendment) Bill. As some honourable members have said, just sending the message out to the perpetrators is not enough. The bill results from the need for judges to be fully cognisant of community outrage at such offences. It is no good raising the maximum sentences, particularly those involving child pornography from

two years to five years, unless the judges do something about it.

The Crimes (Rape) Bill was brought in by former Attorney-General Jan Wade, and the maximum sentence for rape was increased to 25 years. With a couple of exceptions, the judges have just gone along with what they have done in the past. I have also heard at least four or five previous attorneys-general say that there is nothing they can do because of the separation of powers, that they cannot in any way influence judges — nor do I want them to. I call on the Attorney-General to get the message out to Chief Justice Phillips, Judge Waldron and whoever the new chief magistrate will be, that this outrage is reflected by all those who have spoken tonight.

The alternative is to go down that terrible path as recently witnessed in England through the name-and-shame campaign run by the *News of the World* in relation to paedophiles. The incredible wrongs that resulted forced that newspaper to withdraw that campaign. When people get worked up over issues such as this, it is not much good putting up the penalties from two years to five years, or whatever the penalties are, unless the message gets across to the judges doing the sentencing that they must take cognisance of the fact that the community is completely outraged and when they are sentencing people they must increase sentences.

I do not know how it can be done by the Attorney-General, but if there was a newspaper campaign giving credit to what honourable members have said here tonight — and because of the time constraints I will not go over what has already been said — that message has to get across not just to the perpetrators, not just to the paedophiles and rapists who would be aware their evil acts will attract greater sentences, but into the courts so that the judges will take on board what honourable members are saying. I compare it with an occasion in the past couple of years when Justice Vincent sentenced a criminal to 28 years. That was spread across all the newspapers, and justifiably so.

This sort of message has to be carried forward with the connivance of both sides of Parliament so that it gets out to everybody, including the judges, that the community will not tolerate it. We do not want to go down the same path as that in England with the regrettable campaign — I became aware of it only when I was over there recently — of naming and shaming the paedophiles. The campaign backfired badly and resulted in vigilante groups traipsing around in areas such as Plymouth causing injustice to many people who were not involved. That is when it gets out of hand. It has to be done at a parliamentary or government level, through the Attorney-General. The message has to be loud and clear that the community will not tolerate it and it wants the judges to administer what the people feel. I wish the bill a speedy passage.

Ms GILLETT (Werribee) — I am pleased to contribute to the debate on the Crimes (Amendment) Bill. I will briefly refer to what I regard as the three main and critical parts of the bill. This is not an easy bill for the house to discuss, but honourable members are not here to do just the easy, simple and straightforward things with legislation.

Firstly, the bill provides for an extension of the definition of rape. I imagine that every honourable member wishes there was no need to have an extension of the definition but to wipe out the word altogether. Unfortunately that is not the case. However, the bill takes on board the need to recognise that men can fall victim to violent abuse in the same way as women can. The bill extends the definition of rape to include violent acts on men in a sexual sense so that that can be catered for in accordance with the law. The reform was needed because those who take part in certain behaviour affecting a man that can be defined as rape can only be charged with indecent assault or procuration of sexual penetration. That is not reasonable or equitable. It is a shame we have to be equitable in such circumstances, but it needs to be understood, and the bill provides for the fact that men can be just as vulnerable as women in such circumstances.

The second important aspect dealt with by the bill is the sexual offence of penetration of a child under 16 years. Honourable members may recall that a recent case exposed a loophole in the law which the bill happily closes. The offences of sexual penetration of a child are currently divided based on whether the child was under 10 years or between 10 and 16 years at the time of the offence. That loophole is being closed by the bill. The bill overcomes the difficulty with the proof of age by creating a single offence of sexual penetration of a child under 16 years. That will effectively close the loophole so that offenders cannot escape conviction and punishment because of the structure of the existing offences.

The new offences provided by the bill maintain the existing penalty structure which is a maximum of 25 years imprisonment where the child is under 10 years at the time of the offence; a maximum penalty of 15 years imprisonment where the child is between 10 and 16 years at the time of the offence and was under the care, supervision or authority of the defendant at the

time; and a maximum of 10 years imprisonment where the child was aged between 10 and 16 years at the time of the offence. The provisions are important. In the past the loophole has allowed children in such circumstances to be far more vulnerable than they ought, given the pressures on them at the time they bring their cases. I am pleased to support those changes in the bill.

Thirdly, the bill provides for an increase in the penalty for the possession of child pornography. Enough has been said about the reasons and the importance of increasing those penalties, sending a message to the community through the legislation, and providing for enforcement arrangements so that people who think this sort of material is just part and parcel of their daily lives can understand that for the majority of the community, for mums and dads, grandmothers and grandfathers, aunties and uncles, it is totally unacceptable.

The community of Werribee would wholeheartedly support the bill, and I wish the bill a speedy passage through both houses.

Mr KOTSIRAS (Bulleen) — It is not often I fully support the government when it brings a bill into the house, but I commend the government and the Attorney-General for introducing the Crimes (Amendment) Bill. As I have said on previous occasions, it is always good to look at legislation and amend it to make it relevant to the times. That is exactly what the bill attempts to do. I support any legislation which protects the community, especially children. There is nothing more disgusting, offensive and disturbing as child sexual abuse and child pornography. One of our first priorities should be to protect our children. According to the Australia Institute of Criminology:

> Few issues have gained such universal support as the right of all children to be free from sexual abuse … sexual activity with children is universally condemned as an abuse of human rights …

I commend the Attorney-General for introducing the bill, which attempts to ensure that people do not get away with committing crimes against children. The bill increases the penalty for the possession of child pornography from two years to a maximum of five years imprisonment — some might say that is not long enough.

With the improvement of technology and the use of the Internet people are able to stay in their homes and access child pornography, more so now than in the past. It is important to send a clear message that such behaviour will not be tolerated. Local and overseas experience has shown that people who collect child pornography are more likely to be active paedophiles.

The bill also creates the offence of sexual penetration of a child under 16 years; extends the definition of rape to include a male being compelled to have sex with another person; and sets a maximum jail sentence of 25 years. Over the years the number of rapes has increased, but male rape has been under reported. It is important that all victims are encouraged to come forward to report crimes.

I agree with the minister when he says in his second-reading speech that we need:

> …to ensure that the criminal law appropriately recognises all victims of crime and punishes those who commit serious offences.

I support the bill and wish it a speedy passage.

Ms ALLAN (Bendigo East) — This is an important bill, as many members have acknowledged this evening. It deals with sensitive issues but, as indicated by the honourable member for Werribee, they are issues that must be addressed. I have listened with interest to the many contributions this evening and I take up the point by the member for Glen Waverley about sending a clear message to the community and the judiciary on how seriously the matter is to be taken.

The bill is in three separate parts, the first dealing with increasing the penalty for the offence of the possession of child pornography. Changes in information technology and the sophistication of computers, the development of the Internet and the world wide web have unfortunately made child pornography much easier to access from home. People no longer have to leave their homes to be able to access child pornography. Therefore, it is appropriate — and part of the government's aim to protect children from victimisation — that the bill increases the penalty for possession of child pornography from two to five years imprisonment. The clear message is that society will not tolerate the exploitation of children in that way.

The second part of the bill closes a legal loophole. Proposed new section 45(1) closes a current legal loophole around the offence of sexual penetration of a child under the age of 16. Child rape and sexual interference is an awful offence. A loophole that makes it possible for a sexual offender to escape conviction for a sexual crime against a child because of uncertainty around the age of that child must be closed and closed quickly. Creating one offence of sexual penetration for a child under 16 will protect all young people under the age of 16 in the same way.

The third part of the bill extends the definition of rape under section 38. It is also an important part of the bill. Rape is an awful and invasive crime. Most of the reporting of rape and sexual assault is focused on women. Male rape is under reported and the offence is not as widely recognised as sexual offences against women. The bill extends the definition of rape and increases the penalty for male rape to a maximum penalty of 25 years imprisonment. That indicates how seriously the crime is viewed and sends a clear message to perpetrators.

It is a sensitive and serious bill. I commend the government's commitment to protect victims of crime and to appropriately punish offenders. I commend the Attorney-General and his parliamentary secretary for their work on the bill, and I commend it to the house.

Mr McINTOSH (Kew) — I also commend the bill, which seeks to extend an existing body of law to cover three specific matters, which have been referred to by many speakers tonight. Most importantly, the bill sends a clear message to the community, and many members have also spoken about that.

In relation to the abhorrent crime of child pornography, the penalties are increased from two years to five years imprisonment. The message will be delivered through the house to the judiciary and members of the broader community.

The third part of the bill extends the definition of rape to another type of victim — that is, a male who is compelled to sexually penetrate another — which was formerly not covered by the definition of rape. The inclusion sends a message that that type of crime is reprehensible and abhorrent.

In my contribution I will focus on the second limb of the bill, which deals with the sexual penetration of a child under the age of 16. We heard during the briefings and again tonight that a loophole in the current legislation where children during cross-examination may be unable to describe or give clear evidence as to their age at the time of the offence has been closed. The Director of Public Prosecutions, the Victoria Police and many members of the community expressed concern that offenders would escape liability or prosecution in relation to such an offence. The bill creates a single offence of sexual penetration of a child under the age of 16 where proof of age is not necessary.

In the hands of a skilled defence barrister much confusion can be created in the mind of a child as to his or her age at the time of the offence. I commend the former Attorney-General, Mrs Jan Wade, on her work in addressing some of those anomalies of a child giving evidence. She oversaw the introduction of remote witness facilities, which are now in common use in Victoria's superior courts.

As I said, the bill addresses the difficulty by creating a single offence. Although the penalty provisions relating to the differential in age still remain, they do not become an integral part of the offence — only the determination of fact upon which a judge would pass sentence. I commend the bill to the house and wish it a speedy passage.

Mr STENSHOLT (Burwood) — I also support the Crimes (Amendment) Bill which, as other speakers have pointed out, has three elements: extending the definition of rape; creating a new single offence dealing with the sexual penetration of a child under the age of 16, which the honourable member for Kew so eloquently spoke about; and increasing the penalty for possession of child pornography.

The last element reflects the changes in technology, and it is good to see that the legislation keeps up with such change. Largely because of almost universal access to the Internet, the sexual crime squad of the Victoria Police has recently seen a massive change in the complexity of child pornographic offences in investigations it has conducted. As honourable members have heard before in other debates, more than half the population has access to the Internet. Unfortunately, voyeurs and paedophiles can acquire and exchange thousands of images through the Internet by using various means, including chat rooms and email groups. Investigations by the sexual crime squad follow long and convoluted trails to find where the images are derived from. Those images are often used to lay trails for people to find victims for physical actions of paedophilia.

I am pleased that the bill increases the penalty for knowingly possessing child pornography from two to five years imprisonment and makes child pornography an indictable offence, enabling the County Court to hear the more serious cases. Out of abhorrence for that type of crime, I am sure my constituents would join me in commending that part of the bill. We have no sympathy for 'virtual' pederasts.

The bill also includes a welcome change in the definition of rape, as it shows an understanding of situations wider than purely heterosexual situations.

The third area covered by the bill closes the loophole concerning prosecution for offences of sexual penetration of children under the age of 16. I was

appalled to read about the recent County Court case in which it could not be clearly established whether the child victim was under or over 10 at the time. As the honourable member for Kew said, in the hands of a skilled barrister the seed of doubt could easily be sown. In that case because the prosecution could not clearly establish the age of the child and because of the loophole the accused was acquitted. The question was not whether the act occurred, but what age the child was at the time. The bill removes that anomaly by providing for the one offence. It is good legislation, universally welcomed, and another act of Victoria's reforming Attorney-General. I commend the bill to the house.

Mr THOMPSON (Sandringham) — The sexual assault of an individual can have a profound effect on his or her psychological wellbeing throughout his or her life. One of the objects of the former parliamentary Crime Prevention Committee's inquiry in 1992–93 was to review the police statistics and analyse levels of rape and sexual assault as cited in the 1992–93 annual report of the Victoria Police.

During the course of the inquiry conducted by that all-party committee, which comprised several continuing serving members of the house, concern was expressed about the nature of the evidence they received.

In some ways it was beyond belief and defied any earlier comprehension of the nature of activity that was undertaken by some other people that entailed sexual assault against minors and adults. The bill increases the penalty for child pornography from a maximum of two years to a maximum of five years. The offence of sexual penetration of a child under 16 years is created, and the definition of rape is extended to accommodate a shortcoming in the ambit of the law.

The earlier committee gathered evidence in both Australia and overseas. The existence of child sexual assault became an unquestionable reality and an issue that in the minds of committee members had to be addressed. According to the original report responses had to be determined at a number of different levels. One level related to increased penalties for offenders and another to the enhanced role of education development of community awareness. A third factor related to the development of early intervention strategies so that people who had a proclivity to offend might be treated to the extent that might be possible.

I was interested to note in the report the comments of an honourable member for South Eastern Province in the other place at page 10 of the report. It states:

> My life has been deeply marked by the experiences of the past 12 months as have the lives of other committee members and the committee's staff.

Those comments were made in the context of taking evidence from both offenders and victims. It was the committee's recommendation from that report that strong measures be undertaken to strengthen the laws operating in Victoria so that it could become a world leader in crime prevention and community safety. One of its recommendations was that the criminal offence of sexual assault against a child be vigorously prosecuted. Individuals have a right not to be assaulted in a variety of community settings, whether they be in juvenile justice detention centres, prisons or wider community settings. To the extent that the bill will act as some sort of sanction against the assault of young children and adults, it has the full support of both sides of the house.

Mr HULLS (Attorney-General) — I thank all honourable members for their worthwhile contributions to the debate on the bill. I also thank my parliamentary secretary, the honourable member for Richmond, for his excellent assistance with and contribution to the bill.

I shall briefly comment on some issues that have been raised, and in particular the reference by the honourable member for Cranbourne to a number of reports dealing with combating sexual assault. A number of other speakers have also referred to these reports. The former Crime Prevention Committee released its first report entitled *Combating Child Sexual Assault — An Integrated Model* in May of 1995. A final report of the committee, then the Drugs and Crime Prevention Committee, entitled *Combating Sexual Assault against Adult Men and Women* was released in November of 1996. A great deal of goodwill was shown by all members of that committee and a number of its recommendations have been taken up in the bill.

Without wanting to get too political about the situation, it is the Labor government that has taken up those recommendations, despite the fact that the final report was delivered in November of 1996. In particular I refer to recommendation 15 of the final report, which states:

> The committee recommends that the definition of rape and sexual penetration within the Crimes Act 1958 be reviewed to include situations where the victim is forced to penetrate the offender.

That is the exact policy basis behind one of the amendments to the legislation. The current definition of rape is based on penetration of the complainant by the offender, and the bill extends the definition of rape to situations where a male victim is compelled to sexually penetrate another person against his will. This reform

gives recognition to the invasive nature of a forced penetration by a male victim on another person, and equates it with other conduct currently known as rape.

The policy basis behind the bill is to adhere in the main to recommendation 15 of that very important report of the Drugs and Crime Prevention Committee. As has been stated, the bill also removes an anomaly in the law where the offence of sexual penetration of a child under 16 has led, in particular in one case, to trials being aborted or at least matters being struck out on the basis of a technicality — that is, where the children involved have been unable to appropriately identify the age at which they were abused. The loophole under the current structure prevents the prosecution from proceeding under the existing offence — sexual penetration of a child under 10, or of a child between 10 and 16 — if there is uncertainty about whether the child was under or over the age of 10 at the time of the offence. The bill will appropriately remove that loophole by creating just one offence.

A number of contributors to the debate referred to the definition of child pornography and discussed whether the definition is wide enough. Under section 67A of the act child pornography means:

> … a film, photograph, publication or computer game that describes or depicts a person who is, or looks like, a minor under 16 engaging in sexual activity or depicted in an indecent sexual manner or context …

That provision covers any Internet downloading of such material.

The bill is good legislation. I take up the interesting point made by the honourable member for Glen Waverley. The honourable member made it quite clear that although it is well and good to introduce the bill, obviously the public needs to be aware of its existence. He is dead right. The government has put out media releases about the bill because it wants to send a clear message that people who possess child pornography will suffer the full force of the law and that increased penalties apply under the legislation.

The honourable member raised another interesting issue. Although it is probably not appropriate to debate it now, it is an issue I am quite passionate about — that is, judicial education and training. For some time I have been saying that Victoria is behind other parts of the world in this area. The method by which judges and magistrates are appointed in Victoria is that in the main people are appointed from the bar — that is usually from where judges are chosen — or from the ranks of solicitors. Barristers are appointed to the bench as supposedly expert advocates, and in effect the transition happens overnight. The skills required for a person to perform as a barrister are not necessarily the only skills required for a person to become a judge. In other professions there is on-the-job training and the opportunity for people to upgrade their skills in the course of their employment.

That is not the case for judges. Some ad hoc, ongoing training takes place, but that is about all. It is not good enough. In countries like the United States of America, the United Kingdom or even New Zealand, for that matter, there are ongoing education and training regimes for judges. In the United Kingdom judges must undergo a certain amount of judicial education and training before they can take up their appointments to the bench. I am seriously considering implementing a similar scheme in Victoria, because we need to provide our judges and magistrates with the most appropriate tools to enable them to do their jobs at the highest level.

As I said, the current ad hoc training is inappropriate. It does not go far enough, and Victoria is behind other parts of the world in that respect. Judicial education and training is now being keenly embraced by the judges of the Supreme, County and Magistrates courts and the members of the Victorian Civil and Administrative Tribunal. My department is currently putting together the nuts and bolts of the program. A group headed by the Chief Justice of the Supreme Court is looking at the best ways of implementing a training scheme in Victoria. I am keen for Victoria to be at the leading edge of judicial education and training in Australia and the Asia–Pacific region. I hope the scheme will be supported by all honourable members.

I thank all those who contributed to the debate for their worthwhile and, at times, passionate contributions. The government is taking up some of the recommendations of the 1996 report, which was referred to earlier. Other reforms will be implemented to assist victims, not the least of which is the reinstatement of compensation for pain and suffering for victims of crime, which the government has already implemented. That was taken away by the previous government, but the Bracks government believes it is imperative to help victims on the road to recovery.

Again I thank honourable members for their contributions to the debate. The bill is worth while, and I wish it a speedy passage.

Motion agreed to.

Read second time.

Remaining stages

Passed remaining stages.

PAPERS

Laid on table by Clerk:

Chief Electrical Inspector — Report of the Office for the year 1999–2000

Environment Protection Authority — Report for the year 1999–2000

Financial Management Act 1994 — Report from the Minister for Environment and Conservation that she had received the 1999–2000 Annual Reports of the:

Barwon Regional Waste Management Group

Central Murray Regional Waste Management Group

Eastern Regional Waste Management Group

Goulburn Valley Regional Waste Management Group

Mornington Peninsula Regional Waste Management Group

North East Victorian Regional Waste Management Group

Northern Regional Waste Management Group

Gas Safety — Report of the Office for the year 1999–2000

Hastings Port (Holding) Corporation — Report for the year 1999–2000

Human Services Department — Report for the year 1999–2000

Melbourne City Link Authority — Report for the year 1999–2000

Museums Board of Victoria — Report for the year 1999–2000

South Eastern Regional Waste Management Group — Report for the year 1999–2000

Sustainable Energy Authority Victoria — Report for the year 1999–2000

Victorian Rail Track (VicTrack) — Report for the year 1999–2000.

AGRICULTURAL INDUSTRY DEVELOPMENT (AMENDMENT) BILL

Second reading

Debate resumed from 5 October; motion of Mr HAMILTON (Minister for Agriculture).

Mr McARTHUR (Monbulk) — It is a pleasure to contribute to the debate on the Agricultural Industry Development (Amendment) Bill. I welcome the entrance into the chamber of the Minister for Agriculture!

Honourable members interjecting.

Mr McARTHUR — The minister is a role model. He is a nice and gentle man, but he has turned the practice of changing his mind into an art form. I will refer to that later in my contribution.

It is interesting that the Minister for Agriculture, the honourable member for Morwell, is known far and wide across Victoria and throughout the Labor Party, I would imagine, as a trenchant critic of deregulation and national competition policy (NCP). However, in the 12 months he has been the Minister for Agriculture he has become a master deregulator himself. Only a few short months ago he introduced the Dairy Deregulation Bill, which has led to the deregulation of the dairy market across Victoria. Only a few short weeks ago honourable members heard the minister proclaiming the benefits of deregulating plant health and plant products, including the move away from government inspection and regulation towards industry certification.

The house is now debating his third bill, which is substantially a deregulation measure and which is founded on a national competition policy (NCP) review.

Let us look at the Minister for Agriculture's past views on deregulation. Speaking in the debate on the Tobacco Leaf Industry (Deregulation) Bill on 5 May 1994, he is reported at page 1608 of *Hansard* as saying:

> The bill is about deregulation and, as honourable members know, I have very firm opinions about deregulation.

He went on to say:

> I have no problem in saying that it is absolutely stupid to proceed down the deregulation path because it simply means that governments opt out of their responsibilities to regulate on behalf of the people and let someone else do it.

That might have just been a flash in the pan, so I looked a little further and found that during the debate on the Egg Industry (Deregulation Bill) on 11 May 1993 the honourable member for Morwell is reported at page 1816 of *Hansard* as saying:

> I believe governments are elected to govern … not abrogating its responsibilities. It will always be the small player, the ordinary person, who is hurt in the rush for deregulation, especially in agriculture. Agriculture is too important to leave to market forces.

The current minister did not change his mind in a hurry. In the debate on the Victorian Institute of Marine

Sciences (Repeal) Bill on 7 October 1998 he is reported at page 333 of *Hansard* as saying:

> The argument about market forces and deregulation is stupid, because there is no such thing as deregulation. Deregulation means simply that the government has opted out of its responsibilities and someone else is the regulator.

However, the classic of them all — the honourable member for Morwell's best quote — was made on 27 April 1994 during debate on the Transport (Further Amendment) Bill. He is reported at page 1241 of *Hansard* as saying:

> It is utter rubbish — bovine excrement! — to talk about deregulation. Deregulation simply means that someone else other than the government regulates, whether it be big players in Australia or multinational finance companies.

We have it on good authority, from none other than the honourable member for Morwell, that the Minister for Agriculture is anti-deregulation! That is not the only thing the honourable member for Morwell has had in his sights over the years he has been a contributor to debates in this Parliament. He is on the record many times as slamming the Industry Commission for its attitude to deregulation, and in more recent times he has taken aim at national competition policy.

It is worth noting that the bill is derived from a national competition policy review commissioned by the previous government, which the honourable member for Morwell criticised at the time. It is worth reminding honourable members of the things he said about national competition policy. On 20 November 1997 during debate on the Audit (Amendment) Bill, *Hansard* shows him as saying at page 1377:

> If the bill is designed solely to satisfy the now discredited competition policy that was supposed to solve all the ills of the world, let anyone demonstrate where it has done anything other than put people out of work, making the rich richer and the poor poorer.

Comrade Minister, that was a wonderful opinion at the time, and I am sure you have stuck to it over the years!

During the debate on the Gas Industry (Extension of Supply) Bill on 1 November 1995 the honourable member for Morwell is reported at page 1017 of *Hansard* as saying this about national competition policy:

> … if competition ever did anything good I might support it, but I have never seen it doing anything good.

Is it not surprising that honourable members now have before them a bill to amend the Agricultural Industry Development Act that is based principally on a national competition policy review of the act that made a series of recommendations, all of which are reflected in the amendments? It is probably worth noting that the second-reading speech contains six favourable mentions of national competition policy, which the minister read into the record only a couple of weeks ago. It is interesting to see the change of heart he had when he shifted from the left-hand side of the chamber to the Treasury benches, and when he moved from driving a humble Falcon to having a Ford Fairlane with a chauffeur to cart him around. It is amazing how conveniently these things have been forgotten.

Mr Hamilton interjected.

Mr McARTHUR — Minister, I can assure you I have plenty more where they came from, because over the years you have been remarkably consistent in your opinions on deregulation and market forces.

Mr Hamilton interjected.

Mr McARTHUR — They are pretty accurate, aren't they? I have a few more in the drawer, too. I am sure you will enjoy listening to them. The bill deregulates — —

Mr Baillieu — We should note he is laughing at his own record.

Mr McARTHUR — He is indeed. The bill deregulates parts of the wine industry, the tomato industry negotiating program, the strawberry industry and the orders relating to emus. It also gets rid of some of the interstate arrangements and orders that operate jointly between Victoria and New South Wales.

The bill abolishes the powers of committees established under the Agricultural Industry Development Act to set or recommend prices and fix terms and conditions for payment for products produced by those industries. The bill also abolishes the power of the committees to settle disputes between producers and processors. Those changes result from the recommendations of the national competition policy review.

The bill further abolishes the negotiating committees set up previously under the Agricultural Industry Development Act and alters voting procedures for producer ballots in future orders made under the amended act. It will establish new rules for the implementation and management of industry levels imposed or determined in the future as a result of the amended legislation.

By and large, the Liberal Party agrees with the provisions of the bill. It will not be opposing the legislation and it will not be seeking to amend it. The

party is a strong supporter of the national competition policy process, and I am firmly of the view the process has provided significant benefits to the Australian agricultural industry, even if the minister is a somewhat reluctant convert to that view.

There is little doubt that in other areas of legislation where changes have been made as a result of increasing competition or of the NCP review that the industries concerned have developed and benefited significantly from the improved competition, despite the previously held view of the minister about competition serving no-one and making the rich richer and the poor poorer.

While the opposition does not seek to amend or oppose any clause of the bill, I will place on record some concerns and reservations that producer bodies and the Liberal Party have about whether the bill will achieve what it sets out to achieve.

I will deal firstly with producer ballots. The bill provides that in the future when an industry order is made to provide funding for, for example, research or pest or disease control affecting an industry within Victoria, the ballot procedure for determining the order and providing industry support for it will vary. The procedure will be changed from the one-vote-per-producer process that has applied in the past to a process whereby larger producers will be allowed multiple votes. The bill establishes the rules for the voting procedure and requires the secretary of the department to consult with the industry before finalising an order. The bill also provides an opportunity for producers to vote on whether or not an order should be established.

In the second-reading speech the minister advised the house that the bill provides that the basis of voting will be decided by producers in the industry concerned and specified in the order. I am prepared to accept on face value his assurance that the department, via the secretary or whoever else is delegated the task, will negotiate and consult in good faith with producers in the industry concerned and give their opinions careful consideration prior to determining the balloting procedure. However, I cannot for the life of me find any assurance in the bill that that will occur, despite what the minister said in the second-reading speech.

Proposed new section 5(4) of the principal act, which is substituted by clause 7, specifies the criteria for determining eligibility to vote, but does not specify that producers will have a say in determining the eligibility to vote. Subsection (4) states:

> A report must —
>
> (a) include a draft of the proposed Order; and
>
> (b) specify the criteria for determining eligibility to vote in a poll … and
>
> (c) specify the criteria for determining the number of votes a producer may cast in a poll …

However, nowhere can I find a provision that requires the department's authorised officer or a delegated officer of the secretary to take into account producers' views in determining the criteria for the number of votes to be allowed. Section 5(2) of the principal act requires that once a minister gives a direction to the secretary to investigate establishing an order the secretary should seek the views of producers of that commodity, but there is no requirement that the secretary must take those views into account.

Knowing the minister and senior officers of the department as I do, I expect that those views will be taken into account. However, there is no guarantee in the legislation that that will necessarily be the case. Producers in a number of areas are nervous that that may not occur under future ministers who may not be as openly receptive to industry views as is the current minister. I place that on the record on behalf of the producers who raised that concern with me.

Two other issues that have been raised with me relate to voting. Firstly, some producers in the wine industry hold the strong view that proxy voting on the establishment of orders should not be allowed. I am aware that the department has responded to those producers giving reasons for the allowance of proxy voting. Although I am not convinced that the industry would benefit from the abolition of proxy voting, I place on the record for the minister's consideration the fact that those views exist in some parts of the industry and suggest that he may need to talk to some of the people in the wine industry who hold those views.

Producers in a number of industries wish to specify which producers would be eligible to vote. They also want to have a significant say in deciding on the mathematical model to be used to determine the number of votes allowed per producer.

Producers have a number of concerns about the voting procedures provided for in the bill. I ask the minister to take those concerns into account and to advise his department that those sensitivities should be considered in the consultation process for the development of any future orders.

There are also a number of smaller producers of tomatoes, strawberries, wine grapes and the like who are somewhat nervous about the proposed move away

from the practice of having one vote for one producer towards multiple votes for larger producers. I do not agree we should retain one vote for one producer and see the sense in offering some producers multiple votes, but I want the minister to be aware of that nervousness and to be sensitive to those fears during the consultation phase. He should see to it that the balance is not tipped so far the other way that one or two very large producers can dominate or control the vote. There is a need to change the balloting process so that more recognition is given to the amount of production rather than simply the number of people involved in an enterprise — but let us not take that too far.

The Liberal Party endorses and sees as sensible proposals in the bill for annual action plans because they will improve the accountability and transparency of the orders for works that are taken down once the orders are established. Liberal members endorse the proposed procedure of requiring reporting of unexpended funds collected as a result of any order.

The Liberal Party believes the proposed restrictions on transfers of funds between schemes are sensible. Under the amended act it will be possible for a number of schemes to operate within a single industry. For example, one scheme could operate in the wine industry in north-western Victoria, another in the Pyrenees and another in the Yarra Valley — all separately managed and administered.

The amended provisions will restrict the ability of committees to move money between one fund and another. Indeed, there may be separate funds managed by single committees. For instance, a committee established to manage diseases such as phylloxera in wine grapes in the Yarra Valley might also have a separate marketing and branding scheme going. The proposed restriction on the ability of such a committee to move money between one fund and another at its own convenience is sensible and improves accountability.

The proposed systematic procedures for determining the charges for specific projects and the improved accountability processes contained in the bill deserve support, as does the change in the definition of the word ‘producer’. That changed definition will mean that a producer who is also a processor will be entitled to be part of schemes and to vote on a scheme — something that was not permitted previously, because producers who were also processors were automatically ineligible.

The minister made it clear in his second-reading speech that part of the reason for the bill was the anticipation of possible conflict with section 90 of the commonwealth constitution. There is an opinion, probably broadly based, that the Agricultural Industry Development Act as it currently stands is in conflict with section 90 of that constitution, which prohibits states from levying excise on products. In recent years we have seen the fate of a range of state charges and taxes, particularly on tobacco, wines and petrol, which have fallen foul of section 90. The initial case that caused that conflict concerned tobacco.

In my view the mechanism the bill uses to avoid that conflict with section 90 is open to question. I give notice that I am not convinced — and I have had advice on the matter — that it will provide the solution the minister hopes for. Under the act as it stands schemes operate in roughly the following order: first, a problem is identified and producers bring the issue to the minister and seek assistance; next, an order under the Agricultural Industry Development Act is promulgated; and then a charge is determined, after which the committee determines what works are to be budgeted for and carried out.

The solution proposed in the bill involves a change of timing. The problem will be identified by a petition from an industry group, consultation will be undertaken and a draft order and budget will be included in the consultation. The order will then be prepared and an annual action plan developed that will include the budget and the program of works. Only after that will the charge be determined, and it will be specifically calculated to meet the costs anticipated as a result of the action plan. The minister hopes that by the use of that timing device the bill will avoid conflict with section 90 of the commonwealth constitution. The substantive difference between the two systems is one of timing of the decision on how much the charge is to be on each unit of production.

Whether or not the new device is successful will depend on the High Court’s interpretation of what constitutes an excise. Will the High Court decide that the timing determines what constitutes an excise, or will it decide that other factors — such as whether the charge is pro rata on unit of production or on value of production — go to the heart of the matter?

If the High Court chooses the latter, this device might not achieve what the minister hopes it will achieve and it may again fall foul of section 90 of the constitution.

I do not claim to be a legal expert. I simply bring this to the attention of the minister and the government because it has been brought to my attention. It is only reasonable that I ask the minister to take it into account and seek further advice on it. It would be a pity if he

and the department had gone to all of this work only to fall foul of the prohibition they sought to avoid.

There are a number of concerns for the minister to deal with and I hope he can deal with some of them in his response. I do not expect a legal opinion on the constitution tonight or tomorrow morning — —

Mr Hamilton interjected.

Mr McARTHUR — The other legal opinion I got was from a well-qualified source, so I am not quite sure that it would be as good as that.

Mr Hamilton interjected.

Mr McARTHUR — No, but it might not make any difference. As the minister points out, when a number of lawyers are in a room there are often a number of opinions as well. I simply draw these matters to his attention. I hope he will respond tonight to those on which he can obtain advice. In relation to the constitutional issue, I hope he will take that into account and seek further advice on it.

Despite those concerns the bill has some worthy attributes and the opposition hopes it will serve the agricultural industries well across the state. The future development of a range of Victorian agricultural industries requires that they have the opportunity to develop their own research and pest and disease control programs so that they can grow and prosper, because individual producers in those industries tend not to have the financial wherewithal to conduct research or to do their own marketing or product development. The basic thrust of the legislation is to be welcomed. I hope it is as successful as the minister anticipates.

Mr STEGGALL (Swan Hill) — I join the debate on the Agricultural Industry Development (Amendment) Bill to support the legislation. It is the updating of legislation that has needed consideration and modernisation.

The legislation has worked well in many areas where there has been conflict, particularly in the wine grape industry, which is seeing a change in the northern wine producing areas from dual-purpose grapes to grapes that are planted and designed for the wine industry. In the days of joint operation between dried fruit, stone fruit and wine grapes — they were all the same grapes — the act was a handy piece of legislation. However, as a member representing northern Victoria I am aware of the many headaches caused by the legislation. It did help out but it has had its day. It is time for a change and the changes proposed in the bill are aimed at improving the existing legislation.

The bill touches on one of the areas that is the weakest part of agriculture — that is, the links between the producer and the retailer, the producer and the marketplace and the producer and the processor. It is a problem which is experienced in rural areas worldwide and which is handled by different countries in different ways. The current and proposed legislation are ways in which Victoria has tried to handle the problem and assist with the exchange between producers and processors or retailers.

One of the biggest problems in country Victoria today is consumer power as reflected in supermarket chains. The world has changed enormously. It is no longer a production-based society but a consumer-based society, and agricultural producers are having difficulty in getting a reasonable return for food products.

I have not seen any Australian figures — the minister might have some — but the American figures indicate that in the past 15 years the percentage of money spent on food in the average household has dropped from 18 per cent to 12 per cent, which is a one-third reduction in the share of spending going to the food industries. I do not know what the percentages are in Australia, but they are substantial. I have compared the current prices paid to farmers with those I received when I was last physically involved in a farming operation in 1983. Prices today are a little bit higher, but not very different from those in 1983 when one considers where society has headed.

People like to speak about what they can do for their poor country cousins. One would have thought anyone who had read reports in the Melbourne media of difficult times on farms would have sent food parcels to the country, but not many were sent so I do not think many people in the city cared a helluva lot. However, country people do care and these issues are very difficult for them.

Consumer power is reflected through the supermarket chains. Governments of all persuasions need to ensure there is cheap food available so that people are reasonably comfortable and happy. What happened in the fuel industry in the past few months demonstrated the disquiet that is caused over a rise in price of a vital thing such as fuel, no matter who is in government.

Mr Hamilton interjected.

Mr STEGGALL — For all people but particularly those in the country. If similar rises occurred in the food industries — a doubling of the price of food on the supermarket shelves; let us not exaggerate and double it, let us increase it by 30 per cent — there would be

enormous disruption in the cities and concern by city politicians. It is the government's desire to maintain a cheap food policy. That is one thing in which governments of all colours have been successful.

Countries have handled the link between producers and processors or the marketplace in different ways. I refer to what we have to compete against around the world. Most products from northern Victoria are exported, where they meet every other country's policies and principles head on. When the Seattle trade talks broke down late last year or earlier this year, it was interesting that the Europeans started talking about their multifunctionality, using that as a defence. Australia argued for free trade with the Cairns group, and Europe argued for multifunctionality.

At the time I wondered what multifunctionality meant. It defines agriculture's role in society as being faceted. It refers to its primary role in the production of food and fibre and the supply of food security to a nation. There is also its role in environmental protection and the economic viability of regional areas. A search of the web sites provides a fascinating study of multifunctionality. Honourable members should punch the word into a search engine and see what comes up. For example, the Norwegian Minister for Agriculture has outlined the multifunctionality argument for his country in strong terms.

The arguments countries use to justify the huge subsidisation of their food producers, which we cannot do — it would be difficult to justify with a population of 19 million — are based on the viability of their agricultural areas. That includes the need to maintain: human settlement in sparsely populated areas — even Norway, which is only a small country, has sparsely populated areas; the cultures, traditions, art, music, sport and food of each area; the agricultural landscape and environment of the country, including its biodiversity; and rural employment. They are the arguments they put forward in defence of their subsidising food producers and the reasons for their multifunctionality approach. There are still memories, albeit faint, of Europe after the war, when people had no food. The countries of Europe, including Norway, decided to sort out the problems with the links between the producers and the processors or retailers through subsidies.

It is interesting to note that the same governments see food security — and, therefore, the right to subsidise — as a legal obligation under the United Nations international covenant on economic, social and cultural rights. The minister would be aware of those rights as he is a strong advocate of such things. People have a right to food, and governments have a legal responsibility to safeguard that right. They are the countries that we meet head on in the marketplace and with whom we must compete.

I refer to the risk to international trade supplies. One of the arguments put by the agriculture ministers of those countries, in this case the Norwegian Minister for Agriculture, is that subsidising is the right way to go to ensure that a country is not exposed to having to import food from other countries. The reasons include the possibility of war in other countries, which may result in extensive radioactive fallout, or ecological crises in other countries caused by plant and animal diseases or drought. As well, there may be changes in global demand, where prices go up and as a result other countries enter the market and upset the flow of food products. It is interesting to note how different countries handle the weak spots between the country and the city and food production and food consumption.

Europe and the United States of America use a mix of subsidies and government regulation to achieve social, environmental and economic goals. Australia and other members of the Cairns group use regulation and welfare to achieve a range of social, economic and environmental goals in country areas. However, they are nowhere near as powerful as the subsidy bases of America, Japan and Europe — and the subsidy bases are different.

They are the ways in which other countries use multifunctionality. However, Australia does not use it. States such as Victoria introduce agricultural industry development bills to facilitate the link between the consumer and the marketplace, which seems to give far greater power to consumers compared with the power producers have to extract reasonable and at times better returns for their products.

I refer to what we have called the market order, which the honourable member for Monbulk has already been through. The bill repeals all the provisions that empower an industry negotiating committee to recommend or fix prices, terms and conditions, act as an agent, or settle disputes.

I refer to the reference in the minister's second-reading speech to recommending or fixing prices. Some time ago we changed the system from one that enabled those committees to fix prices to one in which they had the power to recommend. As a result we were able to provide advice to a range of smaller growers, particularly on the type of value their product would have. It was particularly handy for the wine industry. In fact, I was one of those who negotiated the change

during the time of the previous Labor government — or it may have been in the early days of the former coalition government. Those negotiated prices gave help and assistance to a range of people. Many people in the wine grape industry particularly are disappointed that that has gone.

I do not agree with the minister's statements in his second-reading speech, although I understand his new-found purity as a deregulator. In his second-reading speech he stated:

> The NCP review found that recommended prices do not have a significant effect on actual prices and do not provide price stability to growers. The review concluded that, while the setting of recommended prices was not operating to restrict competition, the negotiating committee process had the potential to restrict competition and the parties involved were at risk of breaching the Trade Practices Act 1974.

That, I have to say, is rubbish.

The negotiating committees have worked well to establish a point of interaction between the processor and the grower. Over the years we worked hard to achieve an exchange of information. It was very difficult, and there were many arguments and battles with processors and producers of wine and tomatoes. There was an enormous amount of trouble over tomatoes.

In industries with perishable products, if people hesitate and hold back they can make a mess. No-one is interested in where food comes from. If you follow shoppers around in supermarkets and ask them why they choose certain products, they will say they buy on price and brand. If consumers do not buy tomato paste from an Australian operation it does not matter to them. It is there, it is a world commodity, and it will be available to them no matter where it comes from. Most consumers do not consider the country of origin of a supermarket item. We would like to think they do, but the truth is they do not.

Although labelling of products is a bit confusing, it is better today than it was. In Australia we do not see the same sort of thing that occurs in Europe, where a range of issues affects the quality of food and the people take various factors into account when they purchase.

The issues for the National Party are many and varied. The legislation is a tiny effort to bridge the gap and make the link work. The bill covers the system of voting for industries that want to put orders together to carry out certain functions. Currently the voting system is all over the place. In the wine grape industry there is one vote for each producer, which is not going down well with the big new producers. In the tomato industry there is one vote for each hectare under production. In the citrus industry a change is to be introduced to place a cap on voting on a per hectare basis. Next autumn the citrus industry will come under the legislation. The bill will assist that industry, and I look forward to the debate.

The other issue I raise is in regard to the levy. The honourable member for Monbulk talked about section 90 of the commonwealth constitution, and no doubt other learned speakers following me will talk about it with great gusto and learning. In simple lay terms — something the minister and I can both understand — the provision means that whereas previously the levy was raised and then a determination was made on what the money would be spent on, now it is proposed to determine what the money would be spent on, how it would be spent, how much would be spent and who would benefit, and then place a levy on those areas by a democratic vote.

There is a change from the old system under which the government had the right to raise a levy and the committee could spend the money. The bill changes that system so that the committee has to be accountable and put forward a plan for the expenditure before it is outlaid, and I agree with that. Ministerial orders can be made establishing committees to levy compulsory charges on agricultural producers for research, pest and disease control, market promotion and related activities.

I would like to comment on those provisions. Firstly, I honestly would have been much happier if market promotion were not included. In many areas today market promotion is difficult. One of the reasons for that is that one-third of industries export and their market promotion is done overseas. The other two-thirds are here in Australia, and they have a domestic market.

The desire to implement market promotion on a domestic level is being opposed by industries, particularly in my area, who are exporters. I am not suggesting an amendment is necessary, but I think the ministerial orders will get around the market promotion provision. I hope they do.

Research is a vital area for all of us. At the moment, people in country Victoria are having difficulty carrying out research because governments around the world are pulling back from investing in research and development. It is a pity, but it is happening. In biotechnology industries a benefit can be gained through ownership of genes and plant variety rights, so there is a commercial benefit in that research being taken up.

In many areas government is pulling back on funding and industries are finding it difficult to get the necessary research and development funds. As a result there is a need for industry groups in a particular area — and I like the flexibility provided in the bill — to work towards the establishment of research projects and draw them through. The system can operate with federal government funding with a matching requirement in many areas. This is a way that matched funding for research can be provided, and I agree with that.

Pest and disease controls are vital in some areas. To keep pests and diseases out Victoria must fight against imports. Two battles are now being waged — table grapes from America and apples from New Zealand. In line with the national competition policy review, the bill amends and improves the process, making it more flexible, more accountable, more transparent and more responsive to the needs of producers. Although it is legally impossible to retain some of the powers wanted by the wine grape industry, including a recommended price-setting operation, those issues may be addressed through a code of practice.

I will spend a little time — —

A Government Member — It will have to be a little time.

Mr STEGGALL — I will come back to it if there is not more than a little time.

The code of practice has been debated in this place. The National Party is in favour of the desire to use industry codes of practice more than in the past, because quality assurance programs and other initiatives result from those codes. One of the problems is the timing of price agreements. Not to have prices agreed to when producers are harvesting is crazy. It happened in 1998 with tomatoes; likewise with the wine grape industry; and I am sure the strawberry industry as well. Timing is important to ensure that codes of practice will handle those sorts of issues.

The DEPUTY SPEAKER — Order! The time to interrupt the business of the house has now arrived. The honourable member for Swan Hill will have the call when the debate resumes.

Debate interrupted pursuant to sessional orders.

ADJOURNMENT

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

Disability services: autism

Mrs ELLIOTT (Mooroolbark) — I seek urgent action from the Minister for Community Services to allow children with autism to access early intervention services. The matter was drawn to my attention by a letter I received from Ms Yvonne Lee and Mr Warren Keys about their son McKenzie who is three and who was diagnosed with autism as a result of a brain cyst. The diagnosis was made at Travancore Autism Centre, which has a six-month waiting list for its services, so Ms Lee and Mr Keys paid $700 from their own pockets to have a definite diagnosis made as soon as possible.

Following the diagnosis they were advised to immediately access early intervention services so that McKenzie could benefit from that small window of opportunity allowed to children diagnosed with autism to prepare them for school. Diagnoses of children with autism usually take place between the ages of two and three but sometimes as late as four years. Unless those children receive early specialist help their progress at school is severely hindered and they are unable to benefit fully from either the regular school system or attendance at special schools.

Ms Lee and Mr Keys immediately thought of the Irabina Early Intervention Program in Bayswater only to find to their horror 21 places available for the year 2001, 40 children on the waiting list and 7 new referrals each month. As Ms Lee said, ‘Sympathy will not help us. We are playing a waiting game with our child’s future’.

Following the letter from Ms Lee and Mr Keys I have received several other letters from parents of children suffering from autism, and each of them tells the same sad story of being told that their children require early intervention services but not being able to access them.

Earlier this year the minister said in a press release that she was committed to the philosophy of actions speaking louder than words. I appeal to her to take urgent action so that children suffering from autism will not become a lost generation.

Peplow House, Ballarat

Ms OVERINGTON (Ballarat West) — I refer the Minister for Housing to Peplow House in Ballarat, which is well known in the area for providing crisis

accommodation for single, homeless men. The facility has undergone several changes, and I ask the minister to inform the house what is being done to upgrade and restore services to Peplow House.

The facility was established in 1976 through the generosity of the Ballarat Council of Churches as a crisis accommodation unit. It was staffed by volunteers who have worked tirelessly to provide this haven for homeless men in Ballarat. Because of the generosity of the community the home relied on donations from the churches for the essential costs and from the public to pay for meals.

Over the years many agencies and individuals have accessed Peplow, including me when I was a welfare worker at Outreach. Many times I phoned Peplow to see if accommodation was available for men who sought my assistance, and it readily provided that assistance. I know that many other agencies, including the police, who found homeless men with psychiatric disabilities on the streets, particularly since deinstitutionalisation, would escort them to Peplow. Unfortunately, the building occupied by Peplow fell into disrepair and the council of churches was unable to afford a redevelopment to current standards. As a result, the building was closed.

Consequently the Department of Human Services and the housing department took over the building in an attempt to give back to the community a resource that enabled homeless men — —

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

Workcover: premiums

Mr JASPER (Murray Valley) — I raise a matter with the Minister for Workcover. He is leaving the chamber, but I hope he will return to respond to the representations I am making on the issue of increased Workcover premiums for industries and businesses across my electorate of Murray Valley.

On many occasions in the house I have made it quite clear that the strength of the Victorian economy is in the ability of private enterprise to be efficient, work hard, produce profits and employ people. Across Victoria there is a lack of confidence — confidence is draining away because business and industry are being affected by the actions taken by the Victorian government. One of those actions is the increase in Workcover premiums. Most honourable members respond to people who make representations to them, and large numbers of representations have been made on the basis of industry's concern about the huge increase in Workcover premiums. It is certainly affecting businesses in my electorate. The government must recognise the adverse effect the increases are having on people in my electorate.

The annual report of the Victorian Workcover Authority has a fine picture of the minister on the front cover, but the government needs to understand that it is destroying businesses, which will not accept the increases in Workcover premiums that are being imposed on them. I ask the minister to respond to people in my electorate who are paying increased charges and to assist businesses and industry.

Two cases highlight the problems for businesses and industry and illustrate the need for action by the government to review the huge increase in Workcover premiums. Last year a hotel keeper in my electorate had a Workcover premium of $5400. He employs 10 people and has had no claims for approximately 10 years. His Workcover premium has increased by almost 100 per cent to $10 400.

I spoke with representatives from Vodusek Meat, abattoir operators, at Cobram. Last year they paid $600 000 and employed 200 people in the abattoir. The company understands and accepts that it is in a high-risk industry. However, its Workcover premium has gone up by $138 000 to $738 000. It is an impossible load. The people who run that business are fine people and they run an excellent abattoir. I believe they are one of the best business operators in my electorate, yet they are being badly affected by the increase in the Workcover premiums.

The government needs to take action to immediately review the situation given the dramatic effect the increases are having on businesses throughout Victoria.

Gambling: advertising

Mr TREZISE (Geelong) — I raise a matter for the attention of the Minister for Consumer Affairs in the other place. As honourable members are aware, Melbourne is in the midst of the Spring Racing Carnival, with the Melbourne Cup to be run next Tuesday. At this time of the year there are many once-a-year punters — probably millions of punters fall into the category of having a once-a-year flutter on the Melbourne Cup. In racing terms such punters are green or inexperienced and therefore susceptible to be influenced by terms such as 'absolute certainty'. As all honourable members are aware, there is no such thing. The honourable member for Polwarth would be aware that there is no such thing as an absolute certainty in either racing or politics.

The issue I raise is the misleading advertising that regularly appears in newspaper racing form guides. The advertisements guarantee that punters will win. For example, an advertisement for J. J. Williams in the *Herald Sun* of 13 October states under the heading, 'Triple money back guarantee':

> We have found two outstanding runners going around Saturday, both will be each-way odds and both will 'bolt in' …
>
> You can't lose !!

Another advertisement in the same edition of the *Herald Sun* states:

> This Saturday get up to three guaranteed winners.

They guarantee one, two or three winners — perhaps no winners! I ask the minister to investigate such forms of advertising with the objective of protecting consumers — in this case, punters. It is not only once-a-year punters who are susceptible to such schemes. Many people are susceptible to quick guarantees of getting their money back, and they also need protection. The advertisements are at best misleading and at worst completely false. I look forward to the minister investigating the matter.

Rail: Pakenham service

Mr MACLELLAN (Pakenham) — I raise a matter for the attention of the Minister for Transport, and in his absence ask the Minister for Housing to take the matter up with him and seek a response. The early morning country train that has traditionally stopped at the Pakenham station has had a change of timetable so that it is no longer available for suburban passengers at that station. It is intended that the train no longer stop at Pakenham but stop only at Dandenong and beyond. That has led to severe overcrowding on some of the regular suburban passenger services.

Mr Maxfield interjected.

Mr MACLELLAN — The honourable member for Narracan is probably suffering from dyspepsia again. I cannot imagine what he is suffering from, but it is something terrible and I imagine it might be contagious.

My constituents ask the Minister for Transport to undertake a consultation process with regular users of the early morning train services so that a better solution might be worked out that will not lead to overcrowding of suburban trains, which after stopping at four stations have exhausted all their seating capacity. Anybody boarding the early morning trains after they have travelled four stations into the electorate of my neighbour, the honourable member for Berwick, must stand.

The situation has not existed until now. Previously many people chose to use the country train because it is a speedier and in their minds more comfortable service. Such use has never led to the overcrowding of the country train. I believe the problem has been caused by a change in the timetable that has been made thoughtlessly and should be reviewed. I ask the minister to conduct a review of the — —

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

Suicide: telephone counselling

Mr MAXFIELD (Narracan) — I ask the Minister for Community Services to provide an extension of the telephone counselling service beyond 31 December and to take steps to develop quality service standards and ensure common call data. Counselling is greatly needed in my community due to the loss of jobs in the Latrobe Valley, economic rationalism and privatisation.

Honourable members interjecting.

Mr MAXFIELD — People are placed under enormous stress, and the issue of suicide, especially youth suicide, is a matter I take very seriously. It is disappointing to hear the response from the other side of the house on the important issue of a crisis telephone counselling service.

It is extremely important that we develop a strategy to deal with suicide. In rural areas the issue of suicide, particularly youth suicide, has caused enormous disturbance and trouble in the community. The loss of loved ones through suicide is appalling and tragic. Not only in the Latrobe Valley, where people have suffered economic difficulties, but also in the rural farming areas the curse of suicide has been with us. Sadly, droughts, floods, a financial downturn and an attempt to compete with the European Community, which has heavily subsidised its produce, have placed the rural sector under enormous stress.

One of the great joys I have experienced in my time as a member of Parliament is discovering some of the wonderful services in our community. Lifeline is a fantastic counselling service that the community desperately needs. People at a critical time of their lives can call Lifeline to hear a friendly word and caring advice. We must encourage and support that service. The issue of suicide in the community has troubled me greatly, as I know it has troubled many other

honourable members, particularly on this side of the house.

Lifeline is a great service. I pay tribute to the people who provide the telephone counselling service, because counselling people over the telephone is a difficult job. I place on record my extreme admiration for the dedication and loyalty of those people and for the fantastic service they provide. It is important to monitor the data provided by the service to ensure we get the best possible delivery of service and implement the best possible suicide prevention programs.

Minister for Environment and Conservation: adviser

Mr McARTHUR (Monbulk) — I direct the attention of the Minister for Environment and Conservation to a matter concerning the Goulburn Valley Water Board, and I seek an urgent investigation and disciplinary action to correct the excesses of her adviser.

I will quote an article from the *Goulburn Valley News* of 27 October, which I am happy to make available to honourable members if they wish. The article, which is headlined 'Goulburn Valley Water board gutted', states:

> Monday's ministerial announcement of the new board line-up for Goulburn Valley Water has been greeted with utter disbelief.
>
> …
>
> The members with food industry experience have been dumped, leaving no major customer groups represented — an extraordinary situation in the state's most important food-growing region.
>
> GV Water's vast waste water system is equal in size to the City of Canberra's for one reason — to service the food industry.

It is important to note that Goulburn Valley Water services 105 000 customers and has an annual budget of $28 million. The editorial describes the talents and expertise of some of the dumped former board members and goes on to state:

> Even more bizarre, however, is the way these appointments were made … It seems that many — if not most — of the new members were people who didn't actually apply pursuant to the advertised process. They were rung by the minister's staff. There was also a panel in place to recommend a short-list of candidates — but it appears to have been completely ignored.
>
> The *News* believes a senior member of the minister's staff, Ms Sarah Ralph, played a pivotal role in the appointments and the 'headhunting' of people to fit her criteria. She went outside the advertised process and dismissed the advice given to her. She or a staff colleague even approached the board's auditors to try and find an accountant — it was quickly pointed out this would be improper and a conflict of interest.
>
> This laughable process reveals a minister and her staff who are demonstrably naïve, if not incompetent; it raises doubts as to the capacity of the government to discharge such functions in a way that generates confidence …

The editorial goes on to call on the Premier to investigate and take urgent action to redress the problems with the board.

I call on the Minister for Environment and Conservation to investigate the report to determine whether her adviser, Sarah Ralph, has exceeded her powers and abused the process, and if so, to discipline her, or the Rumour File on 3AW this morning may prove to be correct and she may be the first minister to lose her job if her staff do not go first.

Residential tenancies: review

Ms ALLAN (Bendigo East) — I raise a matter for the attention of the Minister for Housing concerning comments made about the membership of the Residential Tenancies Legislation Working Group by a representative of the Property Owners Association of Victoria, Phil Spencer, and an honourable member for North Western Province in another place, and ask her to advise what action she is taking to address the matter.

I am pleased to chair the Residential Tenancies Legislation Working Group on behalf of the minister. The working group receives representations from a wide range of people, including the Tenants Union of Victoria, the Real Estate Institute of Victoria, public tenants, the departments of infrastructure and justice, Consumer and Business Affairs Victoria and the Victorian Civil and Administrative Tribunal.

The working group has received many representations from across the housing industry, so I was astonished to read the comment in the Bendigo *Advertiser* of 28 October that the government had ignored a particular body. The article quotes an honourable member for North Western Province in another place, Mr Best, as saying:

> I find it hard to believe that a committee made up mainly of social welfare and tenancy groups can adequately represent the views of all sectors of the housing industry.

That is an interesting quote given that one of the members of the working group, as I said earlier, is the Real Estate Institute of Victoria, which represents 90 per cent of the housing market. Of course I do not take the honourable member's comments at face value, which is why I am raising the matter for the minister so

she can advise what action she has taken and put her response on the record. It is not a new occurrence for Mr Best to be wrong; he could not even get the name of the organisation right. He referred to it as the private home owners association of Victoria rather than the Property Owners Association of Victoria.

The working group I am chairing is committed to undertaking a full review of the Residential Tenancies Act and the changes introduced by the previous government. Widespread changes were introduced in 1997 following a similar review and consultation period; however, the government believes it is time to review the legislation again, particularly in light of the way it affects people on low incomes in rental properties.

The working group is also committed to a wide consultation process. It has already had three meetings and is planning to consult around the state to properly garner views from across Victoria. As I said, the working group is a good group that is broadly representative. It has had a number of successful meetings, which is why it is surprising to read the criticism of someone who represents a small — —

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

Geelong: chronic pain service

Mr PATERSON (South Barwon) — I call on the Minister for Health to take immediate action to address the funding deficit crisis at the Geelong Hospital, following reports late this afternoon that the chronic pain service is under threat.

Doctors and hospital management are now having to make critical decisions about which services will remain at the hospital and which ones will be axed. This callous government should not put doctors in that situation. Doctors have confirmed that the Geelong Hospital does not have the money to continue to operate at current levels. It is incumbent on the government to fund the hospital to a level at which all services can continue to operate. The government members for Geelong and Geelong North and the minister himself claimed recently that the government was rebuilding hospital services, yet they have sat on their hands, leaving the chronic pain service under threat. A spokesman for the minister recently told the *Geelong Advertiser* that the specialist areas of the hospital would never be shut or scaled down.

The government cannot be trusted when it comes to funding patient care. The hospital has already had to shut down elective surgery, and there are more shutdowns to come. Beds are to be closed and waiting lists are blowing out, and management is actively considering reducing the length of patients' stays in hospital.

The chronic pain service, which is highly respected, was to be the first Victorian training centre for the faculty of pain — a prestigious role for Geelong. The government can no longer run away from its disgraceful treatment of the Geelong Hospital. It must fund the hospital deficit to ensure that all the services it provides can continue.

Rural Victoria: tourism

Mr HELPER (Ripon) — I ask the Minister for Major Projects and Tourism to assure regional Victorians of the government's ongoing commitment to events-based tourism. Everyone in regional Victoria appreciates the role tourism plays in creating employment and economic activity in small and medium-sized towns. The government has already provided substantial and appreciated support. Examples in my electorate include 'A sparkling affair in Moonambel', the St Arnaud festival, which I will be attending this weekend — —

An Honourable Member — What about the jazz festival?

Mr HELPER — And the annual jazz festival. The St Arnaud festival is an important event that has strong local support and provides a major boost to the community.

The government has also shown its commitment through the provision of $1 million for projects to celebrate the 150th anniversary of the discovery of gold. Funding for those projects will come out of the government's program and will be a major boost not only to events across the Central Goldfields, my electorate and the electorates of Bendigo and Ballarat but to communities right around Victoria.

Unlike an honourable member for Templestowe Province in another place, the government is committed to the program because it appreciates the importance of celebrations to Victoria and country Victoria in particular. One of the honourable member's favourite pastimes is talking down those celebrations. His efforts are disgracefully destructive. He should concentrate on delivering services to Doncaster, for example, in his electorate. I look forward to the minister's response, which no doubt will be far more positive than the reaction of the honourable member for Templestowe Province to country tourism.

The DEPUTY SPEAKER — Order! The honourable member for Dromana has 2 minutes.

Industrial relations: report distribution

Mr DIXON (Dromana) — I raise a matter for the attention of the Minister for State and Regional Development regarding the industrial relations task force report. I ask the minister to stop sending the reports out individually and to deliver any further reports in one load or on request.

The last time Parliament sat I received a set of the documents in my parliamentary office, which I was pleased to receive. On 16 October I received another two sets in individual envelopes, posted out at $5.10 each. The next day I received another set in another envelope, costing $5.10 for postage. On the next day I received another three sets at $5.10 each, all in separate envelopes. On the next day I received another set in a separate envelope for $5.10. On the next day the postie had a rest and none came.

Last week it all started again. On Monday I received another two sets in separate envelopes at $5.10 each. I received a further set at $5.10 postage. If each of the 132 members of Parliament received 13 copies as I did, the cost would amount to $8751.60 in wasted postage.

I suggest that the minister perhaps email the reports, provide them to members on request, or courier them out. Anything would be cheaper than this waste of taxpayers' money. Most of the envelopes came from the Department of State and Regional Development. The minister responsible should stop lecturing everyone about wasting taxpayers' money and look to his own department.

Responses

Mr BRUMBY (Minister for State and Regional Development) — In a succinct but very entertaining and illuminating way the honourable member for Dromana raised a serious issue about the transmission by government of the industrial relations task force reports. The government has been keen to ensure that those reports are made available to members of Parliament and are available widely throughout the community. The report addresses an important public policy issue that will be the subject of debate in the house before the end of the year.

The honourable member said he had been sent 13 copies of the report, and a number of other members have also said they have been sent multiple copies. I do not have an explanation for that. I can only apologise to the house for the waste of public funds involved in sending out those reports. I will bring the matter to the attention of my department. I assume it has been caused by an error in the computer program. We will get the honourable member for Doncaster to fix it up. Obviously a few gremlins remain in the system from the time he last programmed it!

The waste of public funds caused by an error in the program is a serious matter, and I thank the honourable member for drawing it to our attention. My department will ensure that it does not happen again.

Mr PANDAZOPOULOS (Minister for Major Projects and Tourism) — I thank the honourable member for Ripon for raising the importance of regional tourism events to country and regional Victoria. He is obviously aware of the importance of those events to his electorate. I can assure the honourable member that the government is focused on the goldfields region as well as other regions across the state. Local events are important because they help to brand local areas, add excitement and provide encouragement to local communities, and have a significant tourism spin-off.

The honourable member highlighted some of the events being held in his electorate, which is in the goldfields region. Since it was elected to office the government has allocated $160 000 to the goldfields region to support a variety of local community events.

Whether it be the World Gold Panning Championships, to be held in Maryborough next year, the Australian University Games in Ballarat, A Sparkling Affair, to be held in Moonambel, the Ballarat Begonia Festival, the Ballarat Winter Festival, the Bendigo Easter Fair, the Festival of St Arnaud, Organs of the Ballarat Goldfields — the Festival of Fine Music or Osh Kosh Down Under, which is held in Ballarat, all those events are supported by the government. The extra $500 000 a year the government is putting into regional events kicked in on 1 July, so I expect there will be even more good news next year.

I thank honourable members on this side of the house, and the honourable member for Ripon in particular, for continually encouraging the events held in their electorates. The organisers of those important events, which help to grow regional tourism, can apply for the additional funding. One of the great things I hear from community event organisers is that the small amounts of financial support they can get from the government mean they can put ads on 3AW or leverage some television coverage from a local television station such as WIN TV or Prime TV or a statewide station.

Working in partnership provides great opportunities to build tourism in country and regional Victoria.

I thank the honourable member for his support and his commitment. There will be more good news next year. The celebrations of the 150th anniversary of the discovery of gold will be great news, despite the opposition's criticising and condemning it. Another $1 million will be allocated next year for events related to the discovery of gold, so there will be even more activity.

Mr Perton interjected.

Mr PANDAZOPOULOS — We will wait for Warrandyte to apply!

Mr CAMERON (Minister for Workcover) — The honourable member for Murray Valley referred to my attention a matter concerning Workcover in his electorate. You will be aware, Honourable Deputy Speaker, that the former Liberal–National Party government built up massive, unfunded Workcover liabilities while a National Party Workcover minister was in charge, and I take it the honourable member approves of that. Those unfunded liabilities could be explained if the recent years had been ones of bad investment returns, because investment income is important. However, that has not been the case, as Victoria has had good investment years in recent times.

Either the honourable member for Murray Valley is not aware of that or he is deliberately misleading the house when he speaks about Workcover premiums. He ought to know that Victoria has had an experience rating system in place for seven years and that the cap for small or medium-sized business is 20 per cent. The honourable member may well know that 29 per cent of businesses are paying lower premiums this year than they were last financial year.

The government's policy of increasing Workcover premiums by 15 per cent was well known prior to the legislation being passed unanimously earlier this year — and I thank the honourable member for Murray Valley for his support. In addition, the goods and services tax has had an impact on Workcover premiums. As you will be aware, Honourable Deputy Speaker, the honourable member for Murray Valley has been an enthusiastic supporter of the GST. Premiums in Victoria are below the national average, and that is where the government wants them to be.

The honourable member referred to a larger business in his electorate. The bulk of the premium for a larger business depends on the experience of that business. There has been a 15 per cent government increase in premiums, which was supported by the honourable member for Murray Valley, but the experience rating is the dominant factor. Judging from what the honourable member for Murray Valley said, the company involved does not have a good experience rating.

The challenge for businesses across the community is to improve their occupational health and safety. If Victoria has good occupational health and safety outcomes, a lower incidence of accidents and a better return-to-work rate, everybody will benefit.

Ms CAMPBELL (Minister for Community Services) — The honourable member for Mooroolbark referred to a three-year-old boy who required support from an early intervention service to assist his progress and enable him to attend school well prepared.

The matters raised by the honourable member for Mooroolbark are matters that concern the government. The honourable member referred to a statement I made in a media release, that actions speak louder than words. Actions do speak louder than words, Honourable Deputy Speaker. As a result of consultations before the election and Labor's insistence that every single one of its election commitments would be honoured, the government provided a substantial injection of extra funds in the 2000–01 budget. It put in $1.8 million to boost early intervention services for families with children up to six years of age who are affected by developmental delays or disabilities. The government also provided an additional $750 000 in the 1999–2000 budget.

The funding injections do not stop there. The government will be continuing the extra budget allocations by delivering $2 million in the 2001–02 budget.

I agree, as do most honourable members, that it is important for children to have access to early intervention services. When the Labor Party first came into government I was told by the early intervention services people about the long waiting lists amassed under the previous government. I had informed the previous minister of those waiting lists and asked him to ensure there was an increase in that part of his budget, but those requests went unheeded.

The Bracks Labor government has injected substantial additional funds into the program and will ensure that every one of its election commitments is met. Yes, actions speaker louder than words.

The honourable member for Narracan raised, as he has done previously, the matter of telephone counselling services. I am pleased to say that as a result of those

approaches Gippsland Lifeline has received an injection of funds from the government. The honourable member for Narracan might like to know that as a result of his requests and those of other honourable members the government will continue funding for telephone counselling services beyond 31 December.

I point out to the honourable member and to the telephone counselling services that I wish to ensure that any continuation in funding will result in common data collection and quality standards in our telephone services and that, wherever possible, there will be dedicated lines for people who ring up for counselling, including advice on suicide prevention.

I thank the honourable member for Narracan for raising the matter. Funding will continue, but on the basis that quality is improved, data collection is consistent and standards are set across the state.

Mr THWAITES (Minister for Health) — The honourable member for South Barwon read a litany of misleading statements, as he seems to have a habit of doing. The honourable member has a new-found interest in health economics and in support for his hospital. He sat in this house for seven years and did nothing while the Kennett government cut health funding year after year, just as he did nothing about ambulance services. The Bracks government is now talking to his local community about providing ambulance services for his area.

Mr Perton interjected.

The DEPUTY SPEAKER — Order! the honourable member for Doncaster!

Mr THWAITES — The honourable member for Doncaster is obviously embarrassed. I will be happy to reply to him if he raises his concerns in an adjournment debate.

Mr Perton interjected.

Mr THWAITES — The honourable member for Doncaster is obviously ignoring the proper processes. If he has an issue to raise, let him raise it on the adjournment.

Mr Perton interjected.

The DEPUTY SPEAKER — Order! The honourable member for Doncaster!

Mr THWAITES — Barwon Health has had a significant increase of $8 million in funding this year, and there will be further money on top of that to cover Workcover payments.

Mr Perton interjected.

The DEPUTY SPEAKER — Order! I have asked the honourable member for Doncaster several times to cease interjecting. I ask him again to cease interjecting, and I remind the honourable member for South Barwon that he is out of his seat.

Mr THWAITES — The full amount of the cost of Workcover, including common-law entitlements, will be paid to the Geelong Hospital on top of that money, as will the additional money that is needed to meet the cost of the recent agreement with the nurses. The honourable member for Malvern seems to oppose that agreement, after having said in the public arena during the dispute that the government should give the nurses more from the surplus. Now he is saying what a terrible thing it is to pay them more. He seems to have done another backflip — but nobody takes too much notice of him.

The reality is that Barwon Health has had an $8 million increase. The honourable member for South Barwon ran around with a press release claiming there had been a cut in weighted inlier equivalent separations (WIES) payments to Barwon Health. The honourable member and the doctors who said that are wrong. There has been an increase in WIES payments to Geelong Hospital, just as there has been an increase in that hospital's funding.

Mr Doyle interjected.

Mr THWAITES — Please! Honourable Deputy Speaker, I am sure that — —

The DEPUTY SPEAKER — Order! The honourable member for Malvern is interjecting too much.

Mr THWAITES — Exactly! Honourable members should also be aware that in addition to WIES money additional money has been made available to cover the cost of doing the work that hospitals do. Under the previous government additional WIES money was provided, but there was no additional money to enable the hospitals to provide their services. Last year and the year before Geelong Hospital ran behind in its budget. Where was the honourable member then? He was nowhere to be seen. He was reading the news somewhere.

Mr Doyle interjected.

Mr THWAITES — They talk about the facts. There is no-one better able to determine the facts about Barwon Health than the person the previous government appointed as its chief executive officer, Mr Stan Capp.

And what did he say? Mr Capp said it would take a long time for Victoria's public hospital system to recover from the effects of the former state government. He said the Kennett government placed great financial pressure on the state's public health system and it would take time to fix the problems those pressures had created. He said that the Bracks government was trying to redress that trend.

That in itself is an awesome task and it is not going to be fixed overnight. Instead of attacking the hospital and raising fear in the community, the honourable member for South Barwon should be more positive. I am quite happy to work with the member, just as I work with other members opposite to try to get additional support for their hospitals, but the honourable member for South Barwon is irrelevant. He does not care about what happens at the hospital because he just wants to play politics.

Honourable members interjecting.

Mr THWAITES — That is all he is interested in, isn't it? The honourable member for South Barwon is harming the hospital's reputation, making it more difficult for the hospital to do what it ought to be doing — treating patients.

Honourable members interjecting.

The DEPUTY SPEAKER — Order! The honourable member for Bentleigh! The honourable member for Malvern should try to contain his enthusiasm.

Honourable members interjecting.

The DEPUTY SPEAKER — Order! I again ask the honourable member for Malvern to try to contain himself.

Ms PIKE (Minister for Housing) — The honourable member for Ballarat West raised with me the issue of Peplow House in Ballarat, which is a facility used for emergency accommodation for homeless people. I thank the honourable member for her question because she has been a dedicated advocate for the community sector in her area and has a great knowledge of and concern about local issues.

As the honourable member indicated, Peplow House was established by the Ballarat Council of Churches in 1976 and since that time has been used for crisis accommodation for homeless men in the Ballarat area. Like all such facilities, it has become run down over the years. Also the nature of the service has changed. The new management company, Centacare, has sought to focus more on longer term accommodation and support, and that decision has left a gap in the strictly crisis accommodation service.

Before March the Office of Housing sought to address the condition of the building and wanted to bring it up to fire safety standards. The building has been refurbished at the cost of $300 000. It is expected that the men who once lived at Peplow House and needed that accommodation will be able to move back into the building in early December. In the meantime the accommodation service has been relocated to more appropriate public housing in the Ballarat area.

Apart from all of this there has been ongoing consultation with people in the Ballarat area, and I am pleased to note that the supported accommodation assistance program run by Centacare is — —

Honourable members interjecting.

The DEPUTY SPEAKER — Order! If the Minister for Health and the honourable member for South Barwon wish to continue their discussion, they can do it either quietly or somewhere else.

Ms PIKE — Centacare has expanded its activities to reach out into the community and not just provide accommodation but look for much broader support. This is in line with the kind of work that the government is engaged in in the Victorian homelessness strategy. The government has committed extra money for the supported accommodation assistance program so that the facilities that are provided through the Office of Housing can be enhanced by a whole range of support systems. This, plus ongoing work in the homelessness strategy, will assist people across the state and particularly in Ballarat West.

Mr Doyle interjected.

The DEPUTY SPEAKER — Order! Will the honourable member for Malvern lower his voice, please?

Ms PIKE — Thank you, Honourable Deputy Speaker. The honourable member for Bendigo East has accepted my invitation to oversee the Residential Tenancies Legislation Working Group, which is an

important piece of work for the whole Victorian community.

The government understands the need to balance the rights and responsibilities of landlords and tenants. In the process of the review of the Residential Tenancies Act the government is actively seeking input from people across the community.

The working group that I have established has a number of representatives on it from landlords and property owners, including the Port Phillip Private Hotels Association, the Victorian Caravan Parks Association, the Community Housing Federation of Victoria and the Real Estate Institute of Victoria, which acts on behalf of 90 per cent of Victorian landlords in tenancy matters.

While a broad range of groups has been represented on the working group there are other players in the community. A formal consultation and submission process ensures that everybody will have an opportunity to participate in the review.

The honourable member for Bendigo East referred particularly to the Property Owners Association of Victoria. Mr Phil Spencer, the president of the association, spoke with officers of my department on 10 October, and they offered to meet with him to discuss the terms of reference of the review and to talk about the structure of the organisation and the role that his association might play in the review.

That was followed up in writing on 19 October. I am further advised that the departmental staff have sought to contact Mr Spencer on several occasions to arrange a time to meet him. I hope a time will be arranged soon. I take exception to the comments of an honourable member for North Western Province in another place as reported in the *Bendigo Advertiser* that Mr Spencer has been ignored. That is clearly not the case. My office has worked diligently to make contact with Mr Spencer and will continue to do so.

The working group that I have established is expected to present a report in February 2001 and the government will consider the report as it moves to redrafting possible amendments to the Residential Tenancies Act. Mr Spencer and other people, both consumers and property owners, are most welcome to report to that group.

The honourable member for Geelong raised a matter for the attention of the Minister for Consumer Affairs in another place and I will ensure that matter is taken up with her.

The honourable member for Pakenham referred to changes to the timetabling of the early morning country trains and some of the difficulties that are faced by people who want to board trains at Pakenham. He has requested a consultation process. I will ensure the matter is raised with the Minister for Transport.

The honourable member for Monbulk referred the Minister for Environment and Conservation to a report in the *Goulburn Valley News* that raised questions about the membership of the new water board. That matter will be passed on.

The DEPUTY SPEAKER — Order! The house stands adjourned until next day.

House adjourned 10.57 p.m.