

PARLIAMENT OF VICTORIA

**PARLIAMENTARY DEBATES
(HANSARD)**

LEGISLATIVE ASSEMBLY

FIFTY-SEVENTH PARLIAMENT

FIRST SESSION

Tuesday, 5 June 2012

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Electoral Matters Committee — (*Assembly*): Ms Ryall and Mrs Victoria. (*Council*): Mr Finn, Mr Somyurek and Mr Tarlamis.

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Parliamentary Services — Secretary: Mr P. Lochert

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FIFTY-SEVENTH PARLIAMENT — FIRST SESSION

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Katos, Mr Andrew	South Barwon	LP	Wreford, Ms Lorraine Joan	Mordialloc	LP
Knight, Ms Sharon Patricia	Ballarat West	ALP	Wynne, Mr Richard William	Richmond	ALP
Kotsiras, Mr Nicholas	Bulleen	LP			
Languiller, Mr Telmo Ramon	Derrimut	ALP			

¹ Resigned 21 December 2010

² Elected 24 March 2012

³ Resigned 27 January 2012

⁴ Elected 19 February 2011

⁵ Resigned 7 May 2012

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Tuesday, 5 June 2012

The SPEAKER (Hon. Ken Smith) took the chair at 2.05 p.m. and read the prayer.

MELBOURNE BY-ELECTION

The SPEAKER — Order! On 28 May 2012 I issued a writ for a by-election for the electoral district of Melbourne to be held on 21 July 2012.

CONDOLENCES

Hon. Vance Oakley Dickie

Mr BAILLIEU (Premier) — I move:

That this house expresses its sincere sorrow at the death of the Honourable Vance Oakley Dickie and places on record its acknowledgement of the valuable services rendered by him to the Parliament and the people of Victoria as member of the Legislative Council for Ballarat Province from 1956 to 1978 and a minister of the Crown from 1964 to 1978.

Vance Oakley Dickie, known to his family and many of his friends as Pat, was born on 29 August 1918 in Bacchus March. He died on 16 May 2012. He was a man of the people, once described as a 'politician, punter and personality'. His family was already prominent in the Bacchus Marsh area, having settled there in 1846, and he gave many years of public life to benefit local residents and improve the community. He was educated at Bacchus Marsh state and high schools and then at Melbourne Grammar School. He started employment with Lifeguard Milk Products Pty Ltd at Bacchus March in 1937 and rose to become the manager of its dairy factory from 1949 to 1960, before becoming a director.

In 1940, at the age of 21, Pat Dickie, like so many, enlisted in the Australian Army. He served in the 2/2nd Heavy Anti-Aircraft Regiment and the 2/5th Battery of the Australian Imperial Force. He saw service overseas in the Middle East and Java and in defending Darwin. He rose to the rank of sergeant. On returning from his war service Pat continued his business role with Lifeguard but also actively involved himself in the Bacchus Marsh community.

He was president of both the Bacchus Marsh State School committee and the Bacchus Marsh High School council. He was a member of the Bacchus Marsh War Memorial Hospital board, and he was a member of the Bacchus Marsh Water Trust and Sewerage Authority from 1958 to 1964. He was also a proud member of the Bacchus Marsh RSL, and he was involved in racing.

Like Jock Granter, who we honoured last sitting week, Vance Dickie was a trustee of Caulfield Racecourse. He was also a trustee of the Dowling Forest and Bacchus Marsh racecourses and a member of both the Victoria Racing Club and the Victoria Amateur Turf Club.

He was an active member of the Holy Trinity Anglican Church and served on its vestry for many years. His funeral was held at this same church on 22 May. He once said how important his faith was in his life and how it guided his conduct, but then he famously added, with a twinkle in his eye, that that did not stop him looking at his watch during the sermon. Pat Dickie also served on the Bacchus Marsh Shire Council for 16 years from 1948 to 1964 and twice was shire president.

In 1944 Pat married Dorothy Jean Malcolm. They had three children. They were married for 65 years before Dorothy predeceased him. At one stage Pat and Dorothy bought and restored the Manor House, the early home of Captain William Bacchus, after whom the town is named.

Vance Oakley Dickie entered Parliament as an MLC for Ballarat Province at a by-election in March 1956. Within two years he was a member of the Statute Law Revision Committee, and he was then chairman of the Distribution of Population Committee for three years. In 1964 Henry Bolte appointed him as secretary to the cabinet. Later in the same year he was promoted to cabinet as Minister for State Development. He held several other portfolios over the next 14 years in the Bolte and Hamer governments, including health, tourism, immigration, housing and Aboriginal affairs.

He was Acting Premier of Victoria on a number of occasions when the Premier and the Deputy Premier were out of the state or on leave. He was one of the last people to hold the office of Chief Secretary, which he did from 1976 to 1978. In the Legislative Council Pat Dickie was Deputy Leader of the Government from 1972 to 1976 and then Leader of the Government from 1976 to 1978, when he retired from both the ministry and Parliament.

As a politician Pat Dickie was old school. He was a hard worker but also a hardliner. He was often controversial, but invariably he was very clear where he stood. It is true that the events that precipitated his withdrawal from political life were very difficult for Pat and his family and affected his health, but that in no way detracts from the fact that Pat served the Parliament of Victoria with passion and commitment

for more than 22 years, including 14 years as a senior minister.

Pat said on his retirement that he would look back with pride on his time as a minister, and he always strongly defended his handling of his portfolios. Indeed, a long and protracted eight years after he retired, Vance Dickie was pleased to receive an extended, written and published apology from a Labor minister in the course of the settlement of a writ issued against several parties shortly after his retirement.

Vance always maintained his parliamentary service was a great time in his life, and he and his wife had an enduring friendship with Sir Henry and Dame Edith Bolte and frequently holidayed with them long after Sir Henry had retired from politics. In retirement Pat immersed himself in two pleasures: his lifelong interest in racing and tending a large and productive vegetable garden.

Pat Dickie was born and bred in Bacchus Marsh. He lived there, most recently at the Providence retirement village, until he died. To his family, particularly his three children, Christine, Vance and Charles, his 8 grandchildren and his 13 great-grandchildren we extend our sincere sympathies today. We thank Vance Dickie for his service to the people of Victoria and the Parliament of Victoria.

Mr ANDREWS (Leader of the Opposition) — I too rise to note the passing of the Vance Oakley ‘Pat’ Dickie. As the Premier has outlined, Vance Dickie served this Parliament, this state, his local community and indeed his nation over a very long period. Born on 29 August 1918 in his cherished Bacchus Marsh and passing away on 16 May this year, he lived a long life, one filled with hard work, enterprise and above all a sincere concern for his local community.

That concern manifested itself in many different ways, including his 16 years of long service in local government; his commitment as the member for Ballarat Province in the other place over an extended period — nearly 22 years; and his service in a range of different portfolios, from humble beginnings as cabinet secretary all the way through to serving in very big, strategic and important portfolios, even, as the Premier noted, the lofty heights of acting as Premier. It was a life well lived and one that, as I said, in many different ways contributed to his local community, a community he was passionate about and one that he was very much committed to.

To serve in local government is a great honour and to serve in this Parliament is equally a great honour, but to

be afforded an opportunity through hard work, good fortune and timing — he was in this Parliament during a very lengthy period of rule by the conservative side of politics — to serve as cabinet secretary, Minister of State Development, Minister of Health, Minister for Tourism, Minister of Immigration, Minister of Housing, Minister for Aboriginal Affairs, and Chief Secretary, as well as serving on a number of important parliamentary committees, is a very great honour and a great tribute to anyone who is given the opportunity to serve in those roles. He served in those roles for an extended period of time.

It is appropriate that we, as members of this house, pause to acknowledge Mr Dickie — and all those like him — who made such a significant contribution as a member of Parliament, a Victorian citizen and someone who served in the defence of our freedom and our nation. As the Premier noted, he served between 1940 and 1944 in the Australian Imperial Force. He saw action in the Middle East and Java but he also was a defender of Darwin. It is appropriate that we pause and reflect on a life that was well lived and lived fundamentally in the service of others. I am sure those close to the Honourable Vance Oakley ‘Pat’ Dickie are saddened by his passing. It is appropriate that we — and for our part, the parliamentary Labor Party — pause today to reflect upon his life.

Mr RYAN (Minister for Police and Emergency Services) — I wish to pay tribute to the 22 years of service that the Honourable Vance Oakley Dickie, otherwise known as Pat, gave to this Parliament and the people of Victoria not only in his role as an MLC for Ballarat Province but also in the various ministerial positions he held during the time of the Bolte and Hamer governments. I offer my sincere condolences to the family, friends and colleagues of Mr Dickie.

He was born in Bacchus Marsh in 1918, and he passed away in May. He was initially educated at the local schools before attending Melbourne Grammar School — something of which he was very proud. He felt it had been a vitally important part of his life. An article in the *Age* in 1976 noted that he wore Melbourne Grammar School cufflinks every day of his working life, even in his role as a member of the Parliament.

After school he was encouraged by his father not to go to university but rather to go out into the world. He went into the family business before joining the army in 1940 at the age of 21. As members of the house have heard, he served in the Middle East and Java and was involved in the defence of Darwin. He achieved the rank of sergeant. Upon leaving the army he resumed his

career at Lifeguard Milk Products and became heavily involved in the Bacchus Marsh community. He entered public life as a Bacchus Marsh shire councillor in 1948. The record shows that he was elected as the shire president at the age of 29 on his first day as a councillor.

Mr Dickie was also involved in the RSL. He served on the Bacchus Marsh State School committee, the Bacchus Marsh High School council, the war memorial hospital, the water trust and the sewerage authority. He entered the Victorian Parliament in 1956 as an MLC for Ballarat Province. He served for 22 years.

He made his inaugural speech in Parliament on 24 May 1956. In the course of his contribution that day he spoke of the importance of decentralisation and the regions of the state and what they added to the state as a whole. He spoke particularly about the importance of having sewerage schemes operate right throughout the state of Victoria. I note that in his remarks that day he referred to the fact that to have provided a sewerage scheme across the whole of the state of Victoria would have cost what he would have described as the colossal sum of £7 million — if only, if only, if only.

In his time as a member of Parliament Mr Dickie held a variety of parliamentary ministerial positions. As has been observed by both the Premier and the Leader of the Opposition, those ministerial roles included responsibility for state development, health, tourism, immigration, housing and Aboriginal affairs. Finally he was the Chief Secretary from March 1976 until August 1978.

It is evident from historical material pertaining to Mr Dickie that he was a man of strong opinions. Where he felt it appropriate he expressed those opinions in a manner that was in accord with his views. He resigned in 1978 after some issues arose about events during the course of his time as a minister. As has also been observed, throughout the rest of his life he remained absolutely and utterly proud of the contribution he had made throughout the whole of his public life, particularly during the course of his ministerial service.

Mr Dickie had an absolute passion for racing, and over the years he was a trustee at the Caulfield, Bacchus Marsh and Dowling Forest racecourses and a member of the Victorian Amateur Turf Club and the Moonee Valley Racing Club. He very constructively left his mark on Victorian politics and the various portfolios in which he served. I join with the Premier, the Leader of the Opposition and other members of the house in paying tribute to the work of the late Mr Dickie.

Motion agreed to in silence, honourable members showing unanimous agreement by standing in their places.

ADJOURNMENT

Mr BAILLIEU (Premier) — I move:

That, as a further mark of respect to the memory of the late Honourable Vance Oakley Dickie, the house now adjourns for 1 hour.

Motion agreed to.

House adjourned 2:22 p.m.

The SPEAKER took the chair at 3.22 p.m.

DISTINGUISHED VISITORS

The SPEAKER — I draw the attention of the house to the presence in the Speaker's gallery of the Consul General of Italy for Victoria and Tasmania, Dr Marco Maticotta Cordella. We welcome you, sir, to the house today.

ITALY: EARTHQUAKES

Mr BAILLIEU (Premier) (*By leave*) — I wish to make a short statement about recent natural disasters in Italy. I think everybody in this house will have been very concerned at the loss of life and property that has occurred in a succession of significant earthquakes and aftershocks in northern Italy during the last two weeks. On 20 May seven people were killed when a 6.0 magnitude earthquake hit the Emilia-Romagna region. Ten days later there was a second earthquake with a magnitude rating of 5.8 centred in the province of Modena, near Bologna. At last count at least 17 people perished in this later quake, 350 people were injured and large amounts of property were destroyed. That represents a total loss of life, to this time, of 24 people.

Eight hundred aftershocks have been recorded in the aftermath of these two larger quakes. It is sobering to think about that — 800 aftershocks in the course of the last two weeks. Somewhere in the order of 14 000 Italians have been displaced from their homes.

The towns of Mirandola and Cavezzo were closest to the epicentre of the second quake and were substantially razed. It is feared that these earthquakes will have geological effects which may see aftershocks and smaller tremors occur for some years to come. This could have a substantial impact on a region which

contains significant manufacturing and agricultural production and which is of course a major contributor to the Italian economy.

As a state with multiple links with Italy through families, business, commerce and culture, we feel very much for our Italian friends at this time. I do not think there is anybody living in Victoria who does not have a sense of the spirit of Italy in them. It does not escape us that this natural disaster comes at a time when the economies of Europe, including the Italian economy, are facing enormous challenges, given the global economic situation. On behalf of the government of Victoria, we offer our condolences to the families of those who have died as a result of these earthquakes. Our hearts also go out to those who have lost their homes or businesses.

Yesterday was declared a national day of mourning in Italy to reflect on the people who perished in these earthquakes. We extend our sympathy to the Consul General of Italy for Victoria and Tasmania, Dr Marco Maticola Cordella, and invite him to pass on our condolences to his government. We thank him for his attendance today. We are thinking of them all at this time, and we earnestly hope that the ground will settle and the earth tremors will cease so that those who have been displaced can return to their homes and begin to rebuild their lives, their families and their communities. I thank the house.

Mr ANDREWS (Leader of the Opposition) (*By leave*) — I join with the Premier in offering a few brief but heartfelt words of condolence to the families of the 24 Italians who have lost their lives as a result of a series of earthquakes in recent weeks. With a magnitude stretching from 5.8 to 6 on the Richter scale, the first of these quakes hit at 4.00 a.m. on 20 May. Its epicentre was some 35 kilometres north-north-west of Bologna. It was the strongest quake to hit Italy in the last four years, and the tremors were felt all the way to the French border. As the Premier noted, there have been some 800 aftershocks. Many historical buildings have been destroyed, including the 14th century Estense Castle and the cathedral of Mirandola, together with many other buildings that are of significance to local communities and also of architectural and historical significance more broadly.

The second quake hit on 29 May with a magnitude of 5.8, cutting a swathe through the Bologna region, encompassing the cities of Modena, Mantua and Bologna. Over 7000 people — and I note the Premier used a figure that is perhaps more contemporary and a much larger number, but certainly many thousands of local residents — have been forced to flee their homes

in the north-east of Italy, and many are still living in temporary accommodation that has been erected on playing fields, farmland, car parks and school grounds. Obviously this is a matter of some distress which has caused dislocation to families who have been affected, to the region and to the local economy, together with the great tragedy that has beset the 24 families who have lost a loved one.

As the Premier noted, the Italian-Australian community has so much to be proud of; its members have made a profound contribution to our economy, our culture and our multiculturalism. What a great friend of our cultural diversity the Italian community has been over such a long period of time. I agree wholeheartedly with the Premier that there is no part of Victorian or Australian life that has not been touched by Italian culture. Perhaps the best and most important thing to acknowledge about people of Italian origin living in Victoria and Australia is that they do not simply celebrate Italian cultural heritage; they are at pains and work hard to share their Italian culture and heritage. That contribution makes us a stronger multicultural society, a better, more vibrant, colourful and interesting community, and a richer community.

So enriched are we that we share in the very direct pain that this region of Italy and the Italian nation more broadly are experiencing at this time. Our sympathies and our best wishes go out to all who have been affected. As the Premier noted, Italy — both economically and in other ways — is facing many challenges at present, and this is a tragic, unwelcome addition to what is already a considerable burden. We acknowledge the Consul General of Italy, who is here today. Our heartfelt condolences, our best wishes and our thoughts and prayers go out to all who have been affected across Italy and to any in our community who, through ties of family or other linkages, share in this grief.

The SPEAKER — Order! I ask members to rise in their places as a mark of respect.

Honourable members stood in their places.

WHISTLEBLOWERS PROTECTION ACT 2001

Disclosure: improper conduct

The SPEAKER — Order! I wish to advise the house that I have received a disclosure under the Whistleblowers Protection Act 2001, alleging improper conduct by the member for Frankston. Pursuant to

section 96 of that act I have referred that disclosure to the Ombudsman for his determination as to whether the disclosure is a public interest disclosure, and if so, his investigation. I will not be making any further statement regarding that disclosure prior to receiving the Ombudsman's report.

ABSENCE OF MINISTER

The SPEAKER — Order! I advise the house that the Minister for Environment and Climate Change will be absent from the house today and tomorrow. Questions for the environment and climate change portfolio and the youth affairs portfolio should be addressed in the minister's absence to the Minister for Gaming.

QUESTIONS WITHOUT NOTICE

Public sector: job losses

Mr ANDREWS (Leader of the Opposition) — My question is to the Premier. I refer the Premier to his government's attempts to keep secret cuts to front-line services and jobs, and I ask very directly: can the Premier tell taxpayers how much this lawyers picnic is costing?

Mr BAILLIEU (Premier) — The government has very clearly put in place the sustainable government initiative. That initiative sets out the job reductions which will occur over two years. They will occur on a voluntary basis. They will occur in regard to contract positions, they will occur in regard to attrition and they will occur in regard to voluntary departures. The process that is being used is the same process that was adopted by the previous government when it previously undertook —

Honourable members interjecting.

Mr BAILLIEU — As I said, it is the process that was adopted under the previous government. It is a clear process. I could take the Leader of the Opposition through examples under the previous government where exactly the same steps were taken.

Honourable members interjecting.

Mr Andrews — On a point of order, Speaker, I do not recall the previous government commissioning the Vertigan report. Having said that, I would ask you to direct the Premier to be relevant to the question that was asked, and that was simply: how much are

taxpayers paying to keep this report, these documents, secret?

Dr Napthine — On the point of order, Speaker, continually when members of the opposition take points of order they neglect the longstanding ruling of this house that the preamble is part of the question. There was a significant preamble given to the question about reduction impositions, and the Premier's answer is relevant to the issues raised in the preamble of the question. Therefore I ask that you rule that he has been relevant to the question, that he has not been debating the question and that he should continue to be heard.

Ms Hennessy — On the point of order, Speaker, the preamble actually talked to the extraordinary steps that the Premier has taken to suppress the Vertigan report and asked how much this is costing taxpayers. If that is the preamble, I would ask that you make the Premier answer the question relevantly.

The SPEAKER — Order! I do not uphold the point of order. The answer was relevant to the question that was asked.

Mr BAILLIEU — I do not believe the question referred to the Vertigan report, but both of the opposition points of order did, and I am pleased to note that the Vertigan inquiry concluded quite clearly that the budget position that this government inherited was unsustainable.

Mr Andrews — On a point of order, Speaker, I seek your guidance. How can it be in order for the Premier to refer to a report that he is keeping secret from the Victorian community, a report that has not been released? If the Premier wants to quote from the Vertigan report, he ought to table it today.

The SPEAKER — Order! I do not uphold the point of order. The Vertigan report was raised by the member for Altona.

Mr BAILLIEU — The interim report of the independent review of state finances concluded that Victoria's current financial position is unsustainable. That is a published report.

Ms Thomson — On a point of order, Speaker, the question to the Premier was quite specific about the costs of not releasing a report to the public. What does the Premier have to hide in not releasing this report that he has to waffle on with irrelevancies? I ask you to have him answer the question.

The SPEAKER — Order! I do not uphold the point of order. In fact the answer was relevant to the question that was asked, which included the preamble.

Mr BAILLIEU — The steps we are taking to implement the sustainable government initiative include rigorous planning, the development of appropriate organisational structures, consultation with staff and the union movement, refinement of the structure based on feedback received and implementation of the new structure. That is what you would expect. Indeed I recall a previous effort to reduce staff numbers, and I quote from a media release that says:

... overlap, duplication and inefficiencies, and excessive growth in the central bureaucracy that needs to be addressed.

Ms Hennessy — On a point of order, Speaker, the Premier is clearly debating the question. He was asked how much it is costing Victorian taxpayers for him to continue to suppress the Vertigan report — —

The SPEAKER — Order! Points of order are not an opportunity to ask the question again. I ask the Premier to come back to answering the question.

Mr BAILLIEU — In regard to what it costs, if we as a government had continued to spend — —

Honourable members interjecting.

Mr BAILLIEU — In regard to what it would cost if the government had continued spending growth as was established under the previous government, then we would be facing deficits of over \$10 billion. That is what it would cost. It would cost every Victorian; it would cost every taxpayer. Unsustainable budget positions have to be addressed, and we are addressing them.

Mr Nardella — On a point of order, Speaker, the Premier is not being relevant to the question asked. I ask you to bring him back to answering the question on government business.

The SPEAKER — Order! The Premier has concluded his answer.

Government: financial management

Mr HODGETT (Kilsyth) — My question is to the Premier. Can the Premier advise the house how the government's policies help maintain Victoria's AAA credit rating, and is he aware of any alternative policies?

Mr BAILLIEU (Premier) — I thank the member for his question. The coalition government has a very

clear and responsible fiscal and economic strategy, unlike some — —

Honourable members interjecting.

The SPEAKER — Order! I ask both sides of the house to come to order. The Premier will be heard in silence.

Mr BAILLIEU — It is a strategy designed to generate growth in our economy in this state under difficult circumstances. Victoria's AAA credit rating is critical to keep state borrowing costs low and to attract new business investment. Low borrowing costs for the state enable taxpayers to be assured that their dollars will be spent wisely and not otherwise lost to interest repayments, and that in turn enhances productivity in this state and investment and service delivery for schools, hospitals, police and other services.

Mr Donnellan interjected.

The SPEAKER — Order! If the member for Narre Warren North does not stop, he will be out.

Mr BAILLIEU — Indeed it makes the job of delivering infrastructure a little easier. The AAA credit rating is an ace for this state. We need to recognise that it is a competitive advantage for this state. Other states have lost their AAA rating. It is an advantage which will attract business investment and will generate growth in this economy. Since the global financial crisis and especially the recent Euro crisis, banks and sovereign funds have increased their demand for AAA rating securities for investment purposes. That is a natural response to the situation throughout the world and indeed throughout regional economies.

Maintaining a AAA credit rating nevertheless, Mr Speaker, as you well know, is not taken for granted; it is not an easy thing. It requires careful and responsible financial management, and the current global situation and the shocks that arise from that uncertainty, whether they be from the national economy and government or from international governments, impact on our economy here.

The coalition government has taken responsible measures in the budget, the budget update and the May budget just gone to manage the global challenges that currently beset us and to put Victoria's finances back on a sustainable basis and in a sustainable fiscal position. That is the responsible budget position. Both Standard and Poor's and Moody's have reaffirmed Victoria's AAA credit rating following the state budget.

Mr Andrews interjected.

Mr BAILLIEU — The Leader of the Opposition asks whether it is new. It is new to him! It is new to him, Mr Speaker — —

The SPEAKER — Order! The Premier should ignore interjections.

Mr BAILLIEU — States which have lost their AAA credit rating already face borrowing costs which are around 0.4 per cent higher than Victoria's. If Victoria had to borrow at the rates faced by South Australia and Queensland, our annual interest bill would rise by more than \$200 million by 2015–16.

Honourable members interjecting.

The SPEAKER — Order! The Leader of the Opposition will not be warned again.

Mr BAILLIEU — If previous expenditure patterns had continued unaddressed, net debt would have risen by almost 15 per cent of gross state product. The credit rating is important. It is interesting that some people have a different view. Some people are actually promising to increase spending. Some people want to spend more money on head office — —

Honourable members interjecting.

The SPEAKER — Order! The house will come to order.

Mr BAILLIEU — For them, AAA means something else. It means: say anything, anywhere, anytime but do not deliver a sustainable fiscal position in this state.

Public sector: job losses

Mr ANDREWS (Leader of the Opposition) — My question is again to the Premier, and I refer the Premier to his comments upon assuming office, when he said:

There will be no hidden agenda ... Accountability and transparency will be the principles that underpin our government ...

I ask the Premier: how do his extraordinary efforts to keep secret from Victorians cuts to front-line services and jobs accord in any way with his fine words when he became Premier of this great state?

Mr BAILLIEU (Premier) — I say again in regard to the sustainable government initiative, the steps we are taking are the steps taken by previous governments. They were taken by previous governments — —

Honourable members interjecting.

The SPEAKER — Order! The next person who interjects will be out. There will be no further warning.

Mr BAILLIEU — We stand by our efforts to maintain a sustainable budget position — —

Dr Napthine interjected.

Questions interrupted.

SUSPENSION OF MEMBER

Minister for Ports

The SPEAKER — Order! The Minister for Ports can leave the chamber for half an hour.

Minister for Ports withdrew from chamber.

QUESTIONS WITHOUT NOTICE

Public sector: job losses

Questions resumed.

Mr BAILLIEU (Premier) — We stand by our efforts to put Victoria's fiscal position on a sustainable basis, make the changes necessary and do so on a responsible basis. We will do it on a responsible basis, in accord with the measures we have set out.

Floods: regional and rural Victoria

Mr NORTHE (Morwell) — My question is to the Deputy Premier, who is the Minister for Police and Emergency Services. Can the minister update the house on the current flood situation in regional Victoria?

Mr RYAN (Minister for Police and Emergency Services) — I thank the member for his question, particularly in circumstances where it is his electorate which is bearing much of the brunt of the flooding that is occurring in Victoria at the moment. As we know, our state has been the subject of strong winds and very significant rainfall over the past 48 hours. The focus of that has been Gippsland.

Since 9.00 a.m. on Monday, South Gippsland and West Gippsland have seen widespread rain totals in excess of 100 millimetres, and those figures have now increased to some 150 millimetres in multiple locations. This is in addition to the rainfall we received on Sunday. Traralgon has received nearly 200 millimetres of rain over the past 48 hours.

Two emergency alerts were issued in the early hours of this morning — one at 2.00 a.m. and another at 4.00 a.m. They were intended to enable the evacuation of residents from approximately 90 properties in locations across Traralgon, particularly around Whittakers Road, Tennyson Street and Hyland Highway between Whittakers Road and Tennyson Street, and also at George Street, Berry Street and Davidson Street between Peterkin Street and Franklin Street, as well as that section of Franklin Street which is crossed by Traralgon Creek.

Initial reports indicate that about 45 properties within and around Traralgon have had water over the boards. The State Emergency Service (SES) and Country Fire Authority volunteers undertook doorknocking through the night to warn households of the potential threat of flooding.

I have this morning activated the emergency re-establishment payments to ensure that families affected by the storm receive the support necessary to enable them to resume normal life as quickly as that can be done. Under the personal hardship assistance program, eligible householders who have incurred costs because their homes are uninhabitable can apply for emergency relief assistance. That provides payments of up to \$1200 per household — \$480 per adult and \$240 per child. In addition to that immediate support, I have approved the activation of the emergency re-establishment assistance to eligible Victorians in extreme hardship whose homes are uninhabitable and whose insurance will not be sufficient to make them habitable again and who meet the established income test. That assistance provides for payments of up to \$30 000 in relevant circumstances.

The State Emergency Service is continuing to issue community messages and warnings while ensuring the swift deployment of rescue services. There have been significant power losses experienced, and in all probability they will continue over the next few days because of the high winds and large number of trees that are down. There have been numerous major and minor road closures, including the Princes Highway between Orbost and the New South Wales border, the Monaro Highway from Cann River through to the New South Wales border, the South Gippsland Highway between Yarram and Longford, and the Princes Highway between Sale and Rosedale at Nambrok. There are major flood warnings at the moment for the Tanjil River, the Traralgon Creek, and for the Avon, Buchan, Snowy, Macalister, Mitchell and Thomson rivers.

In addition, the Otway Ranges in the Barwon south-west region have seen 48 hours of rainfall, with over 240 millimetres recorded at Mount Sabine. However, the rainfall was isolated to that area, with the upper reaches of the Barwon now in flood.

I understand that SES volunteers have received approximately 15 requests to rescue people who have been trapped in their vehicles as a result of trying to drive through floodwaters, and I can but again implore them not to do such a stupid thing. To put in peril their own lives and the lives of those who are looking to save them is simply unacceptable, and I urge people to ensure that they do not conduct themselves inappropriately in what is a very trying time for all.

Member for Frankston: conduct

Ms HENNESSY (Altona) — My question is to the Minister responsible for the establishment of an anti-corruption commission. Has the minister or any member of his staff spoken to the Speaker regarding the probe into the member for Frankston, and if so, when?

Mr McINTOSH (Minister responsible for the establishment of an anti-corruption commission) — As far as I am aware, the answer is no.

Mowbray College: closure

Ms RYALL (Mitcham) — My question is to the Minister for Education. Can the minister outline to the house what the government is doing to assist Mowbray College students and their families at this difficult time?

Mr DIXON (Minister for Education) — I thank the member for Mitcham for her question and for her interest in this very important matter. The situation at Mowbray College and the impact it has had on more than 1200 students and their families and on more than 200 staff is a very sad thing. It has absolutely nothing to do with them, and it is not their fault. The school has clearly had substantial financial and governance issues in recent times, and we have found out that it has debts of about \$20 million.

The government put an urgent injection of money into the school last Monday to cover its immediate bills of about \$402 000. Following that the school board appointed an administrator to commence work the next day. The school board has confirmed that the school is insolvent and that it could not pay its creditors on time. It also could not pay its outstanding tax liabilities, and it appears not to have protected the funds of parents as required by the VRQA (Victorian Registration and Qualifications Authority), nor has it established a trust fund to protect any fees prepaid by parents. Student

numbers had been and were continuing to fall, and we would expect that if the school continued to operate, that situation would continue.

Last Friday, following a request from the administrator, the government committed a further \$1 million so that the 276 VCE (Victorian certificate of education) students in years 11 and 12 and International Baccalaureate diploma students could finish the term off, because they have very important midyear assessments happening later this month. The administrator has announced that, despite the \$1.4 million that this government has put in, the three campuses for students in prep to year 10 will close tomorrow.

Our priority is of course the students, especially at this stage the VCE students. The Victorian Curriculum and Assessment Authority has spoken to the students and to the parents and teachers of those VCE students and told them that the special circumstances will be taken into account when their assessments are made not only midyear but also at the end of this year. The department has staffed information lines every weekday until 8.00 p.m, and that information line was also open over the weekend. I thank the regional staff who have done this work and also the central department team and the VRQA for the work they are doing with the parents at the moment.

We are also organising information sessions for students and parents and facilitating visits to a number of neighbouring schools. We are also working with agents and consulates, because 19 international students have been caught up in this as well. The teachers will be paid until next week so that midyear assessments and reports can be finalised for all the students at the school. Once they are completed they will be given into the care of the VRQA for storage and then handed on to the schools where the students move to next term.

I would like to thank the generosity of many neighbouring government schools, Catholic schools and independent schools which have made varying offers to take up these students. I would also like to thank Andrew Elsbury, a member for Western Metropolitan Region in the upper house, the coalition team in the western suburbs and especially the member for Melton for his positive leadership in what has been a very difficult time for families in his electorate. I also thank the Victorian Independent Education Union for the role it is playing with its staff.

We really need to know why this school ended up in this position. When we do know that, we need to make sure that it does not happen to any other school

community in the future. Both the administrator and the VRQA will be looking into that. However, our immediate priority is the students — the VCE students up to the end of this term and that all students settle into new schools and their future education.

Catchment management authorities: job losses

Ms NEVILLE (Bellarine) — My question is to the Minister for Water. I refer to the announcement this week that the West Gippsland Catchment Management Authority will axe 17 jobs and place a further 8 positions under review. With 10 catchment management authorities across the state employing 400 Victorians, I ask: will the minister rule out further job cuts across Victoria's other catchment management authorities (CMAs)?

Mr WALSH (Minister for Water) — I thank the member for Bellarine for her question and the opposition for its interest in the catchment management authorities — those very same catchment management authorities that in government it was going to merge and get rid of.

Honourable members interjecting.

Mr WALSH — That is right. One of the things that we gave a commitment to, and one of the things that we have done in government, is to make sure the CMAs actually stay in place. The CMAs have a very important role to play in catchment management that we on this side of the house support, unlike those who wanted to merge them and close them down.

In the budget there is significant funding for continuing the Securing Priority Waterways program. There is nearly \$60 million for that program, and that program is funded on an ongoing basis over that time. There is actually additional money in the budget for core funding for the West Gippsland CMA. There are some changes going on within the CMA as to its priorities and how it spends that money. The government has asked the CMAs to find efficiencies in how they carry out their functions, which is something that was identified by the previous government when it was talking about merging the CMAs.

It was identified by the previous government that there were opportunities for the CMAs to work together to share back-of-house functions so that there would be efficiencies there that would make savings and so that they could continue to deliver the core functions and services that they need to deliver. That is work that is ongoing between the department and the CMAs to find those efficiencies to meet the government's sustainable

government initiative. They will be able to achieve that through back-of-house efficiencies and working together, as was identified by the previous government.

There is a real commitment from this side of the house to managing the environment. There is a substantial commitment in the budget to funding for the Victorian Environmental Water Holder to perform its role and functions. The Victorian Environmental Water Holder now holds a substantial portfolio of water in Victoria, and there is substantial funding to make sure that it is able to carry out its role to manage that environmental well.

There is also substantial money in the budget to make sure that Victoria makes a very good input into the Murray-Darling Basin plan process, ensuring that Victoria's interests are protected into the future. There is substantial funding in the budget to make sure that the environment is managed well and to make sure that catchment management authorities perform their role into the future.

Ms Neville — On a point of order, Speaker, on a matter of relevance, the question related to whether the minister would rule out other cuts to front-line catchment management authority workers, and the minister has not addressed that issue.

The SPEAKER — Order! I do not uphold the point of order.

Mr WALSH — The question was about catchment management authorities and this government's commitment to them. We have kept the catchment management authorities, unlike those on the other side of the house, who were going to merge them and close them down.

Courts: Bendigo and Wangaratta

Mr McCURDY (Murray Valley) — My question is to the Attorney-General. Can the Attorney-General update the house on actions the Victorian coalition government is taking to improve justice facilities in regional Victoria?

Mr CLARK (Attorney-General) — I am pleased to inform the member for Murray Valley and the house that the government is acting to improve justice facilities around regional Victoria and to make up for the neglect that it inherited from the previous government. I can give two particular examples of that, one of which the member for Murray Valley will be very familiar with — the situation of the Wangaratta courthouse. I place on the record the contribution the member for Murray Valley has made in standing up for

his community and ensuring that the situation at that court has been drawn to the attention of the government — a situation of serious neglect under the previous government that we inherited.

Wangaratta courthouse is a striking building that has given many years of effective service to the local community as a centre for justice and the upholding of the rule of law. However, under the previous government it was allowed to fall into serious neglect. An entire wing of the courthouse — the west wing, which provided office space for public prosecutions staff and others — was forced to close. When I inspected it last week, together with the member for Murray Valley, the neglect there was absolutely appalling in terms of water damage, root damage and other factors which have impacted on it and which have severely affected the capacity of the court to operate, as have neglect of features such as the police cells, prisoner movement and security within the courtroom.

I was very pleased, with the member for Murray Valley, to be able to announce last week that the government is providing \$2.7 million in funding to refurbish the Wangaratta court building, which will make that court again able to hold prisoners in custody and have prisoners delivered to the court, when there are prisoners in custody awaiting trial, and to restore the full functionality of the west wing of the courthouse. That should have happened years ago. We have been able to do it through careful and prudent financial management to make resources available.

Similarly I was pleased to announce last week that the government is committing \$8.4 million to upgrade the Bendigo court precinct, with a complete refit of the former police station in Bull Street behind the historic 1896 Bendigo law courts building. The Bull Street building had been closed for a number of years. With careful management and planning we will be able to provide not only an entirely new courtroom in that building but also a justice centre that consolidates all of the operations of the Department of Justice across the Bendigo region, such as sheriff's officers and corrections officers, together with court registry and other staff.

That will provide an enormous improvement in functionality and tackle a large number of problems that have been allowed to build up over the years, including difficulties with prisoner movement to and from the court and movement of various parties within the court. It was something that the previous government had not been prepared to act upon. These issues were raised by the Bendigo Law Association and others in the local community earlier in the year.

I visited the Bendigo court precinct and spoke with stakeholders in March. I took on board the feedback I received from them, and I am now very pleased to be able to confirm to the house the announcement the government made last week about providing a facility that will take a lot of pressure off the existing precinct and tackle a lot of the problems within the existing courthouse as well as consolidate justice staff. This government is acting to tackle the problems with justice facilities that were left to us across regional Victoria through the neglect of the previous government.

Road safety: school zones

Mr DONNELLAN (Narre Warren North) — My question is to the Minister for Roads. I refer the minister to correspondence from the chief operating officer of VicRoads, Mr Bruce Gidley, stating that, ‘The school speed-zone programs are now fully expended’. In light of these comments, will the minister detail how much funding will be provided in the 2012–13 financial year to support road safety around schools?

Mr MULDER (Minister for Roads) — I thank the honourable member for his question in relation to road safety. As the member and the house would be aware, this government has placed an enormous emphasis on road safety throughout the state of Victoria. If you have a look at today’s road toll, you will see that it sits somewhere in the order of 10 below last year’s toll. We posted a record low road toll last year, and we will continue in that vein. We have made considerable funding commitments in relation to a road safety action plan that takes us through until the end of 2012. We are currently working — —

Mr Donnellan — On a point of order, Speaker, I specifically asked the minister a question about safety around schools; I did not ask for a general diatribe about safety. My point of order is relevance. The question related to children and schools, not road safety generally.

The SPEAKER — Order! I do not uphold the point of order, but I do ask the minister to address the question.

Mr MULDER — So there has been a considerable commitment made by the coalition government in relation to road safety.

In relation to the issue of school zones and safety around them, in the very early stages after we came to government I was presented with a paper that had been prepared by the former government based on a

redistribution of funding around school crossing programs, a paper asking me to endorse this program that had been prepared by the former government.

Mr Nardella — On a point of order, Speaker, I ask you to bring the minister back to answering the question asked. It was about the present budget and funding for the next financial year, and I ask you to bring him back to that government business.

The SPEAKER — Order! I ask the minister to come back to answering the question he was asked.

Mr MULDER — The question related to safety programs around schools. My answer is quite clearly about the program of safety around schools. There was work carried out by the former government and a consultant on behalf of the former government — —

Mr Andrews — On a point of order, Speaker, I simply renew the point of order made by my friend the member for Melton and ask you to again remind the minister of his obligations under standing orders. The question related to the 2012–13 year, and we are all entitled to an answer based on that, not one based on some document the minister will undoubtedly not produce. It should be relevant.

The SPEAKER — Order! The answer was relevant to the question.

Mr MULDER — The proposal that was put to me at the time was that we should reallocate funding away from those smaller schools into bigger areas. To take funding away from smaller schools — —

Mr Andrews — On a point of order, Speaker, can you clarify this: is the minister speaking to the point of order or have you ruled, because I did not catch a ruling. I did not hear the ruling, and I simply ask you whether you have ruled.

The SPEAKER — Order! I did not uphold the point of order, because the answer was relevant to the question that was asked. It was related to road safety around schools.

Mr MULDER — Quite clearly because of the way that the document was put to me and the advice that was provided to me on — —

Honourable members interjecting.

The SPEAKER — Order! I do not need to warn members of the house again. The minister will be heard in silence.

Mr MULDER — The recommendation was that the funding be provided on a population basis. Being a Liberal member of Parliament — —

Mr Nardella — On a point of order, Speaker, the minister is referring to a document from a previous government that is not relevant to government business or to the budget for the 2012–13 year. I ask you to bring him back to answering the question that was asked.

Mr Ryan — On the point of order, Speaker, very clearly the minister was responding to the question he was asked. He was asked a question that referred to safety around schools. He was illustrating his answer by referencing a document that he was outlining to the house. That in turn is very pertinent to the point that was put to him. I submit to you that he is entitled to answer the question in the manner he has been doing. The point of order should not be accepted.

Mr Merlino — On the point of order, Speaker, the minister is allegedly delving into the past. The question was around comments made by the chief operating officer of VicRoads, Bruce Gidley, who said, ‘The school speed zone programs — —

The SPEAKER — Order!

Mr Merlino — I have not finished my point of order, Speaker.

The SPEAKER — Order! Making a point of order is not an opportunity to repeat the question. The member knows that. I have said it many times before.

Mr Merlino — If I can finish my point of order, Speaker — —

The SPEAKER — Order! Not if the member is going to repeat the question.

Mr Merlino — The minister was allegedly referring to documents of the past. The question was specifically about current comments from VicRoads. It was about how much funding there is for road safety in relation to schools in 2012–13. The minister was not relevant to the question.

The SPEAKER — Order! The minister was being relevant to the question, because he was speaking about road safety around schools. He was quoting from a document that relates to that particular issue. I do not uphold the point of order.

Ms Hennessy — On a further point of order, Speaker, I note your observation that the minister was

quoting from a document. If the minister was quoting from a document, he ought to table it in the house.

The SPEAKER — Order! I ask the minister to table the document.

Mr Clark — On a point of order, Speaker, as I understand your previous ruling, you used the term ‘quoting from’ in a generic sense to refer to alluding to a document. The member for Altona is raising a frivolous and misconceived point of order, because the rules of the house relate to when a member is reading verbatim the words from a document and citing that document to the house. The minister was making reference to a document. He was not reading the words of a document. He was not quoting from a document in the true sense of the word. Accordingly the rules of the house are not applicable. The member should not have raised the point of order, and you should rule it out of order.

The SPEAKER — Order! I would like to just ask the minister: was he quoting from that document?

Mr MULDER — I was referring to advice that I received in relation to a document that had been prepared in the course of the former government and that information that was provided to me at the time, that I should go down a certain pathway based on the information that was provided.

The SPEAKER — Order! I am asking: was the minister quoting from the document?

Mr MULDER — Speaker, I am not quoting from the document. I am referring to the advice that I received on the matter that was contained in a document.

Honourable members interjecting.

The SPEAKER — Order! If the minister was not quoting from the document — and *Hansard* will show whether he was quoting from the document — I will not ask him to table the document.

Ms Hennessy — On a further point of order, Speaker, in the course of responding to the point of order, the Minister for Public Transport referred to a historical retrospective document. If he relies upon that for the purpose of his answer, he ought produce it to the house, even if he is just making reference.

The SPEAKER — Order! The minister has already informed the house that he was not quoting from the document.

Mr MULDER — What the document actually referred to was that I should go down the pathway of on a population base — —

Ms Campbell — Speaker, my point of order relates to relevance and to hypotheticals. The relevant point that was raised by the question relates to the next financial year and funding allocated. That was not answered. The second point is on hypotheticals. Under the heading ‘Questions’, chapter 22 of *Rulings from the Chair* states:

Hypothetical matters not to be discussed. Answers should be given without hypothetical information ...

We have no way of knowing whether this is accurate or inaccurate; it is hypothetical. There is no document.

The SPEAKER — Order! I do not uphold the point of order.

Mr MULDER — As I said, based on the work that had been undertaken for the former government, the advice that was given to me as a result of that work was that I should go down the pathway of on a population basis spreading the money that is available for crossing supervisors around the state. I asked who would be the winners and the losers out of this new formula. Quite clearly, small country schools were going to miss out.

Mr Nardella — On a further point of order, Speaker, the minister is now debating the question. He is now referring to not only a document that he cannot produce or name but also to country schools and something that would have occurred if recommendations from a document were put in place. That is not the basis of the question. The question was more specific. It was about government business and more specifically about the budget for the forthcoming year. I ask you to bring the minister back to answering the question.

The SPEAKER — Order! I do not uphold the point of order, but I do ask the minister to come back to answering the question.

Mr MULDER — Quite clearly, when you are distributing funding in relation to school safety, you want to make sure that no-one misses out. I was being put into a position to make a decision based on work carried out by the former government to make some schools miss out.

Honourable members interjecting.

Mr Andrews — On a point of order, Speaker, I put it to you that there was no inference, there was no attack, there was no claim and there was no criticism in

the question that was asked. It was simply a straight question drawing the attention of the house and the minister to correspondence from VicRoads and then a very simple question: how much will be spent in the 2012–13 year? Surely the minister can provide us with that and spare us this 4 minutes of — I do not know what this is. We need just a straight answer: how much will be spent in the coming financial year? It is a very simple issue, very simple indeed.

The SPEAKER — Order! I do not uphold the point of order. The answer was relevant to the question that was asked, which related to road safety around schools.

Mr MULDER — Furthermore, I am advised that the figure is approximately \$9 million. However, we will not see level crossing supervisors taken away from little country schools, because that is what the previous government wanted to do.

The SPEAKER — Order! The minister!

Mr MULDER — The work that it was doing —

The SPEAKER — Order! The minister!

Mr MULDER — was to take crossing supervisors away from small schools. That is what it was up to.

Questions interrupted.

SUSPENSION OF MEMBER

Minister for Roads

The SPEAKER — Order! The behaviour of the Minister for Roads is appalling. I ask the minister to vacate the chamber for 1 hour.

Minister for Roads withdrew from chamber.

QUESTIONS WITHOUT NOTICE

Questions resumed.

Racing: Black Caviar

Mr SOUTHWICK (Caulfield) — My question is to the Minister for Racing. Can the minister advise the house how Victorians can share in the excitement of the world’s best racehorse, Black Caviar, when she races at Royal Ascot later this month?

Mr Nardella — On a point of order, Speaker, I ask you to consider how a question about a horse racing at Ascot in the United Kingdom is relevant to Victorian

government business. I ask you to consider this point of order and rule whether this question should be answered.

Mr O'Brien — On the point of order, Speaker, the Victorian racing industry and the strength of the Victorian racing industry clearly relate to government business. It may well be that members opposite have no interest in the Victorian racing industry, but we have a very strong racing industry. It is a great employer in this state. We have a Minister for Racing, which is a bit of hint that it does relate to government business.

Ms Thomson — On a further point of order, Speaker, the question related to Black Caviar, which last time I checked was owned privately. Therefore it was not about the racing industry in general but about a privately owned horse. I would suggest that on that — —

Honourable members interjecting.

The SPEAKER — Order! I do not uphold the point of order.

Dr NAPHTHINE (Minister for Racing) — I thank the honourable member for Caulfield for his question and for his clear understanding of the importance of racing in the Victorian landscape, particularly in his electorate of Caulfield, where many people are employed in racing. The question went to how Victorians can join in the celebrations for Black Caviar in her attempt to win a major race at Royal Ascot. I will be speaking in this answer about an event at Federation Square, where Victorians can all join in the celebrations of this great Victorian horse.

Today I was honoured to be at Peter Moody's stable at Caulfield to farewell this Victorian champion as she travels to England to take on the world's — —

Honourable members interjecting.

The SPEAKER — Order! I am interested in hearing this answer, and I wish the house would show courtesy to the minister.

Dr NAPHTHINE — Black Caviar — —

Ms Green interjected.

Questions interrupted.

SUSPENSION OF MEMBER

Member for Yan Yean

The SPEAKER — Order! I ask the member for Yan Yean to vacate the chamber for half an hour.

Member for Yan Yean withdrew from chamber.

QUESTIONS WITHOUT NOTICE

Racing: Black Caviar

Questions resumed.

Dr NAPHTHINE (Minister for Racing) — I was saying that Black Caviar is simply the best racehorse I have seen, and we should all be proud of her. She was born and bred in Victoria. She was sold at the Victorian yearling sales. She is owned and raced by great Victorians. She is trained in Victoria and has largely raced in Victoria. She is 120 per cent Victorian, and we as Victorians should be very proud that we are the home of the very best sprinter in the world. She has raced 21 times. She has 11 Group 1 wins and seven Group 2 wins, and she is rated as the best sprinter in the world.

I am aware that hundreds and probably a few thousand Victorians are actually travelling to England to support Black Caviar and cheer her on at Royal Ascot. However, I and many others are unable to travel to England to support her. Therefore the Victorian government, together with Racing Victoria, has today announced a massive event to take place at Federation Square on the night of Saturday, 23 June. This will allow everybody in Victoria, including all members of the opposition, to come down to Federation Square and support Black Caviar at a terrific event commencing at 10.45 p.m.

There will be live entertainment from Matt Hetherington of the *Voice* and comedy from Tommy Little of the *Project*. There will be a big screen providing a direct telecast of the races from Royal Ascot. Race 1 will be at 11.30 p.m., race 2 at 12.05 a.m. and at 12.50 a.m. there will be the 1200-metre Diamond Jubilee, with a prize of half a million pounds. This will be Black Caviar's race, and it will be really significant for all Victorians to get behind this great Victorian horse.

This is a great way for Victorians to join in the celebration and enjoy the pleasure of watching the best horse, a Victorian-bred and trained horse, compete against the world's best at Royal Ascot. It will be a free

event, so everybody is welcome to come along. There will be great giveaways, including 500 passes to night races at Moonee Valley Racing Club and Black Caviar T-shirts, scarves and flags. There will also be 'Fashions on Federation Square'.

Mr Howard — On a point of order, Speaker, I have listened to the minister's answer over a period of time and I am struggling to understand how it relates to government business. I would have thought that the cuts to TAFE racing courses at the University of Ballarat would have been far more relevant to government business.

The SPEAKER — Order! I do not uphold the point of order.

Dr NAPHTHINE — The Victorian government is very pleased to support the racing industry and to work with Racing Victoria to put on this great event for people to join in and celebrate Black Caviar.

COMMUNITY BASED SENTENCES (TRANSFER) BILL 2012

Introduction and first reading

Mr McINTOSH (Minister for Corrections) introduced a bill for an act relating to the interstate transfer of community-based sentences and for other purposes.

Read first time.

CITY OF MELBOURNE AMENDMENT (ENROLMENT) BILL 2012

Introduction and first reading

Mrs POWELL (Minister for Local Government) introduced a bill for an act to amend the City of Melbourne Act 2001 and for other purposes.

Read first time.

NOTICES OF MOTION

Notices of motion given.

Mr Merlino — On a point of order, Speaker, I ask you to review the language in the notice of motion of the member for Prahran.

The SPEAKER — Order! I will have a look at it.

BUSINESS OF THE HOUSE

Notices of motion: removal

The SPEAKER — Order! Notices of motion 13 to 22 will be removed from the notice paper unless members wishing their notice to remain on the paper advise the Clerk in writing before 8.00 p.m. today.

PETITIONS

Following petition presented to house:

Buses: Cranbourne electorate

To the Legislative Assembly of Victoria,

The petition of residents in the Frankston City municipality and Casey municipality draws to the attention of the house that as a matter of urgency a new direct bus route be introduced from Carrum Downs through to Cranbourne.

Your petitioners therefore request that the Legislative Assembly of Victoria give consideration in supporting this much-needed bus route as many students, families and elderly have got no easy direct access between Carrum Downs and Cranbourne by the way of public transport.

By Mr PERERA (Cranbourne) (195 signatures).

Tabled.

Ordered that petition be considered next day on motion of Mr PERERA (Cranbourne).

DRUGS AND CRIME PREVENTION COMMITTEE

Locally based approaches to community safety and crime prevention

Mr McCURDY (Murray Valley) presented report together with appendices and transcripts of evidence.

Tabled.

Ordered that report and appendices be printed.

**SCRUTINY OF ACTS AND REGULATIONS
COMMITTEE**

Alert Digest No. 9

Ms CAMPBELL (Pascoe Vale) presented *Alert Digest No. 9* of 2012 on:

**Health (Commonwealth State Funding Arrangements) Bill 2012
Local Government (Brimbank City Council) Amendment Bill 2012
Residential Tenancies Amendment Bill 2012
Working with Children Amendment Bill 2012**

together with appendices.

Tabled.

Ordered to be printed.

DOCUMENTS

Tabled by Clerk:

Crown Land (Reserves) Act 1978:

Order under s 17B granting licences over Dromana Foreshore Reserve

Orders under s 17D granting leases over:

Chiltern Park Recreation Reserve

Kardinia Park Memorial Swimming Pool Reserve

Financial Management Act 1994 — Report from the Minister for Higher Education and Skills that he had received the Report 2011 of the International Fibre Centre

Interpretation of Legislation Act 1984 — Notice under s 32(3)(a)(iii) in relation to Statutory Rule 32 (*Gazette G22, 31 May 2012*)

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

Alpine — C26

Alpine Resorts — C21

Ballarat — C152

Baw Baw — C92

Bayside — C108

Boroondara — C154

Cardinia — C164

Casey — C147

Corangamite — C28

Frankston — C84

Glenelg — C72

Greater Bendigo — C182

Greater Geelong — C263

Horsham — C56

Manningham — C92

Maribymong — C102, C103

Melbourne — C185

Mitchell — C45

Nillumbik — C80

Port Phillip — C125

Surf Coast — C55

Whitehorse — C134, C146

Statutory Rule under the *Children, Youth and Families Act 2005* — SR 35

Subordinate Legislation Act 1994:

Documents under s 15 in relation to Statutory Rules 30, 32, 33, 35

Documents under s 16B in relation to:

Department of Human Services Standards (Children, Youth and Families) Determination 2012 under the *Children, Youth and Families Act 2005*

Department of Human Services Standards (Disability) Determination 2012 under the *Disability Act 2006*

Performance Measures for Disability Service Providers under the *Disability Act 2006*

Designation of Tow Away Area in Toorak Road, Toorak under the *Local Government Act 1989*

Notice of Declared Area under the *Summary Offences Act 1966*.

The following proclamations fixing operative dates were tabled by the Clerk in accordance with an order of the House dated 8 February 2011:

Australian Consumer Law and Fair Trading Act 2012 — sections 1, 2, and 239 and item 9 of Schedule 6 — 5 June 2012 (*Gazette S172, 29 May 2012*)

Water Amendment (Governance and Other Reforms) Act 2012 — Whole Act — 1 July 2012 (*Gazette S172, 29 May 2012*)

Victorian Responsible Gambling Foundation Act 2011 — Division 4 of Part 2 and Part 3 — 22 May 2012; s 6 and Division 5 of Part 2 — 1 July 2012 (*Gazette S164, 22 May 2012*).

**EDUCATION LEGISLATION
AMENDMENT (VET SECTOR,
UNIVERSITIES AND OTHER MATTERS)
BILL 2012**

Introduction and first reading

Received from Council.

Read first time on motion of Mr DIXON (Minister for Education).

STATUTE LAW REVISION BILL 2012

Introduction and first reading

Received from Council.

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

ROYAL ASSENT

Message read advising royal assent on 29 May to:

Courts and Sentencing Legislation Amendment Bill 2012

Health Professions Registration (Repeal) Bill 2012

Independent Broad-based Anti-corruption Commission Amendment (Examinations) Bill 2012

Primary Industries Legislation Amendment Bill 2012

Statute Law Repeals Bill 2012.

BUSINESS OF THE HOUSE

Program

Mr McINTOSH (Minister for Corrections) — I move:

That, under standing order 94(2), the orders of the day, government business, relating to the following bills be considered and completed by 4.00 p.m. on Thursday, 7 June 2012:

Appropriation (2012/2013) Bill 2012

Duties Amendment (Landholder) Bill 2012

Health (Commonwealth State Funding Arrangements) Bill 2012

Local Government (Brimbank City Council) Amendment Bill 2012

State Taxation Acts Amendment Bill 2012.

In moving this motion I indicate that the house will probably be sitting late today as well as tomorrow. It is the government's intention to have the debate run until about 11.00 p.m. both tonight and tomorrow and then go on to the adjournment debate. I have already communicated that to the manager of opposition business to make the necessary arrangements. This will be the last time that members will have an opportunity to make a contribution to the debate on the budget bills, and hopefully ample time has been provided to enable as many members as possible to contribute to debate on the Appropriation (2012/2013) Bill 2012.

I also indicate to the house that a bill introduced today by the Minister for Local Government in relation to the City of Melbourne will be second read tomorrow. As I understand it the agreement between the parties is that the shadow Minister for Local Government will make a contribution. This is an urgent bill, and the government will seek the passage of that bill during the course of this week. I am led to believe that will occur tomorrow during government business.

Another matter I want to raise relates to notice of motion 1, which is in my name and on which there have been discussions between the parties. That motion will be put through on the voices at the appropriate time. This is an appropriate government business program. There are four bills apart from the budget that we hope to complete by 4.00 p.m. on Thursday. Hopefully there will be ample time provided for as many members as possible to make a contribution on the budget.

Ms HENNESSY (Altona) — I rise to speak on behalf of the opposition to oppose the government business program. This ought not to come as any great surprise to the government. We have consistently articulated our opposition to the use of Wednesday afternoons for second-reading speeches; we think that is an inappropriate use of parliamentary time and that it impedes our capacity as the opposition to scrutinise and hold the government to account in respect of its legislative program and other activities.

On top of that we have some additional issues that form the basis of our opposition to the government business program. We do not oppose the late sitting at all. We understand that part of the purpose of having a late sitting is to enable all members to make a contribution on the appropriation bill, and in the circumstances that is indeed appropriate. However, we maintain and have an ongoing growing concern about the abuse of parliamentary processes in respect of the government's

legislative program. There have been two examples this week. One is that we had late advice from the government in respect of an amendment to the Control of Weapons Act 1990 that is commencing its journey in the other place. That was a matter that our shadow minister was briefed on only this morning. Furthermore, we have attempted to be as cooperative as we can in respect of the Minister for Local Government's amendments in respect of the Melbourne City Council elections.

These two examples reveal that the government has a shoddy approach to legislating. It also indicates that it is not in control of its own legislative program. In one week it has brought in two urgent bills, and it is our job as the opposition to scrutinise that legislation. What the government has done in using the provisions for urgent bills is impede our capacity to be properly briefed and properly scrutinise those bills. We maintain a position that we say is reasonable and sensible. We have been as accommodating as possible on both of these two matters, but it is not a practice that we say ought to continue, and on that basis we oppose the government business program.

Mr HODGETT (Kilsyth) — It is no surprise that the opposition has opposed the government business program. It is a lazy opposition that is scared of doing a bit of hard work this week. It is a whingeing, whining and carping opposition. I support the motion moved by the Leader of the House. It is a solid program that we can get through by the 4.00 p.m. guillotine this Thursday, including those additional items that have been mentioned. We have a lot to get through, so I do not want to take up too much time. Suffice it to say that I urge all members to support the motion of the Leader of the House and support the government business program.

Ms KAIROUZ (Kororoit) — Talk about the pot calling the kettle black and talk about lazy! The lazy people are on the other side of the house, not this side of the house. The lazy people are huddled together in the corner there. As members have heard, the opposition will be opposing the government business program, basically for the same reasons that it always has: we believe that it is inappropriate to use parliamentary debating time on Wednesdays for dealing with second-reading speeches. They could be read on Thursday afternoons, as happened when we were in government. We also welcome the late-night sitting; we certainly do not have a problem with it. It is an opportunity for members to respond to the 2012–13 budget, talk about its shortcomings and talk about the cuts and the ways in which the budget will affect the

communities in our electorates and in fact across the board.

As the member for Altona outlined, there has been an abuse of parliamentary process. Shadow ministers have been getting last-minute briefings on very important bills. Unfortunately, because of the last-minute briefings we do not have an opportunity to go back to talk to stakeholders and consult our communities about these very important bills.

There are a few bills on the government business program. We look forward to debating those bills, putting forward our views and representing our constituents in respect of them. It is on the basis of what I have just outlined that we will be opposing the government business program.

Mr CRISP (Mildura) — I rise to support the government business program. As the previous speaker mentioned, there will be late sittings to allow for contributions on the budget bill. However, I want to remind the member for Altona, and perhaps the member for Kororoit as well, that their opposition to the program means we might as well have a cut-out figure and a tape recorder standing in for the member for Altona. It is the same issue every week, week after week, so she should get over it. That is how we are going to do business here. I remind members how Peter Batchelor, a former Labor Leader of the House, managed the government business program. Members opposite still have a lot to learn about how things can be done if they really want to give everybody the irritants!

Mr Eren interjected.

The SPEAKER — Order! The member for Lara will not be warned again.

Mr CRISP — I suggest that my colleague the member for Kororoit try filling the program. Barely a week goes by without the opposition saying, 'Oops! No more speakers'. I find Tuesdays rather entertaining when I hear opposition members saying they need this time to debate, and then that is followed by on Wednesday evening or Thursday the opposition saying, 'Oops! No-one left to speak'. The bills on the program are important. I think I have made my point. I support the program, so let us get on with it.

Mr BROOKS (Bundoora) — I rise to oppose the motion moved by the Leader of the House. Can I firstly say that I support the comments that were made by the member for Altona in her contribution. The role of the opposition is to scrutinise this government. We know that the government runs away from any form of scrutiny. We saw that in question time today. We had a

government that promised accountability and promised to remove Dorothy Dixers, and I have got to say, in terms of what was said during question time today, that I am a big supporter of Black Caviar and the racing industry — —

The SPEAKER — Order! I would like the member to debate the issue that is in front of the house, which is the motion regarding the government business program.

Mr BROOKS — This is the theme of filling the house's business with a range of matters that do not interest the Victorian people and do not provide the level of scrutiny the Victorian people deserve from this Parliament. The holding of second-reading speeches on Wednesday afternoons rather than after the conclusion of the business program on Thursdays is a serious matter — and for the benefit of the member for Mildura, it is one that this side of the house will continue to raise, because we think it is important that the time the house sets aside during the week be used for the debating of important issues.

It is obvious that the government does not want that time during parliamentary sittings to be taken up with genuine debates around issues such as cuts to TAFE, increased water bills and other matters that affect the daily lives of Victorians. The government would rather have that time filled up with second-reading speeches so that the members of The Nationals can scoot home on a Thursday afternoon.

As I say, the time of the house should be taken up with debating serious issues. We have seen quite clearly that this government wants to run away from scrutiny and wants to soak up the time of the house with matters that are not as important as the debates that this side of the house would like to see. It is for that reason that this side of the house opposes the government business program.

House divided on motion:

Ayes, 43

Angus, Mr	Mulder, Mr
Asher, Ms	Naphine, Dr
Baillieu, Mr	Newton-Brown, Mr
Battin, Mr	Northe, Mr
Bauer, Mrs	O'Brien, Mr
Blackwood, Mr	Powell, Mrs
Bull, Mr	Ryall, Ms
Burgess, Mr	Ryan, Mr
Clark, Mr	Shaw, Mr
Crisp, Mr	Southwick, Mr
Delahunty, Mr	Sykes, Dr
Dixon, Mr	Thompson, Mr
Fyffe, Mrs	Tilley, Mr
Gidley, Mr	Victoria, Mrs
Hodgett, Mr	Wakeling, Mr

Katos, Mr	Walsh, Mr
Kotsiras, Mr	Watt, Mr
McCurdy, Mr	Weller, Mr
McIntosh, Mr	Wells, Mr
McLeish, Ms	Wooldridge, Ms
Miller, Ms	Wreford, Ms
Morris, Mr	

Noes, 40

Andrews, Mr	Howard, Mr
Barker, Ms	Hutchins, Ms
Beattie, Ms	Kairouz, Ms
Brooks, Mr	Knight, Ms
Campbell, Ms	Languiller, Mr
Carbines, Mr	Lim, Mr
Carroll, Mr	McGuire, Mr
D'Ambrosio, Ms	Madden, Mr
Donnellan, Mr	Merlino, Mr
Duncan, Ms	Nardella, Mr
Edwards, Ms	Neville, Ms
Eren, Mr	Noonan, Mr
Foley, Mr	Pallas, Mr
Graley, Ms	Pandazopoulos, Mr
Green, Ms	Perera, Mr
Halfpenny, Ms	Richardson, Ms
Helper, Mr	Scott, Mr
Hennessy, Ms	Thomson, Ms
Herbert, Mr	Trezie, Mr
Holding, Mr	Wynne, Mr

Pairs

Smith, Mr R.	Garrett, Ms
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Motion agreed to.

MEMBERS STATEMENTS

Hamer Scholarships

Ms ASHER (Minister for Innovation, Services and Small Business) — I wish to advise the house of an important initiative called the Hamer Scholarships, of which the Premier announced the first 11 recipients on 31 May 2012. The scholarships aim to enhance the Chinese language skills of Victorians. Each recipient will receive a \$10 000 scholarship. They will be for one semester, which equates to five to six months, to study Chinese intensively at a Jiangsu-based university. Victoria has a sister state relationship with Jiangsu Province. Sir Rupert Hamer, the person for whom the scholarships are named, signed the sister state relationship agreement in 1979. He was a visionary for his time, foreseeing the good relationships that would exist in the future.

China is Victoria's largest trading partner. It is Victoria's no. 1 tourism market and our major source of international students in universities, TAFEs and schools. The aim of the Hamer Scholarships is to forge strong links between the people, culture and economy of both Victoria and China. I was delighted that the

Premier was able to announce the first recipients last week. I wish the recipients every success. These scholarships will be awarded in greater numbers in the future. I believe they provide a very sound foundation for good economic relations in the future.

Whittlesea Trung Vuong Vietnamese Women's Group: cultural event

Ms D'AMBROSIO (Mill Park) — I wish to inform the house of a special cultural event held in Thomastown on Sunday, 3 June, organised by the Whittlesea Trung Vuong Vietnamese Women's Group. I was pleased to join Cr Kris Pavlidis from the City of Whittlesea to witness the Vietnamese women's group put on a fine display of Vietnamese cuisine. From the preparation to the cooking and eating, the event encouraged and welcomed the participation of many members of the local community across cultures and generations.

The community learnt about different dishes from the northern, central and southern regions of Vietnam. Soups, noodle and rice dishes, and desserts were all abundantly available to savour. I congratulate Nhan Phan, president of the group, and her committee for working very hard over the eight years since the group was established to raise the profile of their local community and to promote the special Vietnamese culture.

The Vietnamese community is the fourth largest non-English-speaking community in the Whittlesea municipality and continues to grow strongly, adding to the richness of our diverse community. It is a community that is very proud of family, and this was on display on the day, with many young children taking part in the festivities and many young people in attendance playing very active roles in the organisation and conduct of the day. I wish to acknowledge all the different multicultural communities that joined in to participate celebrating this wonderful Vietnamese community. Well done to every single one of them.

Murrindal Children and Family Centre: upgrade

Mr WAKELING (Ferntree Gully) — Congratulations to the Murrindal Children and Family Centre in Rowville which has recently been allocated \$300 000 funding to complete its \$650 000 project to upgrade its centre and increase its capacity in readiness for universal access to 15 hours of kindergarten education in 2013.

Multicultural affairs: Ferntree Gully electorate

Mr WAKELING — I would like to thank the Minister for Multicultural Affairs and Citizenship for recently taking the time to meet with many multicultural groups throughout the Ferntree Gully electorate. Representatives from the Polish, Italian, Indian and Egyptian communities joined the minister, myself and recently elected representatives Emanuele Cicchiello and Joe Cossari from the Eastern Metropolitan Region's Multicultural Advisory Council for an important discussion about the importance of multiculturalism in the Knox community.

Rowville Recreation Reserve: lighting

Mr WAKELING — I was pleased to recently join the Minister for Sport and Recreation, Knox City Council and the Rowville Football Club at the official launch of the floodlighting project at the Rowville Recreation Reserve. The state government contributed \$60 000 to this important local project. Congratulations to the Rowville football and cricket clubs for their leadership in working together to improve facilities at the reserve.

Ferntree Gully North Primary School: Parliament House visit

Mr WAKELING — It was a pleasure to recently have a discussion about the machinery of government with grades 5 and 6 students at Ferntree Gully North Primary School. This discussion occurred at the school and also involved a tour of state Parliament. The students had a very highly developed understanding of the political system and were keen to discuss a range of contemporary issues.

Bob Campbell

Mr WAKELING — On behalf of the Ferntree Gully community I wish to pay my respects to the late Bob Campbell. Bob represented the Ferntree Gully Senior Football Club in more than 300 games and was a member of the 1957 and 1960 premierships teams. Bob also coached the senior and reserves teams, winning the 1966 reserves premiership. Bob was a life member of the senior club and achieved induction into the Ferntree Gully Football Club Hall of Fame in 2006. He was also inducted as the first legend of the club.

Australian Labor Party: Ballarat West electorate forums

Ms KNIGHT (Ballarat West) — I would like to acknowledge and thank all the members of my

community who came along to the Labor Cares forums. It was wonderful to see so many people turn out to talk about a range of issues that concerned them. The best feedback of all, though, was the appreciation of the people who attended that Labor members were there to listen to them. The ideas, comments and discussion that came out of those forums was amazing. It just goes to show that problems that sit in a community can be solved by a community. But there were not just problems that were shared with us; there were also ideas, thoughts, values and beliefs. There was an amazing energy at both of the forums that were organised — one in Sebastopol and the other at Trades Hall. It was also great to get lots of calls and emails from people in my community who really wanted to come along but were unable to do so.

Real politics is about bringing the community along — listening, discussing and being present alongside people as they go through the challenges and joys of their lives; and real leadership, as shown by the Leader of the Opposition, is about honestly standing in front of a group of people where they live rather than hiding away in an office in Melbourne. Real politicians do not use this chamber to knock those on the other side of it who are committed to listening to their community members. I cannot wait to hold some more forums. I believe this type of grassroots politics — this unashamed connection between political representatives and the people they represent — can only strengthen this great state of Victoria.

Road safety: heavy vehicles

Mr TILLEY (Benambra) — In the past week a number of rollover crashes involving heavy commercial vehicles have occurred in Victoria. One of those crashes attracted worldwide interest after headlines such as ‘Sheep rain down on city traffic below’ appeared following an incident in which a livestock truck rolled onto its side. Public opinion was quick to convict the driver, and social media commentary was quick to identify driver error.

In the last 21 years truck rollovers have been reported in *Hansard* infrequently and only in relation to truck driver error, suggesting crashes were caused principally by driver fatigue, drug abuse, speeding or some anomaly between mass and dimension. One area that has never been addressed or debated is the promotion of emerging heavy vehicle road safe technologies. I believe real improvements can be made with a holistic approach to heavy vehicle road safety, not just with better driver training and better road design and construction but also by making sure that the

engineering bar continues to be set high on heavy commercial vehicles leaving the manufacturer’s gate.

There are people and organisations in Victoria at the forefront of developing technologies to minimise truck rollovers and increase road stability through engineering and design. What these frontier engineers are finding is that they are truly operating in the Wild West, where the rules are made up as they go along, where they are being stymied by the sectional interests of bureaucracy and by a lack of resources and support. These designers are not asking for government handouts; they are just asking for a level playing field. A clear framework is needed urgently to identify, evaluate, deliver and monitor new technologies that will make our road freight task safer.

Students: education conveyance allowance

Ms HENNESSY (Altona) — I rise to raise concern about changes in relation to the education conveyance allowance, and in particular the impact that will have on students who live in outer suburban areas. Members would be aware that the target in budget paper 3 for 2012–13 for students in non-government schools is 31 000, which represents 5635 fewer students than the number funded for the allowance in 2009–10. Currently more than 7500 students will be affected — 5635 from non-government schools and 1939 from government schools.

Conveyance allowances help parents get their children to and from school in regional areas and in Melbourne’s outer suburbs, where transport infrastructure has not kept pace with the growth. The allowance is for a private bus or for parents to be reimbursed for driving their children. Last year the department advised it was going to apply the guidelines more rigorously, claiming that it had been too lenient in the past. The proposed changes to the conveyance allowance will add considerable financial pressure to those already suffering from increasing costs of living.

Part of the justification by the department is that the metropolitan boundary has not been updated since 1983 and does not take into account urban growth. The department assumes that in those areas there are adequate bus services for which students ought to be able to access concession fares. Certainly in a wide-ranging area of my electorate that is not the case. I will be taking the matter up with the Minister for Public Transport. This is a direct disadvantage to those who are dealing with the pressures of mortgages, transport and inadequate work options in the local area, and the government ought to change it.

Festa della Repubblica

Mr KOTSIRAS (Minister for Multicultural Affairs and Citizenship) — On Thursday evening I will be attending a reception hosted by the Italian Consul General at the Veneto Club in my electorate of Bulleen to celebrate the Festa della Repubblica. On 2 June Italians around the world celebrated the 66th anniversary of the Italian republic. Italy became a republic on 2 June 1946. On that day, following the end of the Second World War and the fall of Mussolini, a referendum was held to decide on the form of government. The referendum resulted in a majority vote for a republic, thus officially ending the rule of the House of Savoy. Italy's new constitution came into force on 1 January 1948.

Italy: earthquakes

Mr KOTSIRAS — While the celebrations may be somewhat low key this year, the pride and love that Victorians of Italian descent feel for their country of birth will be as strong as ever and the Italian National Day will take on even greater significance. As was mentioned earlier, all Victorians were shocked and saddened by the news of the two earthquakes in the last couple of weeks in the Emilia Romagna region of northern Italy. I wish to extend my deepest sympathies to the Consul General of Italy, to those Victorian families who were affected and to the communities themselves. They are in our thoughts and prayers at this difficult time. More than 20 people died, some are missing, 350 were injured and 14 000 people were made homeless —

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

Chisholm Institute of TAFE: funding

Mr PANDAZOPOULOS (Dandenong) — I stand today to congratulate the more than 100 students and staff from Chisholm TAFE who have written to me in the last week or so — and I am sure to many other members of Parliament — explaining what these massive historic cuts that will decimate TAFE actually mean to their campus, to Chisholm institute.

They students point out that one-third of Chisholm's budget will be cut and highlight how important TAFE courses are in helping people get ahead in their lives, in helping them reskill. They tell stories about the difficulties of re-entering the workforce and about gaining the confidence to go back through education. There are also letters from teachers about their personal commitment to working in an area of high need, a

difficult area of adult learning, and from early school leavers who end up in TAFE and teachers who are making a deliberate career decision to be there. I congratulate them on writing to us and explaining what the impacts are.

It is of concern to me that I and my office have been advised by many members that they are not getting replies from the upper house members of the government in the South Eastern Metropolitan Region. That is quite disappointing. They are waiting for a draft reply from the minister's office, I imagine, before they respond. It is very important that all members reply to correspondence —

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

Carbon tax: economic impact

Mr WELLER (Rodney) — The federal coalition has made a commitment to scrap Julia Gillard's carbon tax if it is voted into office at the next federal election. It has also made a commitment, as we do, to oppose the carbon tax and do everything in its power to fight for a fairer deal for all Victorians in the face of this tax on everything. All Victorians, particularly those in rural and regional areas, will be hit with the carbon tax, and it is clear that increases in the cost of things such as electricity and gas will flow on and push up the cost of everything.

The Victorian coalition government commissioned Deloitte Access Economics to undertake modelling in relation to the federal Labor-Greens carbon tax. Deloitte said that by 2015 we will see 35 000 fewer jobs in Victoria than would otherwise be the case. I repeat — 35 000 fewer jobs. The damage that will be done could not be clearer: the impact on jobs, the increased cost of living and the additional pressures on Victorian families. The carbon tax will mean local governments will have to lift their fees and charges, increase council rates or potentially cut services, resulting in more pain for those living in regional areas.

Economic modelling commissioned by the Victorian government has estimated that the carbon tax will also seriously hamper the ability of the state's dairy industry to maintain and expand an export industry that is now worth \$2 billion. It is clear that the Gillard government's carbon tax will have a devastating impact on Victorian families, farmers and businesses, and we must demand that more be done to lessen the economic impact on our people. The Victorian opposition has remained silent. It is time it stood up for Victorians and opposed this unfair tax.

Opposition: jobs forum

Ms BEATTIE (Yuroke) — Last Thursday I joined the shadow Treasurer and shadow minister for industry and the members for Keilor, Broadmeadows and Niddrie in hosting a jobs forum at the Labor-funded and built Hume Global Learning Centre in Broadmeadows. The forum formed part of a wider plan in which the Leader of the Opposition and the shadow minister for industry have written to over 240 organisations, including business groups, local councils and unions, seeking their views to help shape the plan.

The forum was extremely well attended by representatives from a cross-section of the community. Business leaders, local business owners and representatives of unions, Hume City Council, TAFE, universities, Melbourne Airport as well as local community leaders were amongst the many who attended. The forum presented an opportunity for representatives to have their say on what they think Victoria's jobs and investment plan should look like. Members of the opposition believe it is important to listen to the community and experts, and we do not believe that the Baillieu government is doing this at all.

Most of those attending the forum expressed their frustration and disappointment at the Baillieu government's inaction and lack of vision for a jobs market in Victoria. One representative shared his concerns regarding the savage TAFE cuts handed down in the May 2012 Baillieu budget. He expressed his disappointment in the state government's decision to attack the skills sector when it should be investing in it. Those on this side of the chamber understand the importance — —

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

Barwon Valley Pony Club: upgrade

Mr KATOS (South Barwon) — Last Sunday I was delighted to officially open the upgrade of the Barwon Valley Pony Club facilities at Mount Moriac Reserve. I am proud that the Victorian government contributed through the community facility funding program an amount of \$60 000, along with contributions of \$44 000 from the club and \$2200 from local businesses. Congratulations to Di Richards and Geoff Price from the club. Local clubs like the Barwon Valley Pony Club are a focal point for communities across Victoria and play a vital role in creating strong and healthy communities.

Carbon tax: advertising campaign

Mr KATOS — The Gillard government was dishonest to the Australian people when it promised that there would be no carbon tax. It is now being dishonest again with its advertising campaign to sell the carbon tax. The advertising campaign focuses solely on compensation to households and fails to mention the soaring electricity, gas and grocery prices the carbon tax will create. If members of Victorian Labor really cared they would stand with the Baillieu government against this job-destroying tax.

Sarah Czarnuch

Mr KATOS — On Saturday, 2 June, I was delighted to meet Sarah Czarnuch, a young lady from Geelong who has been selected as an Australian finalist at the forthcoming Miss Universe Australia competition. Sarah was one of eight successful contestants to progress from the state heat, and she will now move on to the national finals this Friday. As an inspiring ambassador for young women, she is also a wonderful representative for the Geelong region and is committed to her studies at Deakin University. We hope this venture is a platform towards a positive career in modelling and public relations, and we wish her every success in her campaign.

Glenroy Tennis Club: upgrade

Ms CAMPBELL (Pascoe Vale) — Glenroy now has new netball and tennis courts thanks to a 2010–11, \$60 000 grant to Moreland City Council through the former government's community facility funding program. The upgrading project replaced six existing red porous tennis courts with two artificial grass courts, two multipurpose plexipave netball/tennis courts and two refurbished red porous courts. They were all fitted with new lights, all funded by Labor and all opened yesterday. More people playing sport more often builds people's health and wellbeing and improves community connections. Thanks also go to City of Moreland ratepayers, who contributed \$310 000 to the improvements.

I endorse the thanks extended to club members at the opening of the facility by Cr Kathleen Matthews-Ward. She said:

I'd also like to acknowledge the Glenroy Tennis Club committee members past and present who have contributed significant time and expertise to the project. Past president Catherine Lacy and current president Philip Morris and committee members, especially Ben Kamp and June and Peter Thatcher who did many hours of maintenance work during the construction of the courts. Last but certainly not least, May Adams, for her tireless hours of work in supporting

council with the preparation of the successful submission, meetings with council officers, and all the planning and liaising with the contractors for the construction of these wonderful new courts. The dedication of May and this committee is what makes the Glenroy Tennis Club such a successful and valued club within the community.

Thanks also to the council's open space team, led by Joe Luppino.

National Volunteer Week

Mr GIDLEY (Mount Waverley) — Volunteers play a crucial role in our community in so many different areas each and every day. Many community services that people rely on, from kindergartens to senior citizens organisations and everything in between, simply would not exist without the dedication and commitment of volunteers. As a small way of recognising the invaluable contribution volunteers make, I attended and supported the National Volunteer Week breakfast for the city of Monash on Monday, 14 May. I again extended my thanks to all volunteers in the Waverley area and the city of Monash for their efforts serving our community. It was great to have the opportunity to hear them talk about their experiences while volunteering.

Rotary Club of Glen Waverley: 40th anniversary

Mr GIDLEY — On Monday, 28 May, the Rotary Club of Glen Waverley celebrated its 40th anniversary with a tribute dinner to the work of the club over the years. Who would have thought that the small seeds of Rotary tradition and service started by a few Waverley residents 40 years ago would have produced so much for our local community? To all those who have and are contributing to the club, your service has made a real difference to people's lives, both in Glen Waverley and Mount Waverley and abroad. Thank you for the opportunity of joining you and celebrating such an important milestone of 40 years as a club.

Nara Preschool: refurbishment

Mr GIDLEY — The challenges for Victoria in delivering kindergarten and preschool services consistent with the national quality standard whilst continuing to ensure access to three-year-old services are significant. A standout example of a preschool meeting these significant challenges is Nara Preschool located in Mount Waverley. I had the pleasure of attending the grand opening of the newly refurbished preschool, and I wish it all the best in the future.

Crime: statistics

Mr NOONAN (Williamstown) — Premier Baillieu made many grand promises to the Victorian community in the lead-up to the 2010 state election. The coalition boldly declared that it would revolutionise public safety in Victoria. In a media release of 6 April 2010 it said:

It is a basic responsibility of government to protect its citizens.

It also said:

We will make Victoria safe again.

But the Baillieu government has failed again. Rather than crime rates falling, recent statistics issued by Victoria Police reveal the state's overall crime rose by 4.1 per cent in the 12 months to March. Locally, in the Hobsons Bay policing area, crime rates have soared by a whopping 13.1 per cent. Notably there were 374 street assaults and 171 domestic assaults, up 6 per cent from the previous year. Crimes against property, including residential burglaries, were also up by a staggering 16.4 per cent. Similarly in Maribyrnong overall crime rose by 4.4 per cent, with drug offences up 28.6 per cent. These statistics confirm that the Baillieu government's 'tough on crime' agenda is little more than a politically fuelled hoax and a deliberate distortion to mask the true causes of crime.

A local police inspector, Bill Mathers, is reported in the *Hobsons Bay Weekly* of 30 May as saying:

The rise in crime we suspect may be linked to the downturn in the economy.

Inspector Mathers is right. Tackling crime is complex, and subject to broader societal factors such as the economy. But the bad news is that the Baillieu government has no plans to tackle that problem either.

Avenue neighbourhood house, Blackburn South: programs

Mr ANGUS (Forest Hill) — Last Wednesday I had the pleasure of attending the annual general meeting of Avenue Neighbourhood House @ Eley in Blackburn South. I congratulate the manager, Colleen Saunderson, the committee, the staff and the numerous volunteers who undertake the various programs at the house on a successful year of operations. The wide range of programs available to members of the community provides many opportunities for local residents to participate in classes and learn new skills.

Queen Elizabeth II: diamond jubilee

Mr ANGUS — On behalf of all residents in the electorate of Forest Hill I wish to congratulate Her Majesty the Queen on the occasion of her diamond jubilee and thank her for her unfailing service to the commonwealth over that time. The anniversary of 60 years of the Queen's reign is a great opportunity for all Victorians to celebrate the stable leadership she has provided not only to the commonwealth but also to the world at large during this time. Reaching an extraordinary milestone like this is a testament to Her Majesty's outstanding commitment and dedication to her role and is to be greatly admired and commended.

Bellbird Dell and Wurundjeri Walk advisory committees: grants

Mr ANGUS — I wish to congratulate the Bellbird Dell advisory committee and the Wurundjeri Walk advisory committee on their recent successful applications for grants under the Department of Sustainability and Environment Communities for Nature grants program. The volunteer members of these groups provide a great service to the community in helping to look after some of the magnificent bushland within the electorate of Forest Hill. I look forward to seeing the outcomes of the use of these grant funds and continuing to work with both groups on future projects.

Federal government: performance

Mr ANGUS — State Labor Party members are to be condemned for not lobbying their federal counterparts, firstly, to stop proceeding with the economically damaging and job-destroying carbon tax; and secondly, to obtain a fair share of national funds for infrastructure in Victoria in the recent federal budget. The Prime Minister has abandoned her home state of Victoria and failed to stand up for Victorians and secure funding for important infrastructure projects.

Geelong: Reconciliation in the Park

Mr TREZISE (Geelong) — On Sunday, 27 May, I had the pleasure, together with the member for South Barwon, of attending the annual Geelong Reconciliation in the Park held in Johnstone Park. The event is organised by the Geelong One Fire Reconciliation Group working in partnership with Geelong's Wathaurong Aboriginal Cooperative. Activities on the day included a local young Aboriginal dance group, Uncle Herb Patten superbly playing the gum leaf, storytelling by Uncle Dave Tournier, basket making, emu egg carving, face painting — and the list

of events goes on. Other local organisations and schools participated in the day, including the Geelong and Region Trades and Labour Council, Whittington Primary School and Newcomb, Western Heights and Clonard secondary colleges. Artwork was also on display at the Geelong Art Gallery and the Geelong Regional Library.

The event ran from 10.00 a.m. until 3.00 p.m. and over the day many people enjoyed the activities and, of course, came along to show their support for reconciliation. Reconciliation in the Park in Geelong is a great event and one that goes a long way in highlighting to the community the importance of reconciliation as part of the wider National Reconciliation Week. I take this opportunity to congratulate all those people, especially from the Wathaurong community and One Fire, for their efforts in once again organising a great event.

Benalla Racing Club: funding

Dr SYKES (Benalla) — Last Wednesday the Deputy Premier and I met with over 120 people at the picturesque Benalla Racing Club. The Deputy Premier highlighted to those present the challenges facing Victoria and the commitment of the coalition government to regional Victoria and to fixing the mess inherited from the former Labor government. It was particularly appropriate for the event to be held at the Benalla Racing Club as the coalition government has stood by the club over the past 18 months, during which time it has experienced serious problems with the racing track.

The Minister for Racing has been particularly supportive. His support has included three grants. Initially there was a grant for \$358 000, a joint industry-government project to repair the race track drainage and upgrade the ambulance service track. Another joint industry-government grant, of \$25 000, was announced in December 2011 to further assist the completion of track repairs and upgrades. Just a few months ago another grant, of \$19 000, matched the Benalla Racing Club's \$19 000 to expand the mounting yard and increase the height of fencing.

The minister has continued to demonstrate a keen interest in the future of the Benalla Racing Club and has indicated his ongoing support for racing at Benalla and throughout country Victoria. This is in sharp contrast to the previous Minister for Racing, who cut country race meetings and closed country race tracks. The coalition has supported and will continue to support country racing and country communities.

Rotary Club of Keilor East: Pride of Workmanship awards

Mr CARROLL (Niddrie) — I rise to acknowledge and congratulate the Rotary Club of Keilor East for its successful 2012 Pride of Workmanship awards night held on 28 May, which I had the privilege of attending. The objective of the Pride of Workmanship awards is to honour those people, irrespective of age, gender or vocation, who show a distinct quality in their approach, attitude and dedication to their vocation. During the awards night I enjoyed listening to the awardees' backgrounds and hearing examples of their demonstrated commitment to their respective vocations equally matched by their sense of community.

I take this opportunity to extend my sincere congratulations to all five awardees: Sebastian Carr of the Gladstone Park Shopping Centre, Shelley Lampard of the Keilor East Leisure Centre, Graham Elander of Elander Carpet Cleaning Service, Lee Agombar of the Johns Lyng Group, and Reno Chetcuti, owner of Montague Pty Ltd motor body workshop. Also on the night the Rotary Club of Keilor East presented its Shine Award to Elvira Alic, whose story of courage and determination was an inspiration to us all. Once again, congratulations to the Rotary Club of Keilor East, led by president Phil O'Brien, on its successful 2012 Pride of Workmanship Awards night, and to all five recipients of the award and to Elvira Alic, a worthy recipient of the Shine Award.

Mildura Day

Mr CRISP (Mildura) — The 31st day of May is Mildura Day, a day to celebrate the signing of the Chaffey indenture. The indenture was signed on 31 May 1887, so this year is the 125th anniversary. It was signed in Melbourne and passed the lands to be known as Mildura from the Crown to the Chaffey brothers. This year on the 125th anniversary of the indenture Mildura held a celebration. It began at the Carnegie Centre with a brief history orated by Glenn Miller, a local historian, and a re-enactment of the signing. Locals turned out in period costume, vintage brass played in the rotunda and an enthralled crowd, featuring school captains and other students, looked on.

Some prominent locals fulfilled the key roles. Lyn McKenzie was Queen Victoria, whose name appears on the document; Brian Brammer was W. B. Chaffey; Steve Hedricks was George Chaffey; and I was Henry Brougham Loch, the then Governor of Victoria. A tour of the Mildura club, a paddle boat ride and a ball rounded out a great day. Congratulations to Julie Jewell and the Chaffey Trail Committee, chaired by Cr Mark

Eckel, for organising a wonderful celebration. Happy birthday, Mildura.

Carbon tax: Mildura electorate

Mr CRISP — On another matter, I want to voice Mildura's concerns about the carbon tax. As other members have said, this is a tax on everything, and it is a tax that will harm Mildura in particular. So much of what we do uses energy and fuel, whether to grow our products or transport our products.

Lalor and Thomastown Combined Pensioners and Superannuants Association

Ms HALFPENNY (Thomastown) — Last Wednesday I had the pleasure of attending the Lalor and Thomastown Combined Pensioners and Superannuants Association. The secretary, Mrs Honor Mackie, and all committee members work tirelessly to support members of the association and ensure that everyone enjoys themselves. The group has a choir and conducts regular outings as well as providing plenty of refreshments and great conversation. I am very proud to be part of the Thomastown-Lalor community, which is made up of many selfless, hardworking, interesting and dynamic people like those involved in the combined pensioners association.

Kindergartens: Fawkner

Ms HALFPENNY — Congratulations to St Mark's parish, Fawkner, and Fawkner Kindergarten, which in partnership have been successful in their application for kindergarten funding. The new standards for kindergartens mean that Fawkner Kindergarten will quickly outgrow its current premises. Acknowledging this need, St Mark's Catholic parish, Fawkner, and St Mark's Primary School have offered land and some finance to relocate and expand the kinder. Congratulations to Rachel McBrien, the kindergarten committee and the principal of St Mark's Primary School, Mr Michael Bourne, on their foresight, courage and hard work to get this project off the ground and on its way to being built.

Mooroolbark Football Club: achievements

Mr HODGETT (Kilsyth) — I rise to congratulate Mooroolbark Football Club on its terrific win over Rowville Football Club last Saturday afternoon. It has been a number of years since Mooroolbark has beaten Rowville. Rowville was sitting on top of the ladder, unbeaten, with Mooroolbark, Montrose and other competitive teams in the second and third spots. It is in order for me to get up to congratulate Mooroolbark on

its magnificent win in an away game. It was a gutsy effort by Mooroolbark Football Club, and I wish it many more this season.

RURAL AND REGIONAL COMMITTEE

Reference

Mr WALSH (Minister for Agriculture and Food Security) — I move:

That, under section 33 of the Parliamentary Committees Act 2003, an inquiry into the impact of food safety regulation on farm and other businesses regulated under the Dairy Act 2000, the Meat Industry Act 1993 and the Seafood Safety Act 2003 be referred to the Rural and Regional Committee for consideration and report no later than 30 March 2013. The committee is asked to:

- (1) explore the cost competitiveness to regulated businesses of food safety laws administered by PrimeSafe and Dairy Food Safety Victoria (DFSV);
- (2) have a particular focus on small business;
- (3) investigate and assess:
 - (a) the extent and appropriateness of regulatory burden impact of national primary production and processing standards on regulated businesses in Victoria;
 - (b) the comparison of alternative methods to assess compliance with required standards and food safety outcomes;
 - (c) incentives for improved performance to reduce regulatory burden such as 'earned recognition' systems;
 - (d) how regulators can support businesses to understand and achieve compliance with regulations;
 - (e) how regulators can promote business continuity and improved compliance where non-compliance with regulations is identified;
 - (f) non-regulatory methods for achieving required food safety outcomes;
 - (g) the comparison of requirements under legislation administered by PrimeSafe and DFSV with existing regulatory requirements under the Food Act 1984 for businesses with equivalent food safety risks;
 - (h) the comparison of requirements under legislation administered by PrimeSafe and DFSV with regulatory requirements administered by the Australian Quarantine Inspection Service for exports;
 - (i) the application of food safety regulations to farmgate sales of unprocessed and on-farm

processed produce, given the desire for some agricultural producers to innovate and value-add on farm;

- (4) consider the findings of other relevant reviews and evidence from other systems implemented either in Australia or internationally; and
- (5) have regard to public health outcomes, the costs of implementation for business and government, and the facilitation of market access and exports.

Motion agreed to.

DUTIES AMENDMENT (LANDHOLDER) BILL 2012

Second reading

Debate resumed from 2 May; motion of Mr WELLS (Treasurer).

Mr HOLDING (Lyndhurst) — I am pleased to have an opportunity to contribute to the second-reading debate on the Duties Amendment (Landholder) Bill 2012. From the outset I note that the opposition believes this is a flawed bill. We believe the bill is the result of a flawed and inadequate process of public engagement. We believe the bill is built on the misleading claim that it will promote interstate harmony and the false claim that it will reduce red tape and compliance costs. Having said that, we believe the way in which elected governments choose to capture duties and transfers that seek to avoid duties is ultimately a matter for them, and therefore we will not be opposing this bill in the Parliament.

The bill has at its heart the government's desperate need to grab more tax from taxpayers to shore up the budget bottom line. At the outset it is worth summarising the so-called land-rich provisions that the bill essentially replaces. The land-rich provisions were introduced into the duties legislation in 1987. They were designed to impose duty on transactions that involved the acquisition of shares or interests in entities that held substantial land-holdings. The current provisions are essentially anti-avoidance measures. Under the current regime acquisitions of certain interests by land-rich land-holders are chargeable with duty at the rates applicable to land transfers.

A land-rich land-holder is either a private company, a private unit trust scheme or a wholesale unit trust scheme that has land-holdings in Victoria with an unencumbered value of \$1 million or more and has land-holdings in all places — that is, in Victoria, elsewhere in Australia and beyond Australia's

borders — comprising 60 per cent or more of the unencumbered value of its property. Generally, land-rich duty has to date not been payable on interests acquired in public companies or public unit trust schemes regardless of the value of those entities' land-holdings.

These measures, which were originally introduced in 1987, have been amended many times since. They were necessary to ensure that all taxpayers paid their fair share of tax liabilities. The provisions essentially sought to bring to duty changes in the effective ownership of certain types of land-rich companies and trusts that have as their underlying intent transfers of substantial land-holdings that would otherwise have avoided duty.

In the 2011–12 budget the Victorian government foreshadowed that it would move to a land-holder duty model. I take the house to page 152 of budget paper 5, statement of finances 2011–12, where under the heading 'Land-holder duty' the government states:

Victoria will reform land-rich duty provisions in the Duties Act ... to introduce a simpler set of provisions known as the 'land-holder duty' model.

It outlines very briefly the way the current arrangements work, and then says:

The land-holder duty model will remove the incentive for the complex structures that have evolved in commercial transactions and bring Victoria into line with most of the other states and territories. The change to the land-holder duty model will eliminate the need for complex valuations and calculations in relation to the proportion of assets represented by land.

The government will consult with industry ahead of the introduction of the new provisions to commence on 1 July 2012. This change is expected to raise revenue of approximately \$50 million to \$75 million a year from 2012–13.

There are a few things to note regarding the claims made in this document versus what we are dealing with today. They are, firstly, the proposition that there would be extensive stakeholder consultation; secondly, the proposition that a key factor in these moves was the clear intent to increase consistency between Victoria's regime and the regimes that exist in other states, particularly its key tax competitor for the purposes of harmonisation — New South Wales; and thirdly, the proposition that these changes would reduce complexity and uncertainty for duty payers.

I will spend some time dealing with each of these propositions. I turn firstly to the question of whether the government has embarked on a comprehensive process of consultation. It is certainly true that the government released a consultation paper in 2011, with submissions

closing at the end of September 2011. I know a number of organisations, particularly the Law Institute of Victoria and the Property Council of Australia, took the opportunity to make extensive and well-considered submissions as part of that process. The government then released an exposure draft earlier this year, and the release of that draft provided organisations with the first opportunity to comment on the exact provisions of the bill, particularly new elements of it that were not contemplated during the initial consultation process.

As I say, that was the first opportunity organisations had to see a draft bill and to comment on specific elements of the proposed new set of arrangements. Organisations were given less than a week to make additional comments as part of that consultation process. The bill we have before us today is the lesser for not having had the benefit of proper consideration of those issues that were raised by stakeholder organisations, which could have contributed more fully to that consultation process if they had been given more time.

Most telling in the consultation process has been the Treasurer's refusal to meet directly with organisations to discuss these measures in detail. This is a feature of the Treasurer's management of his portfolio in a whole range of different areas, but it is particularly relevant in the area of taxation reform. As we all know, taxation reform can be complex, and it does not get more complex than the land-rich duty provisions. Changes can have myriad unintended consequences, and it is important that the Treasurer test the perspectives and views of experts, whether they involve the legal expertise drawn in from the Law Institute of Victoria or the transactional expertise that comes from an organisation such as the Property Council of Australia, representing as it does thousands of key property owners across the country.

Testing the perspectives brought by those organisations to an exposure draft or to a consultation paper would be absolutely essential if the Treasurer were to be certain that the advice given to him from the Department of Treasury and Finance or the State Revenue Office was accurate. The Treasurer's ongoing refusal to meet with organisations directly, to hear their perspectives, to test his views and to test the assumptions and the assertions of the bureaucracy against the practical experience of those who operate in this field is an ongoing indictment of his management of his portfolio. This bill arrives in this Parliament the result of a flawed consultation process, despite the implied commitment in the statement made by the government in last year's budget that there would be an opportunity to consult properly

with industry ahead of the introduction of the new provisions.

The second element relates to last year's budget claims and the fact that this legislation is essentially about raising more revenue. At the end of the day, and no matter what the government claims in terms of harmonisation with other states or in terms of creating greater consistency, simplicity and certainty for taxpayers, the truth is that this legislation — this measure we have before the Parliament today, the introduction of a land-holder duty model — has at its heart a desire and a desperate need on the part of this government to raise more tax revenue. It was in the budget bottom line last year, and again this year the government expects to bring to book an additional \$50 million to \$75 million in duty revenue as a consequence of these measures.

It is worth noting that when other states transitioned to a land-holder duty model, for the most part measures were introduced to offset some of the more significant revenue impacts of those measures through changes to their existing duty models so that something was returned to taxpayers rather than it being simply an additional tax grab. That is not the approach that has been taken in Victoria. The approach that has been taken here is unambiguously one of extracting more revenue from Victorian taxpayers. The bottom line is that the government wants to shore up its budget bottom line; that is the starting point from which this government has approached this issue.

When you put aside all the rhetoric and the talk about a consultation process, and when you note that the government came to the table at the start of the consultation process saying it had already declared its commitment to take an extra \$50 million to \$75 million in tax revenue from Victorian taxpayers, you have to be somewhat sceptical about the sincerity of the consultation process that was embarked upon.

Let us now have a look at the measures themselves. The first claim the government makes is that this is all about tax harmony, that it is about bringing our arrangements into line with those of other states. It is certainly true that other significant states, particularly New South Wales, Western Australia and Queensland, have land-holder duty models. But there the similarity with Victoria ends. When we go through the individual items in the measures being proposed here today and compare them to the measures that exist in other states it is difficult to conceive how anyone could credibly look Victorian taxpayers in the face, and more importantly look in the face the taxpayers in other states or territories who are doing or looking to do business in

Victoria, and say to them, 'Our land-holder duty provisions have now been put on the same taxation basis as the relevant arrangements of other states and territories'.

Let us look at the model in Victoria and compare it to that of other states. In Victoria is there a 50 per cent acquisition threshold? As a result of these changes the answer is no. In New South Wales, Western Australia, South Australia and Queensland the answer is yes, yes, yes and yes. Are there appropriate aggregation rules in Victoria? We could all argue about the use of the word 'appropriate', but in New South Wales and WA the answer is unambiguously 'yes'. We would argue that the rules in Victoria are not appropriate. That is the view that has been reached by the Property Council of Australia.

In other states there is a \$2 million threshold; in Victoria the threshold remains at \$1 million. New South Wales has a \$2 million threshold and Western Australia has a \$2 million threshold, so I do not know what Victoria is comparing itself to in terms of tax harmony and simplification, but if members look at our key competitive tax destination of New South Wales, they will find it hard to see how it can be argued that this is consistent with promoting tax harmony.

Is there a just and reasonable provision in relation to the commissioner's discretion in Victoria? No, there is not. I might get a chance to talk about what is proposed for Victoria instead. In New South Wales and Western Australia there is a just and reasonable provision in relation to a commissioner's discretion. When members look at the whole of these arrangements, other than calling it a land-holder duty model, it is hard to see how it can be argued that the arrangements in Victoria are somehow consistent with arrangements that exist in other jurisdictions.

Let me go to the specific provisions of the model that is proposed to be applied in Victoria. The easiest way of doing this is to move through the bill and draw out some of the proposed provisions. Firstly, I mentioned the question of the \$1 million threshold. The Property Council of Australia and other stakeholders urged the government to change this threshold if its promotion of interstate consistency were to be taken at face value. What did the Property Council of Australia have to say? At page 4 of its September 2011 submission about the legislation it says:

The proposal to retain the \$1 million threshold would maintain Victoria's existing competitive disadvantage compared to New South Wales, Queensland and Western Australia, where the threshold is set at \$2 million. Harmonisation, particularly with New South Wales, should

be a high priority to avoid a situation where investment is actively discouraged in our state in favour of our closest neighbour.

What did the Law Institute of Victoria have to say in relation to the \$1 million rule? In its submission of October 2011 at page 10 the LIV said:

The LIV observes the \$1 million threshold test does not take into account the movement in market prices since the introduction of this test.

In the submission there are examples of some of the changes that have taken place. The submission then deals with some of the interstate competition issues and says:

The LIV considers that the retention of the \$1 million threshold in light of these pricing developments in the market, only gives rise to a 'taxation by stealth' application of the act. This can be contrasted with New South Wales, where the introduction of the land-holder regime saw the threshold increase from a land value of at least \$1 million to a site value of at least \$2 million and Western Australia and Queensland, where the threshold has been raised to a \$2 million improved value.

Then it goes on to talk about some of the other changes.

Going right to the start of legislation, division 1, proposed section 71, is about the retention of the \$1 million threshold. Even though we are moving to a land-holder duty model, which is supposed to promote interstate consistency, there are real questions there. There is also the question about the definition of 'fixtures'. Previously there was not a definition of fixtures in the legislation. Proposed section 73 would effectively incorporate a partial definition of fixtures. There has been a series of issues raised in relation to this matter by both the Law Institute of Victoria and the Property Council of Australia. I do not propose to go through all of their concerns other than to say that if the purpose of the legislation is to increase certainty for taxpayers, it is hard to believe that this measure does that.

Proposed section 73 essentially says that anything that is affixed to the land — whether or not the item constitutes a fixture at law, that is, presumably a fixture at common law, or is owned separately from the land or is notionally severed or considered to be legally separate to the land as a result of the operation of any other act or law — will be incorporated in the definition of land. The bill then draws in additional elements in subsequent provisions of new section 73, including tenants' fixtures. I am certain that this will be an area of law that is subject to significant taxpayer uncertainty and therefore significant litigation. That is not in the interests of promoting certainty in relation to Victoria's tax laws.

There is the question about the 20 per cent and 50 per cent rules. Both the Law Institute of Victoria and the Property Council of Australia implored the government to move to a system where all entities — all existing wholesale unit trusts, private unit trusts and private companies — were treated consistently rather than there being a 20 per cent rule for some and 50 per cent rule for others. Proposed section 79 retains the 20 per cent and 50 per cent rules. Both organisations comment extensively on some of the intended and unintended consequences of this legislation retaining this demarcation. I direct honourable members to the contributions that both entities have made in their submissions in relation to the 20 per cent and 50 per cent thresholds. At page 10 of the Law Institute of Victoria's submission it is stated:

Paragraph 4 of the consultation paper provides for the maintenance of the 50 per cent threshold for acquisitions in private companies and the 20 per cent threshold for acquisitions in unit trusts. The LIV believes that this proposal to retain the different thresholds for acquisitions of interests in trusts and interests in companies is misconceived. This distinction merely creates competitive distortions between an investment made through a company as compared to an investment made through a trust.

Then the submission deals with some of the legal rights and entitlements that different owners, trusts and companies enjoy, and there is a questioning of the sense of that measure. To quote from page 5 of the September submission of the Property Council of Australia, Victorian division:

The property council can see no policy justification for the retention of a different acquisition threshold for unit trusts. Different rates serve only to create an arbitrary distinction between unit trusts and companies. This has unhelpful distorting effects on the market, unduly influencing investor decisions by making Victorian unit trusts less attractive investment propositions. In addition, although a 50 per cent threshold applies for wholesale unit trusts, the rules governing what constitutes a wholesale trust are not sufficiently broad. This means that many genuine wholesale investment trusts are not treated as such in Victoria.

It then goes on to advocate some reforms and changes in that area.

Going on through the legislation, we come to proposed new section 81, headed 'Acquisition of economic entitlement', which is to be inserted by clause 5 of the bill. This is a very important issue. This is not something that was contemplated in the original consultation paper; it is something that those in the sector saw for the first time when the exposure draft was released earlier this year. This introduces into Victoria's duties legislation a new concept or proposition, and it will have uncertain ramifications. The question that I ask and that the Property Council of

Australia legitimately asks is: why are the existing anti-avoidance measures in the Duties Act 2000 not sufficient to provide the commissioner of state revenue with the necessary powers to capture some of the propositions that I think the government is seeking to capture in this proposal on economic entitlement?

When preparing the submissions that were made in September and October last year those who made them did not have the opportunity of testing this issue because the government did not raise it in the original consultation process. As I said, it was first aired in the exposure draft. I refer to the very brief submission that the Property Council of Australia was able to make in April when its members first saw this proposition on economic entitlement. The Property Council of Australia says at page 5 of its submission that:

The property council is deeply concerned that this new head of duty will reduce the capacity of the commercial property industry to secure standard funding arrangements for property development projects in Victoria.

No other state or territory imposes a duty of this nature. The property council is concerned that amid the growing 'red tape' with these amendments, Victoria will become uncompetitive and unattractive as an investment destination.

These changes will also deter investment in, and viability of, Victorian projects. The consequences will impact negatively on jobs in the property and construction sector. This will also lead to diminished stamp duty revenues on end sales of developed properties.

There is concern about not only the proposition on economic entitlement itself and this new concept that is being introduced into Victoria's duties legislation but also that it departs from the arrangements in other states. So the argument that the government proposed originally, that this would introduce greater harmony between jurisdictions, is undermined by the measures in the bill. At the very time when our economy is grappling with uncertainty around jobs and investment, this sort of disincentive for investment in Victoria versus other states is not something which the government should be contemplating in this way.

Earlier I mentioned the issue around the powers of the commissioner of state revenue in what is known as the just and reasonable provision. Going to proposed new section 89E, headed 'Duty concession — anomalous duty outcome', we see a set of new arrangements. This is where the New South Wales arrangements have the just and reasonable proposition. That proposition is used in other jurisdictions as well; I think it is used in Western Australia. We instead will have this anomalous duty outcome which effectively confers upon the commissioner a discretion. The word used in proposed subsection (2) is 'may'. It provides that:

The Commissioner may reduce the duty payable to an amount not less than the duty that would be payable under Chapter 2 ...

It goes on to describe the arrangements. We simply ask: what will be the practical implications of introducing these arrangements? Why do we not use the same arrangements that exist in other states and territories? If we are doing these things in the interests of interstate competitiveness and consistency, why would we depart from the arrangements in other states and have this feature in our duties law in Victoria?

Going on to new division 5, headed 'Tax avoidance schemes', and new sections 89L, 89M et cetera which describe tax avoidance schemes, the point I make is that these arrangements are essentially unchanged. The State Revenue Office already has the power to bring to duty arrangements which have tax avoidance as their intent and at their heart. We ask the question, as does the Property Council of Australia: why are these measures not sufficient to draw in some of the more cumbersome and onerous arrangements that have been inserted into other parts of the legislation, which are not consistent with the arrangements in other states and territories, which create greater uncertainty for taxpayers and which will impose a greater cost on Victorian business as a consequence? Why did we not just stick with the tax avoidance arrangements that already existed in Victoria's legislation?

I would have loved to have had the opportunity to go on at greater length. I could have talked about some of the tracing provisions and some of the interest arrangements proposed. I could have talked at length about some of the interstate comparisons, some of which I touched on earlier in my remarks. I could have talked at length about many of the different elements that this bill introduces for the first time into Victorian law or elements that it retains in Victorian law despite the fact that under this legislation we are supposed to be moving to a set of arrangements that promote interstate harmony and consistency.

On behalf of the opposition I simply make the following points. Firstly, this legislation is about collecting more revenue. That that is the bottom line was made absolutely clear in the paragraphs included in the statement of finances for the 2011–12 budget. At the very start of this process, before there had been any consultation, before any exposure draft had been released, and before any of the interstate comparisons had been looked at, the bottom line was that the Victorian government needed to bring to book an additional \$50 million to \$75 million in duty revenue. That is why we are considering these measures in this

chamber today, and that is what is at the heart of the measures that we are being asked to consider.

Secondly, the government claims that this is all about tax harmonisation with other jurisdictions. The truth is that, other than declaring this to be a land-holder duty model and therefore similar to the land-holder duty models that exist in other states and territories, these measures will not promote interstate consistency and harmony. The thresholds are different, the ratios are different and the definitions and the legal concepts that underpin them are different. The taxpayers who will be exposed to duty and the transactions that will be exposed to duty will be different from those that exist in other states and territories. They will certainly be substantially different from the arrangements that exist in our key competitor state, New South Wales.

Thirdly, we are told that this legislation will promote efficiency and simplicity for taxpayers. The truth is that it introduces into Victoria's duty law new concepts and arrangements which in some cases provide discretion to the commissioner of state revenue or uncertainty for taxpayers. In all those circumstances where those sorts of arrangements exist, rather than providing greater certainty for Victorian taxpayers the legislation creates uncertainty, inefficiency and additional compliance costs.

Many features of these arrangements we are being asked to endorse today give members of the opposition great cause for concern. We believe that in future we will be back here many times, amending and clarifying these arrangements. We believe that they will be subject to a great deal of litigation, which is costly and regrettable. We believe that the legislation will reduce the level of economic activity that occurs in Victoria. That will cost jobs and investment, and in the long term it will cost the government duty revenue. For all those reasons, we believe that this is very concerning legislation.

Mr NORTHE (Morwell) — It gives me great pleasure to rise to speak on the Duties Amendment (Landholder) Bill 2012. I am pleased that the member for Lyndhurst and the state opposition are not opposing this bill. The particular notion of the duties amendment bill with respect to land-holders goes back to the 2011–12 budget, when the Treasurer announced that we would reform the existing land rich duty provisions. The purpose of this bill is to do a number of things, but its main purpose is to amend the Duties Act 2000. It also seeks to make further provision for the imposition of duty on the acquisition of interest in certain land-holding entities and to make other miscellaneous and inconsequential amendments.

The bill amends the Planning and Environment Act 1987 as a result of some of the changes to the Duties Act 2000. It also amends the Financial Sector Reform (Victoria) Act 1999 to reflect the change of name of the commonwealth Financial Sector (Transfers of Business) Act 1999. Essentially what we have here is the replacement of 1987 land rich duty provisions with what is known as land-holder duty. This is applicable for acquisitions in certain private listed companies and unit trusts that hold land in Victoria with a market value of \$1 million or more. Those entities to which land-holder duty applies include listed trusts, widely held trusts, wholesale unit trusts, private unit trusts and private and listed companies. It is only applicable to acquisitions in the above entities provided they have \$1 million or more of valued land-holdings.

Duty would be applicable on what is termed a 'relevant acquisition'. These equate to different percentage models, depending on the type of unit trust or company. The member for Lyndhurst did refer to some of these, but they include holdings of a 20 per cent or more interest in a private unit trust scheme, a 50 per cent or more interest in a wholesale unit trust scheme or a private company or 90 per cent or more interest in a listed trust or a listed company. What we are seeing here is the removal of the land ratio test that currently applies within the act. The new model we are proposing will mean that duty applies where a person makes a relevant acquisition in an entity that holds land in Victoria with an unencumbered value of \$1 million or more.

Currently when we speak about relevant acquisition we are speaking about the same as I have just mentioned with a few add-on components. Relevant acquisition exists when a relevant scheme trust holds land in Victoria with an unencumbered value of \$1 million or more and the value of its land-holdings within that, whether they be within or outside Australia, comprises at least 60 per cent of the entity's assets. Relevant acquisition in this case would be 20 per cent or more in a private unit trust scheme or 50 per cent or more in a wholesale unit trust scheme or a private company. The land rich model, which has existed since 1987, is cumbersome and is a system that is overdue for reform. The new provisions before us will extend the categories of taxable entity, including the acquisition of 90 per cent or more in listed companies and listed unit trusts. Importantly these will be subject to duty at a concessional rate, which is 10 per cent of the land transfer rate.

As is referred to in the second-reading speech, extensive consultation has occurred with respect to this particular bill, in contrast to some of the comments

made by the member for Lyndhurst. As I understand it a discussion paper was put out between September and November of last year. The exposure draft of the bill was issued in April of this year, and many people had the opportunity to make comments on the bill at that time.

Some changes have been made as a consequence of that consultation, including that for relevant acquisitions in entities that own land valued at between \$1 million and \$2 million the duty will be phased in over a period of time. That is different from what happens in some other jurisdictions. The bill also broadens the definition of a wholesale unit trust scheme. It retains the commissioner's discretion to reduce the duty payable on a transaction in certain circumstances, and it expands registration criteria and associated rules. They are just some examples of how the government has consulted the sector, listened to that feedback and made the appropriate changes.

Importantly there are some provisions that have been retained through these changes, and I think these are very important ones. These are with regard to the exemption of duty on land transfers in the following circumstances: insolvency; a family farm transfer, which you might be very much interested in, Acting Speaker; as a result of a marriage breakdown; or as a result of a death. These exemption provisions, which are retained in this bill, are vitally important for the reasons I have just mentioned. In addition, the model proposed will see duty not charged on goods but only on land and fixtures. This is in contrast to what happens in some other jurisdictions, such as Western Australia, New South Wales and South Australia, which can charge duty on goods.

I was not sure whether during his contribution the member for Lyndhurst was going to jump around to the other side and debate himself. He seemed to be contradicting himself by saying that we are now seeking to be consistent with other states and territories and then giving a litany of examples whereby those rules are slightly different. The intent of this particular legislation is to at least bring us into relative consistency with other states, particularly when we are talking about land-holder provisions, which is vitally important. These land-holder provisions exist in most of the other states and territories — with the exception of Tasmania, which still has a land ratio test. It is important to recognise that each state and territory is different.

The member for Lyndhurst spoke about the existence of the \$1 million and \$2 million thresholds, but, in reality, if you really look, you will see that each state

and territory is different; they all have their own strengths. For example, within the economies of Western Australia and Queensland mining is a major sector. Victoria has a different economic make-up, so it makes sense that we would adjust to what is best for Victoria, and I believe through this legislation that is what we have done. We have also maintained the minimum land value and acquisition thresholds that exist under the current land-rich duty system.

There are other provisions in the bill. Part 3 refers to amendments to the Planning and Environment Act 1987, with particular reference to the GAIC, or growth areas infrastructure contribution. Basically it makes technical amendments to ensure that the contemporary legislation conforms with the GAIC regulations. Division 2 of part 3 makes some transitional provisions, again with respect to making sure transitional arrangements are in place with respect to the growth areas infrastructure contribution. Part 4 makes amendments to the Financial Sector Reform (Victoria) Act 1999. As I said in my earlier remarks, it really consists of an update to reflect the change in name of the commonwealth's Financial Sector (Transfers of Business) Act 1999 to the Financial Sector (Business Transfer and Group Restructure) Act 1999.

We on this side of the house believe that these are very important amendments. We believe the bill is clear, concise and relevant to the contemporary world and will reflect the best interests of Victorians in terms of providing some form of consistency with other states and territories while having regard to the fact that the particular land-holder models in each state and territory are different. Indeed Tasmania does not have this particular model. I commend the bill to the house.

Ms D'AMBROSIO (Mill Park) — I rise to provide some comments on the Duties Amendment (Land-Holder) Bill 2012. The bill seeks to implement land-holder model duty provisions, replacing the old, so-called land-rich duty provisions in the regime of tax applicable to the indirect acquisition of land through unit trusts and companies. The current taxation regime was introduced in 1987 as a response to the practice of avoiding land transfer duty through acquiring shares or interest in entities that own substantial land. I note from the Treasurer's comments in his second-reading speech that what was essentially a system designed to prevent avoidance of the aforementioned duty has now become, according to the Treasurer, a duty system applicable to all acquisitions of land, regardless of how the land was acquired.

Currently, so-called land-rich land-holders are the following: either a private company, a private unit trust

scheme or a wholesale unit trust scheme that has Victorian land-holdings with an unencumbered value of \$1 million or more and total land-holdings globally equalling at least 60 per cent of the value of all property — unencumbered, that is. The duty that is currently applicable is based on rates that apply to land transfers. The bill seeks to change the current system; a land-holder model will apply. This particular model will cause duty to be applied on relevant acquisitions in certain unit trusts or companies with Victorian land-holdings of \$1 million or more of unencumbered value.

One significant certainty that arises as a consequence of this bill — probably the only thing that no-one can deny — is the fact that it will garner for the government an additional \$51 million in the coming financial year, followed by approximately \$76 million in each subsequent year. These figures are certainly evidenced in the budget papers of 2011–12. The government asserts, and the Treasurer made it very clear in his second-reading speech, that this land-holder duty model will achieve certain improvements. Very definite improvements are expected to be achieved, according to the government. I will touch on some of those to illustrate the investment the government has put into this bill.

According to the government the bill will provide better consistency in how direct and indirect acquisitions of land are treated in Victoria. The bill will also lead to a reduction in complexity, and in that I think you could include a reduction in red tape. Whilst achieving that reduction in complexity, the bill will also increase certainty for taxpayers. It is also envisaged that the bill will achieve consistency with most other Australian jurisdictions. The member for Lyndhurst did a thoroughly excellent job of explaining to the house how the government's expectations do not scrub up in reality. They certainly do not marry the views of important stakeholders in the community.

In the short time I have I will reflect on the very long-held public position of the Property Council of Australia, which has been very consistent in opposing this shift — that is, a shift to the regime that is being offered by the bill. The views of the Property Council of Australia are adequately articulated in its Victorian division's submission to the government's review of the model, which was conducted last year by the State Revenue Office. In simple terms, as I see it, the property council contends that the bill does not reduce red tape or promote the creation of jobs but in effect rubs against these aims. The property council's submission also contends that the government should refer to the New South Wales land-holder duty model

and that this bill does not deliver greater cross-jurisdictional harmony.

It is hard to reconcile the views put by the Treasurer with the views put by the property council in its submission. The property council also posits the view that all entities should be treated equally. It says that the land value threshold for liability for duty payable should be lifted to \$2 million, which would certainly be on par with Queensland, Western Australia and New South Wales, and it also contends that the 60 per cent threshold should remain intact. As I said, these are some of the key views long held by the property council, and it is worth reflecting in passing that the Law Institute of Victoria does not support the amendments put forward by the government in this bill either.

I contend that if you read the Treasurer's assertions of what will be achieved by this bill and compare them with the views held by expert stakeholders such as the property council, you can see the expectations are very far apart in terms of what this bill will produce in real terms. The member for Lyndhurst ably raised concerns with respect to the bill potentially leading to greater complexity and greater uncertainty and foreshadowed the legislation's possible return to this house for changes by the government once it becomes clear that there is a broad shadow between the bill's intentions and the reality on the ground.

Whilst the government says that this model exists in most of Australia's jurisdictions, the evidence does not confirm that that is the case. It really begs the question: what does this bill achieve? One thing that there can be no doubt about is the windfall of money that it will raise; that is one thing no-one can dispute. It will raise tens of millions of extra dollars for the government's bottom line each and every year. We need to reflect on the motivations of the Treasurer in bringing the bill to the house and the feverish paddling beneath the surface of the pond by this government in looking for ways to reap extra funds from the taxpayers for its coffers.

We have had repeats of that approach, that snatch and grab if you like, time and again. Only last week we saw a very — I will not say shifty — secretive snatch of extra dollars through the water environment levy which the government chose not to indicate at all at the time and which was only revealed very late in the piece. This bill seems to reflect a pattern of behaviour on the part of this government in terms of its motivation to add to the bottom line rather than necessarily coming to this Parliament with noble policies and value-laden bills or positions of reform. Having said that, in line with the

member for Lyndhurst's comments, I will not oppose the bill. I will leave it at that.

Mr KATOS (South Barwon) — It gives me pleasure to rise this evening and make a contribution in support of the Duties Amendment (Landholder) Bill 2012. As the name implies, this bill amends the Duties Act 2000. The purpose of the bill is to change the method by which duty is determined on certain transactions involving property where there is an entity between the owner of that property and the land, such as a trust. The present system is the land-rich duty provision, and this has been used in Victoria since 1987. Under that land-rich provision a liability for duty arises when a relevant acquisition is made in a private unit trust scheme, wholesale unit trust scheme or private company where the entity holds land in Victoria with an unencumbered value of over \$1 million and the value of its land-holdings, whether inside Australia or outside Australia, comprise at least 60 per cent of that entity's assets.

Under the new land-holder model duty will be payable when acquisitions in certain private listed companies and unit trusts that hold land in Victoria with a market value of \$1 million are made. Obviously it is a much simpler model. The land-holder duty provisions will apply to the following types of entities: private unit trusts, wholesale unit trusts, private companies, listed companies, listed trusts, widely held trusts and declared public unit trusts.

This sort of reminds me of the days when capital gains tax was introduced when there was a practice of minimising tax. Basically what used to happen was you had a company which held assets that were dated post September 1985 but its shareholdings were incorporated before that date. People used to sell the shares in those companies even though they held assets that were dated post 1985. It was not entirely within the spirit of the law. It is the same sort of situation here. If you have a situation where —

Honourable members interjecting.

Mr KATOS — If members opposite knew anything about the capital gains tax provisions, they would know that those amendments were made to avoid such practices. I was 15 years of age at the time, so I do not think I held too many company directorships.

This is the same sort of principle. You have entities —

Honourable members interjecting.

The ACTING SPEAKER (Mr Weller) — Order! The member for South Barwon, to continue without assistance.

Mr KATOS — You might have an entity that holds land. There are shares or units sold within that entity but not property. You have this transfer taking place and this interesting property being acquired but there is no duty being paid on the transfer of land, hence we have a regime being introduced here to extend it further. Under the land-holder method duty is charged on a transaction when a person makes a relevant acquisition in a land-holder entity. A relevant acquisition is where shares or units represent 20 per cent or more interest in a private unit trust scheme, 50 per cent or more interest in a wholesale unit trust scheme or a private company, or 90 per cent or more interest in a listed trust or a listed company. Effectively it is when a controlling interest is taken over. With this third one there is only a concessional rate of 10 per cent of the duty payable in place when an interest in a listed trust or listed company of 90 per cent or more has taken place.

The main difference between the land-rich and land-holder model is that the land-holder model does not contain the land ratio test. The land ratio test is where the proportion of real property held by a land-holder in comparison to other assets held is determined. The term 'land rich' is where a land-holder holds more than 60 per cent of their assets in real property. A concessional duty rate applies to amounts of up to \$2 million.

Ownership structures can be quite complex within entities. The bill puts in place land-tracing provisions so that property ownership structures can be identified. Quite often one entity will own shares or units in another entity, hence they will have an indirect interest in real property owned by another entity. In order for the land that a land-holder is indirectly entitled to through other entities to be included in determining the land value threshold, the land-holder must be entitled to 20 per cent or more of the land in a private company or private unit trust scheme or 20 per cent or more of the land in a listed company or a listed unit trust scheme.

The issue of fixtures was raised earlier. Fixtures are items that are attached to the land in such a way that they form part of the land. Common law is presently used to determine the definition of fixtures. This bill includes a statutory definition of fixtures and will do away with the need for the act to rely on common law. It is important that we get a firm definition of fixtures put into the act as under common law there are various judgements that have varying definitions of what is

actually defined as a fixture. You can have quite a great deal of confusion in common law as to what is actually defined as a fixture. Getting that statutory definition will provide greater certainty as to what is defined as a fixture.

In regard to aggregation, these are interests that are required in a taxable company or unit trust to be aggregated when they are acquired by the same person. The previous aggregation rule of three years has been removed so that now all acquisitions of interests are aggregated and taken into account when determining whether a person has made a relevant acquisition. However, even though all acquisitions are now aggregated, duty is only charged on interests acquired within three years prior to the person making the relevant acquisition. The member for Lyndhurst said that the aggregation time frames are not harmonious with other states and not the same as those of New South Wales, Queensland and Western Australia. In fact they are. If you have a look at the time frames around aggregation in other jurisdictions, these provisions are the same as those in New South Wales, Western Australia and Queensland. There actually is harmony taking place there; I am sure the Acting Speaker is interested in that.

The term 'just and reasonable' has been mentioned in the debate. Previously the commissioner of state revenue could exempt an acquisition if they determined that the duty payable in the land acquisition was not just and reasonable. This discretion has been removed and replaced with a discretion to reduce the duty payable if there has been an anomalous duty outcome. How do you define 'just and reasonable'? That is what has been going on at the moment. There has been confusion in the courts as to what you actually define as just and reasonable. It is almost like, 'How long is a piece of string?'. How do you define that?

Dr Sykes — How long is a piece of string?

Mr KATOS — That is a good question the member for Benalla has asked. That is why we have removed the just and reasonable exemption. How do you determine how long a piece of string is? It is not that this has caused confusion in the courts so much as that the courts have not been able to define what is just and reasonable. What is the actual test that you use to determine what is just and reasonable? It makes common sense to remove that provision from the legislation. What we are actually doing here is giving the commissioner of state revenue that discretion if there is an anomalous duty outcome. If something occurs that is clearly an extraordinary duty outcome that is not expected or is anomalous, as I said, then the

commissioner has the power to reduce the duty payable in such a circumstance.

With those comments, I say that this bill does bring about harmony with the other states. It simplifies the system, and I am more than happy to commend the bill to the house.

Mr MADDEN (Essendon) — This is obviously a bill designed to get people to contribute the duty that they should be contributing and to reduce tax minimisation. Obviously that is what a number of land-rich land-holders have been doing for some time, and this is not unusual. What I do say is that I am concerned about the manner in which it is being done. I am particularly concerned because of the comments of the Property Council of Australia. While I recognise that the government is entitled to try to claw back some of the duty avoided by some land-holders because of their trust arrangements, what is worthy of consideration is the fact that if you are not really harmonising with the rest of the country and you are not reducing red tape, then the so-called advantages are not being gained and therefore you are putting the state at somewhat of a competitive disadvantage. That view has been expressed by the property council.

My concern is that we are likely to see some distortions in the market. The bill will reduce any competitive advantages we have, particularly in the land and development areas at a time when we probably need confidence in that sector. We have recently seen building figures plummet. We have seen figures that indicate that there is potentially an oversupply of unit dwellings in the inner city. We are seeing a reduction in first homeownership, and we are also seeing a reduction in cottage industry building in the suburbs. At the same time we are seeing a reduction in commercial investment in apartment development and a reduction in cottage industry development, so the housing sector is not being supported in the way that it needs to be by the private sector. This is going to put somewhat of an impost on the sector in terms of duty not being uniform across the country. If you are in that space and, if you are a national company, you are very likely to want to invest in other jurisdictions.

I have already spoken to somebody today who said that they know people in the industry who are looking towards Queensland because they see that there is potentially more happening, more confidence and more of a majority government in Queensland.

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

Mr MADDEN — I return to my contribution. The great concern about this bill is how it might impact on competitiveness in the state, because if we are not equalising what happens across the country and we are, in a sense, adding more red tape, then even if it is only a little bit of red tape, the little bits of red tape add up and before you know it, it is a disincentive to investors in this state. It is not just that red tape acts as a disincentive. I will give you an example of two businesses that I spoke with recently that work in the property sector — and this is going to have an impact on the property sector. One of those is an insurance broker who runs a small business. He is concerned because many of the people he arranges insurance for are not re-employing people within the state. If the opportunity arises, they are going to relocate their businesses to Queensland. They are not sure if Campbell Newman is a man of action, but they think he sounds like a man of action. These are the words of this gentleman who works in insurance:

I'm not sure if he is a man of action, but he sounds like it.

I suspect this insurance broker is probably a Liberal voter at heart. He was not prepared to admit it, but I suspect he might have been. He said that the difficulty with the government as it stands is that it is not even talking the talk. It is one thing to walk the walk, but it is not even talking the talk.

Recently another employer in the property sector who works in engineering said that prior to the election he had assembled a group of engineers to work on some major infrastructure projects. It is an international company, and it brought people in from overseas to form this team. The employer said that because infrastructure works are slowly grinding to a halt, this group is not going to be activated. He said that the company is not going to fire these employees, but because it is an international company, as work presents itself the employees will present themselves to other parts of the organisation. It might be interstate, particularly with the mining sector doing what it is doing in other states, or internationally.

The employer said that even if the infrastructure work comes on stream, this combined with the high Australian dollar will mean that the company is more likely to assemble its team in and conduct the work out of Singapore rather than using the people assembled as a task force or team here in Melbourne. Those small things affect competitiveness in this state. When competitiveness is affected, those little things build up and have an impact on small, medium and big global businesses in helping to determine whether they relocate and settle here.

Sir Alex Ferguson, one of the greatest sports coaches in the world, once said that every little thing you do can work for you or against you. Unfortunately all these little things the government is currently doing are not working for it; they are working against it. There are a range of international circumstances, and we acknowledge that. But if you are not spruiking your own economy, if you do not sound confident about your own economy, how can you expect anybody else to be confident about your economy? We have a Premier who some say is understated. Maybe he is, but the fact is that that is not the role of the Premier. The Premier and ministers have to spruik the economy to convince people that it is strong enough to invest in. Even if it is equal to any other economy, you have to sell your own economy —

Mr Eren — It is about confidence.

Mr MADDEN — It is about confidence; it is about the psychology. Much of the economic equation is based around the psychology, let alone the actual facts that present themselves. I am concerned that we have a government which has enabled the small things to undermine our competitiveness. We are seeing that here. That has been highlighted in the Property Council of Australia's submission in relation to the Duties Amendment (Landholder) Bill 2012. It says that this is potentially going to affect competitiveness. It is not the revenue, because the revenue is fair and reasonable. I suspect it is that the additional red tape, combined with the fact that it does not equate with other jurisdictions across the country, will mean that people will say, 'Look, it is not a big thing; it is just another thing to put me off investing in Victoria'.

Leaders have to lead from the front, not from the middle of the pack or from behind. One of the things you cannot do is understate things. I will give you the example of the Premier who, when asked about job losses in the state, said, 'The job losses are unfortunate'. I know he is trying to play this down, but you just cannot say that. You have to say, 'We do not expect this in Victoria. We expect better and bigger things, and we will make sure that happens'. But using the term 'unfortunate' is the sort of thing my grandparents used to say when they drove past somebody who had been sleeping on the nature strip and who had almost been hit by a car. They would say, 'That is unfortunate, isn't it?'

I cannot get around the Premier of this state saying, 'It's very unfortunate', when there are significant job losses. Firstly, it sounds disinterested, and secondly, it sounds patronising. The last thing you want is a Premier who gets out there and sounds patronising when you need to

talk up your state and highlight that it is more competitive than maybe it is. You still want to make it sound like it is because you are competing against other states. This is about talking up the state. If the Premier is not talking up the state, if the Premier understates what the state is doing or can do, then it is a great loss not only to the Premier, not only to the government, but to the state.

Ms Asher interjected.

Mr MADDEN — I take up the interjection of the member for Brighton, although I know that I should not. She calls it ‘spin’. No, it is not spin; it is about loyalty to the state and talking up the state. Unfortunately what we have here is a government that seems to be almost paralysed. These are not my words, these are the words of industry — —

Mr Eren — Almost ‘unfortunate’, the government!

Mr MADDEN — Yes, unfortunate. Not only that, but the government is making unfortunate decisions. The economy is unfortunately not travelling as well as it would like. I suppose if it gets to the election and it does not do so well, it will say, ‘That was pretty unfortunate, wasn’t it?’. Unfortunately, Acting Speaker, my time is up, but I look forward to seeing the passing of this bill, even though I think it is going to interfere with our competitiveness.

Debate adjourned on motion of Mr HODGETT (Kilsyth).

Debate adjourned until later this day.

STATE TAXATION ACTS AMENDMENT BILL 2012

Second reading

Debate resumed from 2 May; motion of Mr WELLS (Treasurer).

Mr HOLDING (Lyndhurst) — It gives me a great deal of pleasure to make a contribution on the State Taxation Acts Amendment Bill 2012. Under standing orders I wish to advise the house of amendments to the State Taxation Acts Amendment Bill 2012, and I request that they be circulated.

Opposition amendments circulated by Mr HOLDING (Lyndhurst) pursuant to standing orders.

Mr HOLDING — I say at the outset that the opposition does not oppose this bill. However, in accordance with the declaration that I just made under standing orders, we will be seeking to amend the bill to delete the proposed duty increase on new passenger vehicles. I will say more about that later in my contribution. At the outset, I thank the Treasurer’s office, the staff from the Department of Treasury and Finance and the staff from the State Revenue Office for the very informative briefing they gave the opposition on this legislation, and I should also thank them for the very informative briefing they gave members of the opposition on the Duties Amendment (Landholder) Bill 2012, which we debated earlier this evening. It is always useful to have their insights and their knowledge as we prepare our comments on these important matters of public debate.

This bill does a number of different things, and I think the best approach is just to move through the different elements of it. I will culminate with the amendments that we propose to move in relation to the increase in duty on new passenger vehicles. The first element of these proposed changes — and I will go through these in no particular order — is in clause 7, which amends the Duties Act 2000 to make it clear that all incapacitated war veterans are eligible for the duty exemption for domestic passenger vehicles.

This is made clear by modernising this section of the act to incorporate the updated definition in part 2 of chapter 4 of the commonwealth Military Rehabilitation and Compensation Act 2004. This is a relatively simple measure and I am sure not a contentious one. It is my understanding that the new definition will give legal effect to the definition that is currently being applied in practice in any event, and the opposition strongly supports this.

The policy basis for the existing exemption is sound, and I would say this evening in this chamber that we honour those veterans who have served our nation in conflicts across the globe. We particularly honour those whose service has resulted in significant injuries. This exemption in existing section 233E of the Duties Act 2000 does that in a very practical and tangible way, and the amendment that is before the house this evening in the State Taxation Acts Amendment Bill 2012 seeks merely to modernise that definition so that it covers all seriously injured or seriously incapacitated veterans and makes it clear that they too should be eligible for the duty exemption in relation to domestic passenger vehicles.

New section 51, to be inserted by clause 8 of the bill, brings to duty a grant of Crown land. This is the second

element of the changes that I wish to comment on this evening. This is being proposed to impose duty on commercially orientated leasing arrangements involving Crown land, and it places them on the same footing as other commercial arrangements. My understanding from the budget papers is that this is expected to raise an additional \$5 million per annum.

Again it stands to reason that grants of Crown land that have as their basis a commercial arrangement should attract the same sorts of duties as similar transactions that operate around other parcels of land. In that respect I note the amendment that is proposed and is before the house.

The third element of the measures we are considering this evening is that the bill also makes the state liable to penalties and interest in relation to notional GST liabilities. This gives effect to an interjurisdictional commitment and is achieved via an amendment to the National Taxation Reform (Consequential Provisions) Act 2000. It is my understanding that all states and territories across Australia are enacting or have enacted similar changes. This change is necessary not only to ensure consistency with arrangements in other states and territories, but also particularly to ensure competitive neutrality regarding penalties and interest payments in relation to the GST. This will provide certainty and clarity. I note from the Treasurer's second-reading speech that the changes are not expected to have any significant impact on Victoria's bottom line, because of course the Victorian government is always a model taxpayer, and I know that is something that all members in this chamber would be keen to ensure continues.

The bill also amends the Duties Act 2000, and there are two elements to these changes. One deals with what are called parallel arrangements and the other deals with the commissioner of state revenue's discretion with respect to aggregation. I would like to spend a few minutes on each of these. Although they are not necessarily complex matters, I want to provide an explanation so that Victorian taxpayers understand why these measures are necessary.

The first point relates to aggregation. The first part of the explanatory memorandum to the bill relating to the Duties Act seeks to describe by way of example as well as by way of narrative what these changes are seeking to achieve. Currently the Duties Act provides the commissioner of state revenue with the discretion not to aggregate dutiable transactions. This bill replaces that discretion with a specific exemption from aggregation in respect of vacant land purchased by home builders.

My understanding is that the current exercise of this discretion by the commissioner of state revenue has in recent years only applied to these kinds of transactions. Essentially this bill, rather than leaving these arrangements within the realm of the exercise of the State Revenue Office's existing discretion, seeks to outline and enumerate what those transactions are and provide a specific exemption for them so that taxpayers and Victorians are not left with the uncertainty that arises from merely hanging this exemption around the exercise from time to time of the commissioner of state revenue's discretion.

In order to attract the aggregation exemption the dutiable property will need to be vacant land, the transferee will need to be a home builder and there will need to be an intention to construct residential premises on the vacant land for sale to the public. Aggregation is a necessary component of the Duties Act, as it ensures that the appropriate rate of duty is applied and not avoided by contract splitting. However, as in the case of builders contracts where the intent is to construct separate homes on separate titles with a view to sale to the wider public, clearly aggregation works unfairly in such circumstances.

Until now the commissioner has been the agent with the discretion to address this issue. However, obviously the existence of a discretion creates uncertainty, and for that reason a specific exemption cast to capture the transactions to which the discretion is currently applied is a more effective mechanism for dealing with these cases. It not only provides greater certainty for taxpayers; it also prevents the temptation for the discretion to be exercised in different ways and capture a broader cross-section of transactions than would otherwise be contemplated. Therefore I think it is worth Parliament reflecting on the benefit of removing the discretion and instead seeking to capture these transactions through a specific exemption. Obviously time will tell as to whether or not the exemption, as cast in this legislation, will be sufficient to cover all of those transactions or whether we will be back here — I am sure we will be back here at some stage in the future — amending and refining this exemption in some way just to make sure that the original policy intent continues to be captured.

The other element I wanted to comment on before I move to the change in the duty level for passenger motor vehicles is the arrangements with respect to what are described in the bill as 'parallel arrangements'. These are the arrangements that are described on pages 6, 7 and 8 of the explanatory memorandum to the bill. They go to relevant sections of the Duties Act. The bill seeks to amend these arrangements within the

Duties Act to clarify that parallel land and building contracts are to be subject to duty. This is to be done by amending section 32B of the Duties Act. Page 7 of the explanatory memorandum seeks to describe an example of a parallel arrangement and is probably the best way of describing what these changes are seeking to achieve.

It has become a frequent rather than a common practice that building contracts are being entered into where essentially a builder — the first purchaser of the block of land — enters into a sale contract to purchase vacant land from a developer. The first purchaser then nominates a home buyer — the subsequent purchaser — who will receive the vacant land from the developer under the sale contract. At or around the same time as the subsequent purchaser acquires the rights under the sale contract, he or she enters into a separate, parallel building contract with the first purchaser to build a home on the vacant land. Entering the building contract is integral to the subsequent purchaser obtaining the transfer right.

This essentially describes the practice that is occurring from time to time. Clearly the practice is a device to reduce or avoid duty that would otherwise be payable. It is an important principle of our taxation law that transactions that are essentially the same in nature are treated the same way for the purposes of imposing duty. So when, effectively, a fiction or contrivance is entered into that is merely a device to avoid duty that would otherwise be payable, then taxpayers who are essentially doing the same thing are not being treated in the same way for the purposes of imposing duty as a consequence of that contrivance.

The amendments seek to treat the transaction as though the contrivance had not been entered into and essentially ignore the fiction that is being created around the various parallel arrangements that the builder and the subsequent purchaser have entered into. Again, in complex areas involving the Duties Act 2000 such as this, where practice and commercial arrangements are constantly changing, it is always difficult to know whether the amendments that we are considering will be sufficient to cover the arrangements they are now seeking to cover. Time will tell. The important principle at law is that transactions that are essentially the same in nature are treated the same way. Time will tell if that is what is achieved by these changes. So long as that is the principle that is achieved through these changes, then I think the Parliament will be making these changes with its eyes open.

I now wish to comment on what is really one of the simplest components of the bill but which, in the

opinion of the opposition, is the most objectionable: the proposition at clause 6 to amend section 218(1) of the Duties Act 2000 to impose a new and higher rate of duty of \$6 per \$200, or part thereof, on the value of any new passenger car — that is, the duty on the application to register a new or near new passenger vehicle. It applies to passenger cars that are below the value of the commonwealth's luxury car tax threshold. The new impost is to take effect from 1 July 2012. It raises the duty from \$5 to \$6, or from 2.5 per cent to 3 per cent.

This measure was announced in the 2011–12 budget update, which I think was released in December last year by the Treasurer. It is expected to substantially account for a 9.2 per cent jump in the government's takings on duty on vehicle registrations and transfers. If budget paper 5 is to be believed, takings will rise from \$593.3 million in the financial year 2011–12 — that is the revised figure — to \$647.6 million in 2012–13. I refer to budget paper 5, page 164.

The opposition wants to make a number of points in relation to this. Firstly, the current government, when in opposition, campaigned for office on the proposition that it would reduce cost of living pressures on ordinary Victorian families. The last time I checked, ordinary Victorian families purchase new passenger vehicles, so naturally, as the government well knows, it is ordinary Victorian families who will bear the burden of this cost increase, this duty increase, proposed by the bill. If we are to hold this government to its word and to the promises it made to Victorians in the lead-up to the last election, then we cannot in good conscience support this measure.

The Premier said in this place on the very first day that he took the Premier's chair that meeting its election promises, its commitments, would be the government's highest priority and its solemn undertaking to the Victorian people. Given that it campaigned on reducing the cost of living for Victorian families, how can it in good conscience come into this place and bring in a measure like this which will increase the cost of new passenger vehicles for thousands of Victorian families and at the same time claim that it is keeping faith with that campaign claim?

This measure is all the more lamentable for so many other reasons. The first reason is that the Australian car fleet is one of the older car fleets in the developed world. Therefore, we are all collectively paying the cost that comes from having an older car fleet than that which is enjoyed in so many other developed countries. The costs of an old car fleet are borne by all of us. They are borne through less safe vehicles, because we are not generating the benefit of safer vehicles. It is the newest

vehicles in the car fleet which tend to exhibit the best and the latest safety features, and it is the newest and latest vehicles in the car fleet that tend to meet the highest vehicle emission standards. Making those vehicles more expensive ensures that it is less attractive and less easy for Victorians to transition from older vehicles to newer passenger vehicles that are more environmentally friendly, exhibit better safety features and, frankly, are more likely to be manufactured here in Victoria.

We are all concerned about creating safe roads, we are all concerned about creating a cleaner environment and we are all concerned to ensure that jobs remain here in Victoria, particularly during this period of great global uncertainty. At a time when the Australian dollar has, for a long period of time, been at an unusually high level and at a time when our manufacturers have been under incredible pressure, it beggars belief that this government would bring a measure into this chamber which will not only increase costs on Victorian families — something it said in opposition it would never do — but at the same time inevitably introduce a price disincentive to creating a safer car fleet in Victoria.

We have seen research from a number of different bodies. I point to research by the Monash University Accident Research Centre, one of the most respected road safety research organisations anywhere in the world. In one of its research reports, *A Model for Considering the 'Total Safety' of the Light Passenger Vehicle Fleet*, it is absolutely clear when it says:

It is clear that significant improvements in total fleet safety could be achieved were all drivers to drive the safest (as measured by combined crashworthiness and aggressivity) currently available vehicle in the market group in which their current vehicle is classified. Further improvements would be generated if existing vehicles were modified to incorporate within a single vehicle design aspects that produce the best currently available crashworthiness and aggressivity in the market group.

Fact sheet 4, entitled *Safer Vehicles*, released by Curtin University of Technology and Monash University Accident Research Centre in August 2009, says at page 5 under the heading 'Promoting the purchase of safer vehicles':

Australia has one of the oldest vehicle fleets in the world and if each motorist could be persuaded to upgrade their vehicle to the safest in its class, road trauma would drop immediately by one-third.

The evidence is unambiguous. We have an old car fleet. If we could get people to upgrade their vehicles to the safest vehicles in their class, our roads would be safer and road trauma would be reduced by about one-third.

We all know that the newest vehicles or near newest vehicles are those that exhibit — not always but by and large — the best safety features. This measure in the legislation, with which the opposition unambiguously disagrees, will create an additional price disincentive that will serve to make new passenger vehicles more expensive. We do not support it for that reason.

As I said earlier, we also know that newer vehicles tend to exhibit the best vehicle emission standards. Again this is not always the case, but it is certainly true of new electric vehicles and hybrid vehicles, some of which, hybrid vehicles in particular, are now being manufactured here in Australia. These vehicles exhibit the best fuel efficiency standards and produce the lowest level of emissions. They are typically the most environmentally friendly vehicles available in whole-of-life terms due to the embedded energy in their construction materials et cetera. They are certainly more environmentally friendly than many older vehicles in the Australian car fleet.

It beggars belief that a government that proclaims that it is committed to improving fuel efficiency throughout our car fleet and to improving environmental outcomes would introduce a measure that is deliberately targeted at making new passenger vehicles here in Victoria more expensive than they would otherwise be by increasing the duty payable on them.

I mentioned local manufacturing earlier. When in government we had a strong commitment to supporting local manufacturing. We manifested that commitment in many different ways. One practical way was the Victorian industry participation policy; another way was ensuring that vehicles purchased by the Victorian government car fleet were by and large vehicles that had been manufactured here in Victoria. Making sure that our car fleet is manufactured locally is something tangible that the Victorian government can do to ensure that taxpayers funds are being invested in a way that supports local jobs being retained in Victoria.

I think all of us want to see the continuation of an automotive industry here in Victoria. Other countries around the world, particularly advanced countries comparable to Australia, subsidise their car industries far more extensively on a per capita basis than we do in Australia. If we want to continue to have a manufacturing base that includes a strong automotive industry and all its benefits in terms of the jobs, innovation, investment and wealth that flow through our economy as a consequence of that, we have to keep supporting the purchase of Australian manufactured vehicles and, frankly, new Australian manufactured vehicles.

A duty impost that disproportionately disincentivises the purchase of new passenger vehicles in Australia is one that we as an opposition cannot support. We cannot support it for safety reasons, for environmental reasons and for job creation and supporting manufacturing reasons. We also cannot support it because it goes against the solemn commitments that the coalition made prior to the election that it would reduce the cost of living for Victorian families. Instead we have a cash grab like this. We have seen a significant cash grab with the Duties Amendment (Landholder) Bill 2012, which we were debating earlier this evening. There is no doubt that if these changes — this duty increase and the introduction of a land-holder model for duties legislation here in Victoria — had not been made, the government would not in the next financial year meet the surplus target it has set itself.

Victorian families who supported this government because they believed it would keep the promise it made prior to the election to reduce their cost of living will feel betrayed when they see this measure introduced. They would have felt betrayed when they heard this measure announced last December, and they would feel betrayed if they saw this measure being introduced into Parliament tonight. They will feel betrayed that a government that in opposition made so much of its commitment to reduce the cost of living for Victorian families has so profoundly and fundamentally turned its back on that solemn undertaking to the Victorian people.

Just to recap, the opposition does not oppose the bill; however, we will seek to amend it to delete the duty increase on new passenger vehicles. There are many other measures in the bill which we either support or at least do not oppose. I have spoken of the changes to the definition of incapacitated war veterans for the purposes of accessing the exemption for domestic passenger vehicles. We strongly support that. We note the arrangements in relation to the imposition of duties on Crown grants. So long as that applies only to commercially oriented leasing arrangements that would appear to be a reasonable measure.

We note the arrangements that are being made in relation to notional goods and services tax liabilities and state liability for penalties and interest. In respect of those liabilities we note that the changes arise because of interjurisdictional commitments and actions under way in other states and territories. We also note the Treasurer's assurance that the changes are not expected to have any significant impact on Victoria's bottom line.

We note also the changed arrangements in respect of parallel arrangements as well as the removal of the discretion of the commissioner for state revenue in relation to aggregation. We note from the examples in the legislation and the explanatory memorandum the manner in which those arrangements with respect to parallel arrangements are supposed to work.

We note the way in which the new specific exemption, which replaces the discretion of the commissioner for state revenue in relation to aggregation, is supposed to operate. We will obviously monitor developments in respect of changes in commercial arrangements as a consequence of these amendments. We will note closely how those arrangements roll out, and no doubt we will continue to monitor those arrangements.

To go back to that element of the legislation that deals with the increase in duty on passenger motor vehicles that are below the value of the commonwealth's luxury car tax threshold, we cannot in good conscience support that measure. We will therefore be seeking support for our amendments, and we hope those members opposite who campaigned so strongly on cost of living issues in the lead-up to the last election will join us in expressing our outrage at this fundamental breach of faith. We are sure many of them will.

I noticed that the Premier wandered aimlessly through the chamber just a few moments ago, and I know he too will be looking again at this legislation and wondering what on earth was in his mind when the cabinet endorsed it! I know he will be reflecting closely on the comments I have made and on the solemn commitments he gave to the Victorian people prior to the last election! I am sure that even as we speak arrangements are under way to make sure that this diabolical increase does not pass through the Parliament and impose what is frankly an unworthy duty increase on Victorian families! It will do nothing to promote a safer vehicle fleet, it will do nothing to promote a more environmentally sustainable vehicle fleet and it will do nothing to support local manufacturing in the automotive sector; therefore we cannot support that measure.

Mr ANGUS (Forest Hill) — I am very pleased to rise this evening to speak in support of the State Taxation Acts Amendment Bill 2012. Before I start on the substance of my contribution this evening I want to make a comment following the comments of the member for Lyndhurst relating to the cost of living. I think it is extraordinary that issues to do with the cost of living are coming from that side of the house when we have the single biggest tax coming down the pipeline from federal Labor — the carbon tax — which is going

to have a horrendous impact upon the cost of living for each and every Victorian and indeed each and every Australian. To have comments made in that respect about this bill is therefore quite extraordinary.

I turn to the purposes of this bill. Clause 1 clearly outlines its six purposes, and I intend to go through each of them in summary and then touch on them in somewhat more detail. The bill will amend the Duties Act 2000 in five ways. Firstly, it replaces the commissioner of state revenue's discretion not to aggregate dutiable transactions with a specific exception to the aggregation of dutiable transactions where vacant land is purchased by home builders. Secondly, it makes provision in part 4A for certain parallel arrangements, including parallel home building contracts. Thirdly, it removes the specific exemption from duty for a grant of Crown land. Fourthly, it increases the rate of duty payable on new and near-new passenger cars the dutiable value of which does not exceed the luxury car tax threshold. Fifthly, it extends the exemption from motor vehicle duty to certain veterans assessed under the Military Rehabilitation and Compensation Act 2004 of the commonwealth.

The sixth purpose of the bill is to amend the National Taxation Reform (Consequential Provisions) Act 2000 to provide for the payment of penalties and interest in relation to the state's notional GST liabilities. These various purposes are dealt with in a range of parts of the bill and, as I said, I will come back and touch on them in more detail in a moment.

I want to touch now on a part of the Treasurer's second-reading speech. I think what he said early on in that speech is a very good summary. He said:

The Victorian government is committed to producing better outcomes for Victorian taxpayers. This bill supports that commitment by providing certainty and ensuring equitable and fair outcomes for those Victorians similarly affected by the taxation regime.

For me, that summarises the views of the government in relation to all legislative matters and certainly in relation to taxation matters. We are wanting to have better outcomes and equitable outcomes for all Victorians.

Clause 2 of the bill refers to the commencement arrangements, and I note that subclause (2) says division 3 of part 2 and part 3 come into operation on 1 July; that of course lines up with the new financial year.

I want to revisit each of the purposes in somewhat more detail in my remaining time, and I want to start off where the member for Lyndhurst left off, which is

clause 1(a)(iv), which relates to the increase in motor vehicle duty for registration of new or near-new passenger vehicles. I note that the duty payable on application for registration of a new or near-new passenger car will increase from 2.5 to 3 per cent — in other words, from \$5 to \$6 per \$200 or part thereof. That will be from 1 July and it applies with respect to cars valued under the commonwealth's luxury car tax threshold, which is currently \$57 446. That measure is not new. It was announced in the state budget update in December 2011, so it has been well flagged in advance and is now being put into legislative effect through this bill.

If we compare the rates of duty payable in relation to new and near-new passenger motor vehicles in Victoria, we can see that Victoria still has one of the lowest rates of motor vehicle duty for vehicles under the threshold I mentioned. If we look at comparisons with other Australian states, we can see that we sit very competitively indeed under a number of categories of cost range. There is a slight increase here, but really we continue to remain very competitive in that respect.

The next aspect I want to touch on is the extension of the incapacitated war veterans motor vehicle duty exemption. The exemption currently applies to those war veterans assessed as eligible for certain categories of pension under the Veterans' Entitlements Act 1986 of the commonwealth. This amendment will extend the exemption to include veterans assessed under the more recently established Military Rehabilitation and Compensation Act 2004. The amendment will ensure that the Duties Act is up to date and refers to the relevant federal legislation and will provide greater certainty around the entitlement of veterans assessed under the Military Rehabilitation and Compensation Act to the exemption.

I turn to the purposes of the bill, specifically clause 1(a)(ii) which deals with the so-called parallel or sub-sales provisions of the Duties Act 2000. We can see in the bill that these provisions will be amended to close a loophole that currently exists. Broadly speaking that relates to the sub-sales provisions that apply when a person enters into a contract of sale to buy a property but prior to the completion of the contract on-sells their interest to someone else for a profit. The transaction was treated as a sub-sale dutiable in two separate transactions rather than duty being imposed only on the transfer of land to the ultimate purchaser.

This resulted in a situation where some builders avoided paying duty under the sub-sales provisions by splitting contracts into parallel land and building components. An example of that could involve builders

contracted to purchase land who then onsell the land to a homebuyer for a commercial profit before the contract is completed. The builder will ordinarily pay duty under the sub-sales provisions. Duty will also be payable by the homebuyer when the land is transferred on completion of the land contract.

However, under the parallel arrangements the builder signs the contract of sale for the land and nominates the homebuyer as the ultimate purchaser of the land. Then around the time of the nomination the builder enters into a separate contract with the homebuyer to build a home. That has resulted in an anomaly. This particular measure will deal with that anomaly and help restore competitive neutrality in the building industry by putting larger builders who are engaged in this particular arrangement on a level playing field with other builders who pay duty under the sub-sale provisions when they purchase land on which they build homes for homebuyers.

Purposes clause 1(a)(i) replaces the commissioner's discretion not to aggregate certain dutiable transactions with an express exception to the aggregation where certain objective requirements are met. A range of details are referred to in particular clauses. There is an example on page 5 of the bill. That provides excellent guidance for those who are considering the application of this particular clause to their circumstances. The example goes through consequences and potential outcomes of a transaction of that nature. That is a helpful addition to the bill.

Another clause of the bill deals with the repeal of an exemption regarding a grant of Crown land. I have touched on that. The final point I will make, which I mentioned earlier, is in relation to the amendment of the National Taxation Reform (Consequential Provisions) Act 2000 to provide for the uniform application of penalties and interest. That is probably a matter that is unlikely to ever be triggered, but it is important to put that in place to ensure that those provisions can be implemented if required. In conclusion, this is another positive bill about financial matters that has come into this place. I commend the bill to the house.

Mr SCOTT (Preston) — As has previously been stated by the shadow Treasurer, the member for Lyndhurst, the opposition is not opposing this bill, but we will seek to move an amendment to delete the increase in duty on new passenger vehicles.

I will touch on various clauses within the bill, but I will first deal with clause 7, which clarifies that particular war veterans are eligible for exemptions from motor vehicle transfer duty. I noted in the second-reading

speech a reference made to the current government's view about supporting veterans. I hope all members of this Parliament support a bipartisan view that veterans should receive due support from both this Parliament and ministers of whatever government happens to be in power at any time. That has been the tradition, and from his contribution I noted that the member for Lyndhurst continues that tradition.

It is very important that we all ensure that veterans receive due support and gratitude for their willingness to serve our nation and risk their lives in the service of this nation. Sensible measures such as those contained in the bill that support veterans in our community should receive support from not only the government but all members of this house. I am hopeful that that tradition of a bipartisan view on veterans affairs will continue in the future.

I turn from aspects of the bill which clearly have the opposition's support to those we are less enthusiastic about. I must say the member for Lyndhurst is optimistic about the willingness of government members to change their minds on an aspect of the bill that we obviously have objections to. I suspect I am less optimistic about the willingness of the government to amend its ways on that matter, but I am hopeful in regard to that case.

The matter I refer to is the government's announcement that it would increase the duty rate on new passenger car purchases from 2.5 per cent to 3 per cent. In the bill it is expressed as a proportion of \$200 or part thereof — it is an increase of \$5 to \$6. That is an increase of 2.5 per cent to 3 per cent or perhaps a fraction more depending on the value of the vehicle, because of the provision relating to \$200 or part thereof. This will commence at the start of the upcoming financial year, 1 July. This was brought in, as has been mentioned, with the release of the Victorian budget update.

It is important to realise what a significant series of policy announcements are contained in the budget update. In many ways it contains more radical propositions than the budget itself. While most attention is focused on the 3600 jobs which were axed as part of the budget update, there are also significant revenue measures mentioned, particularly the one referred to in this bill, which is the change to motor vehicle duty. In the 2012–13 year it is expected to bring in \$33 million, in 2013–14 it is expected to bring in \$35 million and in 2014–15 it is expected to bring in another \$35 million of additional revenue due to that change.

This should be seen in the context of the budget update having a significant number of revenue initiatives. In

the years 2012–13 there is \$317.5 million of revenue initiatives, in 2013–14 there is \$288.5 million of revenue initiatives and in 2014–15 there is \$320.5 million. A very significant part of that, which has been dealt with previously by the Parliament, is the dividend from the Victorian WorkCover Authority. That is another aspect of those changes which the opposition expressed its opposition to.

In responding to the bill and this particular aspect of it, it is worthwhile raising issues about the cost of living for families. As noted earlier, there was a solemn commitment made in relation to that. Having sat through Public Accounts and Estimates Committee hearings, as has the Acting Speaker, I know that that commitment has been the subject of some discussion around budgets. This aspect of the bill is very disappointing.

As was noted earlier by the member for Lyndhurst, families buy new cars and increasing the cost of new cars obviously impacts on the cost of living for families. Further to that, as has also been touched upon, there is a consequential impact on the Australian car industry, which is of course based largely in Victoria.

Indeed Victoria has a fantastic manufacturing tradition, stretching back well into the 19th century. Often a contrast was drawn between Victoria and New South Wales, with the Victorian economy being based much more on manufacturing and the New South Wales economy being based much more on services. The car industry obviously plays a critical part in the Victorian economy. The relative cost of new cars compared with the cost of used cars will be higher, which will have a consequential impact on the uptake of new cars and a negative impact on the Australian car industry.

In discussing the bill the Treasurer appeared to almost make a virtue of this folly when he said that additionally it does not impact on those Victorians who choose to buy a used rather than new passenger car. That just highlights that this aspect of the new impost, with the higher level of duty and the relative impact on the costs of a new or older car, is something that the government acknowledges. As I said, in referring to it in passing the Treasurer appeared almost to be making a virtue of this. It is something that the Treasurer should reconsider, because this will have a negative impact.

In addition to having a negative impact on the car industry in reducing the purchasing of new cars by creating a relative incentive to buy second-hand cars, there will be a consequential impact on car safety. The figures provided to the house show that if everyone was driving the safest car in a class of vehicle — which

almost invariably is the newer car — the serious injury rate, if I recall correctly what the member for Lyndhurst said, would be reduced by one-third. That is something that we should all be sobered by, because I hope that all members of this house would like to see injury and death on the roads reduced. Obviously having an up-to-date and safe vehicle fleet is part of that. A policy which increases the relative cost advantage of a used car and decreases the incentive to purchase a new vehicle has a consequential impact on car safety.

Additional issues with an older car fleet include the emissions from older cars. Often older cars have less-efficient engines. As an average — not individually or always — older cars have higher emissions, are less efficient and involve the burning of a higher proportion of fuel for the number of kilometres travelled. Therefore they have a consequential impact on the environment and also increase the fuel usage of the car fleet in our society. This is an area of the bill which we are seeking to amend. As I said, I noted the optimism of the member for Lyndhurst about the willingness of the government to reconsider this ill-conceived idea, but frankly I am not necessarily as hopeful as he is about the responsiveness of this government.

I return to other aspects, including the closing of loopholes in the building industry whereby larger builders have been avoiding paying duty on land by splitting building contracts into parallel land and building components; the abolishing of the stamp duty exemption for Crown grants of land to ensure that community-oriented leasing arrangements involving Crown land will be subject to duty in the same way as other commercial arrangements are; and the replacing of a particular discretion of the commissioner for state revenue with legislative exemption for builders blocks. Some other minor aspects of the bill are not particularly controversial and do not raise the concern caused by the changes to the duty on cars.

Another aspect is to ensure that the state is liable for penalties and interest in relation to notional GST liability. As has been touched upon, this will have no practical effect on the state, as the state is a model taxpayer. As the member for Lyndhurst said, I hope it would continue to be so. If the state of Victoria does not pay its bills, we have more problems than simply the matters in this bill.

To return to the issue of veterans before concluding my contribution, if I understand correctly from the information that has been provided, the bill will mean that veterans who have been assessed under a later federal act of Parliament, a 2004 act, will become

eligible for duty exemption. I think that all in this house would hope that veterans, particularly those who have been injured during recent conflicts — and Australians are serving overseas in a war zone as we speak — and are assessed under a later act of Parliament would receive the same exemption from duty as those who were injured before that year. I hope that that is a provision we could all support on a bipartisan basis. As I said, the opposition is not opposing the bill, but we are seeking to amend the changes around duty payable on new motor vehicles.

Mr McCURDY (Murray Valley) — I also am delighted to rise to speak on the State Taxation Acts Amendment Bill 2012. From the beginning may I say that it defies my understanding when the member for Lyndhurst talks about the cost of living and rants on about it for 30 minutes when nearly single-handedly it was he who created the wonderful desalination plant that we have.

Mr Katos interjected.

Mr McCURDY — He said that it was never going to rain again. By his own hand he is costing Victorians \$2 million a day for the next 27 years, and he rabbits on in this place about the cost of living. I do not know how you can have your hand on your heart and say with full conviction that you are concerned about the cost of living when you know what your actions in the past have been.

Having said that, this bill amends the Duties Act 2000 and the National Taxation Reform (Consequential Provisions) Act 2000. It has been introduced because the Victorian government is committed to producing better outcomes for Victorian taxpayers. This bill supports that commitment by providing certainty and ensuring equitable and fair outcomes for Victorians who are similarly affected by the taxation regime.

There are many parts to this bill. I will start with the provisions relating to war veterans. Currently the Duties Act provides incapacitated war veterans who have been assessed as eligible for certain categories of pension under the commonwealth Veterans' Entitlement Act 1986 with an exemption from duty on the registration or transfer of a motor vehicle. Under that act veterans are compensated for injuries or diseases caused or aggravated by war service or certain defence service rendered on behalf of Australia before 1 July 2004. This bill amends the Duties Act to ensure that incapacitated war veterans who are compensated for such injuries or diseases on or after 1 July 2004 are similarly eligible for that duty exemption. It reflects the

Baillieu government's commitment to clear and equitable legislation.

The next area I refer to concerns the provisions relating to the building industry. The commitment to which I have referred also underpins the second amendment to the Duties Act, which will close a loophole that has recently come to light in the building industry. Ordinarily builders will pay duty on land — as everyone does when they purchase land — that they have a contract to purchase for the purpose of building residential properties. Then they onsell that land for a commercial profit before the contract is completed. Duty is also payable by the home purchaser when the land is onsold, so effectively two separate transactions take place on that land. Some builders, however, are avoiding paying that duty by splitting contracts into parallel land and building components. That is an unfair advantage for larger builders, and it is very unfair for some of our smaller operators.

After signing the agreement with the vendor of the land, the builder then nominates a homebuyer as the purchaser of the land and at the same time enters into a second separate agreement with the home purchaser to build a home on that land. In doing so, the builder avoids paying duty on the initial agreement to purchase the land themselves from the vendor. Duty is payable only when a nomination is made by the nominee and the land is transferred to them. That happens all the time in real estate. People will purchase property in their name and/or the name of a nominee. They have until the settlement to decide who that nominee might be. In those cases they can nominate the person after they have gone further down the track, hence missing the middle man and missing out on paying the duty. The concern is not about missing out on the duty as much as the fact that it makes it unfair for some smaller builders who cannot take advantage of those opportunities.

Although the builder is profiteering by onselling the land under an uncompleted contract, the usual provisions of the Duties Act 2000 that would capture this type of scenario do not apply because the amount paid under the building contract does not technically constitute an additional payment for the right to have the property transferred into the homebuyer's name. Instead it is a payment to build a home. This is the case notwithstanding the fact that the land transfer to the homebuyer is conditional on the homebuyer entering into a building contract with a builder and that the sum of both contracts is considerably more than the builder agreed to pay for the vacant land.

Again this comes back to the core values of this government — fairness and making sure that it is fair for all concerned. Closing this loophole removes a competitive and financial advantage that bigger builders have against smaller builders, as the larger builders have the financial capacity to take on the risk of land speculation.

In my electorate of Murray Valley, particularly in the towns of Yarrawonga and Wangaratta, there has been a significant increase in the home building market in recent years. An increase in building activity shows confidence in the electorate and is also important in providing jobs in the building industry. However, figures released in March this year show that building activity in Wangaratta has followed the national trend, which has seen an 8.9 per cent drop in new private sector housing in the past year.

Local builders have indicated also that, as we were commenting on before, large package home companies are eating into the private housing sector, which is making it hard for our smaller operators. These small, often family, builders are the backbone of our local building industry in Murray Valley. These builders have local contacts and employ local people. They also provide a quality service to our residents. It is important that we do what we can through this legislation to protect these local businesses. While larger builders may offer customers all the bells and whistles when it comes to building a home, they often employ and use staff, subcontractors and suppliers from outside of the region. This obviously hurts some of our smaller businesses.

Moving on in the bill, as announced in the 2012–13 budget the government will abolish the stamp duty exemption for Crown grants of land. This amendment will not affect genuine Crown grants of land. Removing the exemption will, however, ensure that commercially orientated leasing arrangements involving Crown land are subject to duty in the same way as other commercial arrangements. It ensures a level playing field, promoting fair and efficient competition within Victoria.

The final amendment to the Duties Act 2000 replaces a particular discretion available to the commissioner of state revenue with an exception. The Duties Act 2000 provides that where dutiable transactions involving separate items of property occur within a 12-month period and those transactions form what is substantially one arrangement, the transactions are to be aggregated. As a result, the duty payable on these transactions is calculated on the aggregated value of the items of

dutiable property, ensuring that the higher rate of duty cannot be avoided by contract splitting.

This will also ensure that the aggregation provisions do not apply where transactions operate on a separate and independent basis for legitimate reasons. The Duties Act 2000 currently provides the commissioner of state revenue with a discretion to not apply the aggregation provisions, particularly if he is satisfied that it is just and reasonable to do so in the circumstances. This discretion has resulted in taxpayer uncertainty and has led to some taxpayers requesting the exercise of the discretion in circumstances where aggregation is clearly intended to apply. It appears that the discretion is rarely exercised except in cases such as where a builder buys two or more lots of land with the intention of building a separate new home on each for resale. Accordingly, it is proposed to remove the discretion and replace it with a provision that excepts such ‘builders blocks’ from the aggregation provisions.

The bill also amends the National Taxation Reform (Consequential Provisions) Act 2000. This amendment gives effect to Victoria’s commitment to introduce an interest and penalties regime that will apply uniformly across all Australian states and territories. Until now state government entities have been liable to pay penalty and interest charges in relation to legal GST liabilities but not in relation to notional GST liabilities. The application of penalties and interest in relation to notional GST liabilities has differed between the states and territories and certainly between them and the commonwealth.

While this amendment will allow the Australian Tax Office to charge Victorian government entities interest and penalties on outstanding notional GST payments, Victorian government bodies are model taxpayers and therefore the amendment is not expected to have any significant impact. A uniform interest and penalties regime will promote competitive neutrality and provide clarity and certainty to government taxpayers and the ATO.

There are a few more issues, but I will not go on further in the time I have left. However, this is an important bill, and I certainly commend it to the house.

Ms BEATTIE (Yuroke) — Let me say at the outset that the opposition does not oppose this bill but seeks to make some very sensible amendments to it. One amendment seeks to delete the duty increase on new passenger vehicles. The bill contains changes to motor vehicle duty which were announced by the government in the budget update in December 2011 and makes several other amendments. Of course we all remember

that last December the government announced that it would increase the duty rate on new passenger car purchases from 2.5 per cent to 3 per cent. That will raise the duty from \$5 to \$6 per \$200 or part thereof. That increase will commence on 1 July 2012, so we are well and truly counting down to that date. That is for cars valued under the commonwealth luxury car threshold. I understand that this change will bring in an additional \$33 million in 2012–13 and \$35 million each year after that.

Some of the other amendments in the bill clarify that particular war veterans are eligible for exemption from motor vehicle transfer duty, and it is my understanding that those veterans are already receiving the duty exemption. That is a good thing. Wherever we can assist war veterans — those who fought for this country — we should do so.

Another amendment closes the loophole in the building industry whereby large builders have been avoiding paying duty by splitting building contracts into parallel land and building components. It is my understanding that this will have no effect on the duty paid by homebuyers. But I will tell you what will have an effect on homebuyers, and that is this government's slashing of the first home bonus. Members will know that in my area — —

An honourable member — On the bill!

Ms BEATTIE — This is on the bill; it is what affects homebuyers. Members of this chamber, and particularly those on this side of the house, will know that those first home buyers bonuses have been a wonderful thing not only in assisting buyers to get their first home but also in assisting the building industry. I will talk more on the car industry, if you like, later.

The bill will also abolish the stamp duty exemption for Crown grants of land. This, again, was announced in the budget to ensure that commercially oriented leasing arrangements involving Crown land will be subject to duty in the same way as other commercial arrangements. It is my understanding that this is worth about \$5 million per annum. The bill also replaces a particular discretion with a legislative exception for builders' blocks. I understand that the shadow Treasurer, the member for Lyndhurst, was assured in the briefing process that this captures all the recent cases where this discretion has been used. The bill will also ensure that the state is liable to penalties and interest in relation to notional GST liabilities, giving effect to an interjurisdictional commitment.

I want to talk about one of the amendments that is being moved and what it means. We all understand that this government is taking more and more money from motorists' hip pockets. Motor registration will increase by \$35 a year and the rate of stamp duty, as I have said, will increase from 2.5 per cent to 3 per cent. These changes will affect not just Victoria's hip pocket, because Victoria's car industry has already been hurt by the high Australian dollar. This increase will do nothing to stimulate the car industry, a crucial industry, which I understand employs about 35 000 Victorians. Members on this side of the house — perhaps the members for Altona, Broadmeadows and Geelong in particular — will know how dependent we are on the car industry, but what we see is the industry being given nothing in return. It could have been given some incentives. In my electorate there also could have been incentives for Qantas to stay in Melbourne. The Premier just did not do enough or, if he tried to do something, it was very much too late. Where was he on the day Toyota workers were being marched out the door?

Ms Hennessy — Not in Altona!

Ms BEATTIE — Not in Altona. Where was the Premier the day Qantas workers were being marched out the door?

The ACTING SPEAKER (Mrs Victoria) — Order! I ask the member for Yuroke to come back to the bill.

Ms BEATTIE — Yes, Acting Speaker, I will. The Premier was nowhere to be seen on those days — —

The ACTING SPEAKER (Mrs Victoria) — Order! I have asked the member for Yuroke to come back to the bill.

Ms BEATTIE — Just as on those particular occasions, this bill does nothing for those 35 000 Victorians who are employed in the car industry. I would certainly like to see something done with the money that has been taken from motorists' hip pockets. Even the Victorian Automobile Chamber of Commerce has talked about that. The VACC has said that it welcomes the change, but it comes at a cost; it has a sting in the tail. We welcome the opportunity for motorists to pay their car registration in instalments, or in flexible payments, as it is called. We know the VACC has led a campaign for the payment by instalment option in this state. The VACC said:

The government should find the \$120 million required for a new VicRoads registration and licensing database elsewhere, rather than from motorists. While the change is welcome, it must be paid for out of consolidated revenue.

That was said by Mr David Purchase, the executive director of the VACC. The VACC recognises the need to increase payments, but it also says that the money for the new database should come out of consolidated revenue.

As I said, we on this side of the house do not oppose the bill. However, we support the amendments proposed by the member for Lyndhurst to omit the whole of clause 6. Clause 6 amends section 218 of the act to provide for a new rate of duty. With those few words I urge all honourable members to support the amendments proposed by the shadow Treasurer, the member for Lyndhurst. They are good, sensible amendments and I commend them to the house.

Debate adjourned on motion of Mr KATOS (South Barwon).

Debate adjourned until later this day.

APPROPRIATION (2012/2013) BILL 2012

Second reading

Debate resumed from 24 May; motion of Mr WELLS (Treasurer).

Ms McLEISH (Seymour) — I want to touch on some of the specific benefits that this budget brings about for my electorate. One of the ones I am most excited about is the delivery of chemotherapy chairs to the Seymour District Memorial Hospital. There is \$2 million of funding for that hospital. That is a huge deal for that immediate area because currently people from Seymour typically need to travel to the city, which involves a long trip and the hassle of finding a car park. It makes for a very tiring day, so being able to access that treatment locally is terrific for them.

However, it extends a little bit beyond Seymour because there are a lot of country towns in the region. People from Yea and Alexandra in my area would much rather make the half-hour or 50-minute trip across to Seymour in easy, country traffic where they know the town and the roads than have to fight city traffic and make a long journey to the city, which is particularly tiring and awkward for them when they are undergoing this type of treatment.

The Kilmore and District Hospital redevelopment will see 30 new acute hospital beds and a new outpatient building, which is terrific, and I know that the CEO and the board of the hospital are really excited about this project.

There is ongoing funding for a previous announcement that I want to touch on because this indicates a strong commitment to the health sector — the 24-hour ambulance station at Wallan, which is progressing well, plus the \$24.5 million allocated for the Northern Hospital emergency department expansion. Those initiatives will help strengthen that side of my electorate and are progressing well. I am particularly excited about those projects and also the additional chemotherapy beds in Seymour and the Kilmore hospital redevelopment.

In addition, we have ongoing funding for the Seymour P-12 regeneration project and the Wallan-Kilmore bypass, of which the planning phase is continuing as we speak. In the health sector there is also \$3 million going to the Healesville and District Hospital, which is a terrific little country hospital with a great reputation. The patients who go to that hospital completely enjoy their experience there, so it is terrific that we are supporting the hospital in that way.

I also mention our commitment to agriculture, which is particularly important for much of my electorate. The \$200 million investment in agriculture includes funding for the Future Farming plan and an additional \$61.4 million over four years to help build the profitability and productivity of the dairy, red meat, grains and horticultural industries. In my area we have lots of beef — mainly red meat, not as much dairy — but a lot of horticultural industries as well, and I know how pleased the sector will be with that commitment to agriculture by the government.

Boosting biosecurity measures across the farm sector will properly protect Victorian food and fibre producers from the threat of weeds, pest animals and diseases, and that is really important because we have such a strong reputation as a state and as a country in agriculture. We are undertaking initiatives to establish cooperatives to maximise the marketing potential of clean, fresh Victorian farm produce, and that is particularly good. We also have additional funding for forestry roads, which I know a couple of shires in my electorate have been asking about and are particularly keen on because the trucks involved in forestry operations put a fair bit of wear and tear on those local roads.

In response to the Cummins inquiry we are committing \$366 million for our vulnerable children. This is terrific. I note that \$19 million of that is going to recruit 42 new child protection workers. In terms of initiatives for seniors, the coalition government is committing additional funding to provide more support and services for older Victorians, including an additional \$72 million over the next four years for home and community care

services to keep our senior Victorians living independently in the community.

In response to the 2009 Victorian Bushfires Royal Commission the government is investing \$33 million, including \$20.6 million for the buyback scheme. This is important because the government is committed to adopting the commission's findings and letting the communities in those areas know that they have not been forgotten.

Ms Hennessy — Acting Speaker, I draw your attention to the state of the house.

Quorum formed.

Ms EDWARDS (Bendigo West) — I rise to make a contribution on the Appropriation (2012/2013) Bill 2012.

Dr Sykes interjected.

Ms EDWARDS — I appreciate the enthusiasm shown by the member for Benalla every time I get on my feet.

The Liberal-Nationals government promised not to abandon regional Victoria, but I fear that is just another broken promise. The writing is already on the wall. These are the words I used in this house following last year's first coalition budget. After this year's coalition budget I fear the writing is not only on the wall but is also on the floor, the ceiling, the roof, the windows, the armchairs and the dressers. In fact it is probably being graffitied somewhere as we speak. Members of The Nationals have abandoned the regional people they claim to represent and have submissively and passively given in to the Liberal majority and an ideology that seeks to punish families and workers, attacks the most vulnerable people in our communities and is both cruel and heartless.

This is an ideologically driven budget that is so very similar to the budgets brought down by the Kennett government back in the 1990s — the same backroom ideologues are driving the agenda. And nowhere is this more evident than in the government's plan to build a \$500 million prison. The Premier's justification for a new prison is population growth. The real reason is tougher sentencing imposed by this government and the failure to invest in prevention and rehabilitation programs.

Just last week we saw a 57 per cent rise in family violence offences in Bendigo, a 27 per cent increase in the number of assaults and an overall increase in crime of 10.8 per cent. This is despite a promise by the

Premier and the Deputy Premier when they came to office to reduce the crime rate by 20 per cent. Under this government Victorians are being subjected to increased crime and punishment. It is this announcement that indicates there could not be a more stark contrast between the values of this conservative government and those of Labor.

Dr Naphine — On a point of order, Acting Speaker, far be it from me to interrupt the member reading her speech, but I do remind her that it is not appropriate to read speeches in this house. She may refer to notes, but to read line for line and word for word her speech is not in accordance with the standards of this house. I ask you to suggest to her that she desist from reading her speech further.

The ACTING SPEAKER (Mrs Victoria) — Order! Is the member for Bendigo West reading her speech?

Ms EDWARDS — No, I am using notes. I do not need to read my notes to know what a terrible budget this is for regional Victoria.

The ACTING SPEAKER (Mrs Victoria) — Order! The question was: is the member for Bendigo West reading her speech?

Ms EDWARDS — No, I have notes.

The ACTING SPEAKER (Mrs Victoria) — Order! I do not uphold the point of order.

Ms EDWARDS — Thank you for interrupting my 15 minutes. Instead of investing in critical services that support Victorians and address the enormous challenge of population growth on the urban fringe and in regional areas, this government builds a prison. This is a lost opportunity — —

Ms Hennessy — On a point of order, Acting Speaker, unfortunately I cannot entirely hear the member for Bendigo West, and I ask that those interjecting on the other side be requested to quieten themselves so that those in the chamber can hear the member's speech.

The ACTING SPEAKER (Mrs Victoria) — Order! I can quite easily hear the member for Bendigo West. I do not uphold the point of order.

Ms EDWARDS — Not only has the budget failed to assist regional Victorian families who are most in need of support and care, it also a budget with which the government has endeavoured to hoax the people of Bendigo West. It is a bogus budget, if you will.

Nowhere was this more obvious than in the announcement of the appalling funding for Castlemaine Secondary College and Golden Square Primary School. Castlemaine Secondary College was promised \$7 million by the coalition government in 2010, and two budgets later it will receive just \$1.94 million. That is enough to lay a slab of concrete, but it will not build even one of the five new buildings this school had planned for.

Labor said from the outset that this school needed \$28 million to be completed, and then in a typical pre-election move the coalition jumped in with a figure that it thought would win the voters of Castlemaine, but it did not. Now after two budgets the coalition government has still not delivered.

Golden Square Primary School was promised \$5 million and was allocated just \$1 million in this budget. As I said weeks before the budget, there could not have been an easier decision for this government to make than to fully fund both these schools. The planning was done for all of these schools, and all they needed was the government to give them the money, but now it looks as though these school communities will be waiting for years for their new schools to be completed. There is no funding in the forward estimates for either of these schools, so I guess the kids can use the concrete slabs for basketball courts for a couple of years until the walls are put up.

The budget papers also reveal that the contract for the construction of the new Bendigo hospital will not be finalised until 2013. This confirms that major building works will not start by the end of this year, as was promised over and over by the Premier, the Deputy Premier and the Minister for Health. This is because works cannot start until the contracts are executed next year. Labor put this time line in place, and this was matched at the time by the coalition, which repeatedly said that significant construction would start by the end of this year. The Liberal-Nationals government intended to conceal the truth from the Bendigo community about when the construction of the new hospital would start, but its deception was uncovered in the budget papers.

The government has bungled this project right from the start, first by delaying the short-listing of bidders and now by a blow-out in the commencement of construction, which will ultimately mean a delay in the completion of the project. The budget papers clearly state that the finish date is now 2016–17. This is a massive broken promise by the Liberal-Nationals government, but what is worse is that patients across Bendigo and the region will have to wait longer for

their new hospital. The government is still trying to deceive these patients into believing the project will commence by the end of this year. It is a real worry when the government cannot manage a major project like this, having bungled every single stage of the project so far.

We are still waiting for the coalition government to deliver the remaining \$81 million of its promised additional \$102 million for the Bendigo hospital. In the *Age* newspaper of 19 May the Premier claimed credit for projects such as the regional rail link and the Bendigo hospital. Both projects were Labor initiatives and were originally opposed by the coalition. Taking credit for them now is typical of this government, which has nothing of its own to claim.

The promised gas connection to Maldon, Marong and Heathcote under the coalition government's Energy for the Regions program may be many years away now that the coalition has made Huntly its priority for gas connection. This is not surprising given the proposed 800-plus housing development at Huntly that has been given the go-ahead by the City of Greater Bendigo. This is a genuine incentive for a private gas provider to invest in.

The Minister for Regional and Rural Development is now saying that the coalition government will have to reassess the options for getting gas into the regions. What has now become apparent is that the reason the minister has sidestepped answering questions in Parliament about gas delivery to these towns is that the promise was in fact just hot air. It is hardly open and accountable government when residents of these towns cannot get answers to the questions they are asking about just when they will be connected to the gas network and what the cost to residents will be.

Last week the Minister for Roads finally fessed up that there had been no allocation of planning money for the Ravenswood interchange on the Calder Highway. After 18 months and having been asked in Parliament eight times about this, the minister announced that he assumed the planning money was already in the VicRoads budget. I do not know of any minister in any government who would base their decisions and leadership on assumptions. The general rule is to do some research and base decisions on fact.

The fact is that because of its ineptitude the government has put this project on the backburner for years now. It has so far failed to submit to the federal government for funding from the Nation Building program, despite the minister telling the community back in February that he had done so. It is unconscionable for this project to be

delayed when it has been the site of many accidents and fatalities in the past.

It was only after considerable pressure was put on the coalition government that it finally announced additional rolling stock for V/Line regional rail services. Cryptically, there is no dollar figure given in the budget for this new V/Line rolling stock, and there have been no answers to questions asked about when the carriages will be delivered or how many will be allocated to the Bendigo–Melbourne line.

The government's decision to abandon the Victorian cancer action plan is heartless and mean, and it will result in less support for cancer prevention and services in regional Victoria. The cancer action plan provided services such as breast screens, antismoking campaigns, cancer screening services, inpatient care and funding for new technologies for the prevention and treatment of cancer. Abandoning this \$150 million plan will mean less women will have a breast screen, less people will be screened for other cancers and the investment in new technology to prevent and treat cancer will be scaled back.

This is a cruel cut to a service that has operated to help Victorians by promoting prevention, research and treatment along with support for people who may be at risk of getting cancer or have been diagnosed. We know cancer is Victoria's biggest killer. That is why in 2009 the Brumby Labor government advanced the fight against cancer by implementing the cancer action plan to save lives and provide the best cancer care in Australia. Of great concern is that the cancer action plan would have seen breast cancer screening increase by 20 000 tests per year, but it is now unlikely that that target will be met because of the cut to funding.

The coalition's second budget is a horror budget for families and individuals waiting for public housing in regional Victoria. At a time when public housing stocks are at a critically low level, the Liberal-Nationals government has cut spending on much-needed public housing. More significant is what the budget papers reveal about funding for the future building of public housing stock — there is none; not one single cent! We will see another year of coalition dithering that will impact on the level of homelessness in this state. The Baillieu-Ryan coalition government's failure to properly invest in Victoria's public and social housing will result in vulnerable families waiting longer for the most basic human need — shelter.

The announcement in the budget to fund a multidisciplinary centre in Bendigo to tackle the rising incidences of child and sexual abuse is testament to the

success of the pilot program put in place by the former Labor government. In government Labor set up pilot centres in Mildura and Frankston and planned one for Geelong, which is now getting under way. An evaluation of these pilots has proven that a coordinated and multi-agency approach is the best model for tackling this horrendous social problem. I am pleased that the coalition government has realised the value of this approach and funded the continuation of these centres, and that one is now planned for Bendigo, although it is a shame for the victims, that the coalition did not realise the value of these centres over a year ago and has only just acknowledged how successful they are. It is now incumbent upon the coalition government to get this centre up and running without delay.

The announcement of \$900 000 in the state budget to continue the operation of offices of the Department of Premier and Cabinet in Bendigo and Ballarat is a complete waste of taxpayers money — money that could be better directed towards more hospital beds and public housing or the provision of training in the TAFE sector. Those offices will duplicate existing services provided by three state members and two federal members of Parliament. It is purely a self-promotion exercise by the Liberal Party and is a waste of taxpayers money.

Given the so-called 'tough times' budget delivered by the coalition government, with a massive \$600 million cut to health and hospitals, and when families are being forced to endure cuts to vital support services such as the School Start bonus and the education maintenance allowance, it is appalling to put \$900 000 towards running these offices. It is also unconscionable to sack an additional 600 public servants, bringing the total number to 4200, while 3 or 4 public servants keep their cushy jobs in these offices. It is a waste of public funds.

After the \$50 million cut to the Victorian certificate of applied learning and the \$40 million cut to TAFEs last year, the additional \$300 million cut to TAFEs in this year's budget is a heartless and brutal attack on the skills and training sector. Bendigo Regional Institute of TAFE has already announced there will be cuts to courses and around 120 jobs lost as a result of this massive cut; it will be \$9 million in the red. Many young people in regional Victoria will have no opportunity for skills training or further education because they cannot afford the cost of private providers and because their TAFEs, like those in Castlemaine and Maryborough, might close. It will mean that they cannot afford to travel to larger centres for education and training. This is a short-sighted and ludicrous attack on a sector that is so vital to the future of our skilled workforce.

This government has its priorities twisted. While rural and regional Victoria bears the brunt of the jobs crisis, with 16 400 full-time regional jobs lost last month alone, what is this government's response? This government either sits back and does nothing, or makes the wrong decisions by cutting vital business, welfare, education and health support for rural and regional families. Make no mistake; this was an ideologically driven budget — —

The ACTING SPEAKER (Mrs Victoria) — Order! The member's time has expired.

Mr CRISP (Mildura) — I rise to make a contribution on the Victorian state budget. Firstly, I will set out the broad circumstances that have shaped this budget. The budget has been shaped by tough times and some challenges. Its focus is on securing our future. Victoria faces some quite substantial challenges. Some of these are inherited, and I will get to those later. We are not an island unaffected by what is happening in the world at the moment. Global forces are putting real pressure on Victoria's businesses, families and the government's capacity to meet their needs. The government cannot ignore these challenges, nor can it afford to passively accept them. We have to cut our cloth to match our circumstances.

The budget sets out a clear plan to meet those challenges and take full advantage of current and future opportunities. We are living in a time of great change. The budget is about driving economic activity, productivity and jobs. It is about rebuilding the state's finances, investing in state infrastructure, enhancing our front-line services, taking new measures to protect Victoria's most vulnerable people and meeting the community's needs in health, education and community safety. This is a responsible budget and a necessary approach.

But let us also look at the legacy. Labor's legacy was to leave Victoria in a financial mess. Over the decade to 2011 the average growth rate was 7.3 per cent a year and revenue growth was 6.9 per cent. That gap increased and caught us out at a time when the global financial crisis had hit Victoria. Between 2008 and 2010 an increasing share of the capital spend was being used for borrowings. A number of projects faced considerable overruns, and I will talk about some of those later.

I cannot go much further without talking about the north-south pipeline. The money spent on that project would have built or finished 150 Ouyen school projects. It now sits as a testament to a not-so-good decision at the time; in fact it was an appalling decision.

It is simply not an option for Victoria to continue on this course. Had the growth in spending continued as it did over the last decade, Victoria would have accrued a \$4 billion deficit in the current financial year. This would have seen our debt rise to \$60 billion by 2016, which is clearly an unsustainable position.

To further complicate that instability, we would have lost our AAA rating. I note that South Australia has just lost its AAA rating. The cost of that is millions of dollars a year. If we were to lose our AAA rating, according to an estimate that I have seen, it would cost us a Bendigo hospital every year in additional interest payments. This is a very important rating to hang onto. It would undermine the government's capacity to fund our infrastructure, transport, hospitals and police. Federal Labor's unfair treatment of our GST means that there is less money to fund our key programs and infrastructure. This has been a truly appalling rip-off by the federal government.

As I said, there have been hits to our revenue. The level of GST is falling in our community. We know that; we only have to take a walk down our main streets to see how quiet some of them are. The state is dependent on its GST, but that is falling. Our next major funding source is land transfer — the stamp duty paid when people are buying houses. We know that area is quieter too. People are saving their money and being austere.

Our total revenue is down considerably and continues to drop, particularly, as I said earlier, given we are not an island and cannot separate ourselves from what is happening in the rest of the world. Also, to complicate Victoria's recovery and its expenditure, we have had floods. As I stand here tonight, elsewhere in Victoria there is water over the floorboards, and this will impact on our budget. It has a hardship effect, and it will also have an economic effect.

In terms of other areas, we cannot leave myki alone; it continues to cost money. I am reminded of something someone once told me: in government, when it comes to IT, if it does not come in a box, do not buy it. That is a very simple policy. To extend that example for those who have not got the message: if it comes in a box and it does not work, you can send it back. We have learnt that lesson the hard way with a whole lot of IT projects from myki through to HealthSMART, and from our experience with a number of other databases we deluded ourselves into thinking were ever going to work. Those also led to waste. Some of the waste areas are very much IT related. There was also the LINK database and HR Assist — the list is enormous.

Going back to where I started, in terms of what we are going to do, we need to look at what our strategy is going to be. We are going to have a disciplined approach to expenditure. That is very important. We also need to ensure a sustainable approach to government debt. That has got to be manageable. We cannot leave our children with a very large debt to repay into the future. We will also be maintaining the government's commitment to the surplus and to maintaining and improving our front-line services. Let us talk about the extra police and protective services officers, the extra child protection workers and the significant extra funding for hospitals and public transport.

I think too in looking at where we sit as far as the rest of Australia goes, again we are not an island and we cannot separate ourselves from what is occurring elsewhere. The New South Wales government has announced that 5000 public servant jobs will be lost and has not ruled out more. In fact in some of the New South Wales press the government is being criticised for not reducing the public service enough. Queensland has made no official announcement — its budget is still to come — but media reports suggest that 10 000 public servants could have to go in Queensland because of its particular debt situation.

In South Australia 4100 public service jobs were lost last year and an additional 1000 were lost this year, and that was not enough for the state to keep its AAA rating. Tasmania has a much smaller public service, and although there has been no official announcement, the media there is speculating that 2300 jobs, or 10 per cent, of the state's public service, is to go. The Northern Territory has had \$300 million cut from its public service, and the federal government revealed that the number of jobs to be cut from its workforce is 4200.

Victoria is doing very much what other states are doing in taking that tough medicine. I think we have to learn from history and the expenditure path followed by Labor from 2006 to 2010. If that had been maintained to 2016, we would have had huge debt. It was similar to the mid-1980s when Labor, which cannot manage money, again let things slip away and ended up with a \$32 billion debt, which again had to be straightened out. If we had not had a change of government and had not addressed this, Victoria would have been facing a very difficult rerun of history.

These are difficult times and we are being responsible, but I believe the Mildura electorate has done very well since the coalition government came to power, and it has done very well from this budget. I am going to talk

about a number of projects in Mildura which I think are about getting back to the things that are important.

The state government is providing \$5.2 million of a \$6.4 million project cost for our airport expansion, with work to start in the not-too-distant future. The Mildura airport continues to serve in excess of 200 000 passengers a year, with solid growth. I would expect that with the reintroduction of services to Adelaide and Sydney we will continue to see considerable passenger growth in Mildura.

In terms of the riverfront, Mildura has wanted to be connected to its riverfront, as many other Murray River cities are. With \$7 million and an application to the federal government for an additional \$4.8 million we will see considerable works done to link our CBD to the riverfront, while living with a railway line in between. There are some challenges in this. The first key part of that project is a \$5 million pedestrian extension from Langtree Avenue, better known as Feast Street, down to the riverfront to allow people to move between our restaurant quarter and our scenic river area.

The Mildura hospital has had \$7 million put on the table to expand its accident and emergency, maternity and mental health services. I have talked about this for a long time in this place, and I am very pleased to see that that figure has been secured in our budget. There are some very impressive statistics in relation to our accident and emergency services, and I take my hat off to those people who work in the A and E unit at the Mildura hospital for their ability to put the number of patients they do through such a small facility. That facility will be doubled in size, which will bring it more into line with the numbers of people it is treating. It is incredibly busy.

In the maternity area we will get an extra birthing suite. Mildura's birth rate has continued to grow and is now approaching 1000 a year. This is an important addition, and there will be some additional cots provided in key areas. Mental health is a priority for all governments at the moment, and our mental health services will be expanded. I have to also pay credit to the hospital, the medical fraternity in Mildura and the state government for the work that was done to achieve \$6 million for accommodation for medical staff in the Mildura area.

Ouyen P-12 College got \$5 million to finish its project off, and the Robinvale P-12 College received some money to do its courtyard. It has a new school clustered around a courtyard. There was no money for the site works, so members of the community really put their backs into it and raised some money, which was

matched by the department. I visited recently to tour the school, look at the courtyard the community built and meet with the school council.

With respect to other schools, there is a maintenance audit under way. There is a \$20 million School Improvement Fund for high-priority maintenance, something the previous government let slide. This is now being picked up, and there is \$37 million in funding for the cleaning and utilities of the Building the Education Revolution projects. All of that helps. The Pasadena Pre-School Centre has received \$300 000 to assist it to transition to the 15-hour program. This is a wonderful facility with some wonderful kids and parents whom I met the other day.

Mildura has resilience; it has been accepting and adapting to change for a long time. Mildura and Victoria will become stronger for the times as a result of this budget and will be able to take advantage of the future. Mildura is a food-growing area, and we know there are some wonderful opportunities there. It is also an area with solar resources, and these are being developed with Silex Systems, Solar Systems and the TRUenergy bid. The Victorian government has set aside the money, should that bid be successful, to be used in the readvertised Solar Flagships program.

I pay tribute to a number of organisations and people who have worked very hard to put Mildura in an excellent position to move forward. They include the Mildura Development Corporation. Anne Mansell and her team are facilitating the future and providing the vision and direction for Mildura. In tourism, another major part of the Mildura economy, Rod Trowbridge and his team are refreshing and upgrading the product as well as developing new product. In education Mildura TAFE and La Trobe University have \$20 million on the table to improve their undergraduate offerings. This is very important in enabling Mildura TAFE to get articulation and transition from the top end of TAFE to university. Our students lag behind in tertiary completion rates. You only have to do the numbers to know there are not many regional TAFEs, and an injection of \$20 million will be useful in improving educational outcomes in those communities.

This government is setting the foundations for a better future, not one hamstrung by debt, inefficiency and waste. I commend the budget to the house.

Ms HENNESSY (Altona) — It is my pleasure to rise to make a contribution to the debate on the Appropriation (2012/2013) Bill. I must say from the outset what a deeply disappointing budget this is. I represent an electorate that is very diverse in cultural,

economic and social terms, and I imagine when one obtains the privilege, the honour and the joy of government that the budget is the time for you to set out your vision and your agenda. It is the time for you to have the opportunity to realise how you intend to dance in both a regulatory and funding sense with the economic and social challenges of the time.

Whilst members on this side of the house and members on that side of the house may have a different set of values and a different vision, we probably would agree that the utilisation of the opportunities of government are deeply held opportunities. However, this was an opportunity that this government relentlessly squandered in this budget. It squandered it at a time when all Victorians, particularly those in the electorate I represent, needed a government that was prepared to seize the levers of influence and vision and the financial levers that were available to it in order to dance with the challenges that befit our time.

We are in difficult economic times. I do not think there is anyone who unilaterally blames the Baillieu government for those economic times; they are a product of a range of circumstances. But the situation the Baillieu government found itself in at the time it brought down its second budget was that it had spent a year sitting on its hands denying that Victoria was lurching into a jobs crisis. The fact that Victoria was lurching into a jobs crisis was no more acutely felt than in the electorate I represent. Nowhere more than in the western suburbs did we need a jobs plan from this government at this time and in this budget.

I represent an electorate where the population growth outstrips the jobs growth. It is an electorate that requires urgent infrastructure investment, not just to generate employment and provide services but to attract investment and leverage off the incredible opportunities around Melbourne metropolitan areas reaching out in population growth towards the Geelong region. We have a range of industries and economic opportunities, but we require a government with the vision, the desire, the hunger and the ambition to actually put some petrol in the tank around these sorts of policy initiatives. However, this government has unilaterally failed these people.

This is an area, as I said, that has incredible economic and competitive advantage. It is an area that, failing a government that has a hunger for investment and the capacity to see what the economic and social vision might be, without jobs and without infrastructure investment, is at risk of turning some of these communities where we have intensive population growth into economic and social ghettos. It is at the

junction of the Victorian budget that we need to say to government, 'How is it that you utilised your political capital and your power? How is it that you responded to the prevailing economic and social challenges of your time?'

What I find incredibly frustrating about this budget is that this government spends such an incredible amount of time trying to either look retrospectively and blame the previous government even when it inherited a AAA-rated budget from a government that had delivered a surplus for every single year, that had generated employment, that had survived the Victorian economy through the context of the global financial crisis — —

Business interrupted pursuant to standing orders.

Sitting continued on motion of Mr McINTOSH (Minister for Corrections).

Ms HENNESSY (Altona) — Rather than acknowledge some of the economic and social truths and histories of what it inherited, this government has sought to demonise the previous government and blame every other prevailing economic and social circumstance on either another level of government or the international economy. All these issues may be either directly or contestably relevant to how it frames its vision for Victoria. But what it fails to do is to take on any meaningful ownership of the challenges that confront Victoria, so obsessed is it with blaming other people.

The failure of a government to accept and step up to its responsibilities of government and explain and articulate what the role of government is, particularly a state government, in this environment is an act of extreme political cowardice. That is what this government's budget represents and what its response to the prevailing economic and social challenges represents, and in my view it is a moment for which this government will be harshly judged in the future.

With this budget the government took no steps to try to stimulate the Victorian economy and took no steps to try to generate jobs, and too many of the people I represent will bear the cost of those decisions. The great shame with this budget is that this government has embraced an employment growth target of 0.00 per cent, and that is not a target to be proud of. In the previous budget the target, on the Treasurer's own assertion and commitment, was in the vicinity of \$55 000. But we have had 49 000 jobs lost in Victoria over the past 12 months.

Is this budget an adequate or congruous response to those challenges? It is not. It is nothing other than an act of political, laissez-faire cowardice, where it blames everybody else and is not yet capable of stepping up to its economic leadership obligations to outline and understand how it says it will intervene, stimulate, nurture and grow the Victorian economy. It must be a very difficult place to be. It must be difficult to deliver a budget in circumstances where, because you have sat on your hands for a year and because of some of the contributory prevailing economic circumstances, you are losing 900 jobs a week.

The people I represent know how this feels. The 350 job losses at Toyota in Altona have been an incredibly dark marker in the economic history of the seat I represent. Sadly we have seen neither hide nor hair of the Premier with respect to these people and what it means for them and their families, in relation to how they pay their mortgages, what it means for their kids, how they support their families and what it means for those who were aspirational about getting a good apprenticeship. Many of them are people who have come through the Victorian certificate of applied learning, another program that has been the subject of vicious cuts, as well as TAFE. But I will definitely come to that.

It is not just those who have been affected at Toyota in Altona; many people in my electorate have been affected by the consequential impacts in the car components industry. Yet again this government spent a year sitting on its hands, unsure and unaware — conflicted between its ideological aversion with respect to intervening and stimulating markets and really not quite understanding that Victoria was lurching into a jobs crisis. It is not just the workers at Altona Toyota, it is also the workers at Qantas, the people at ANZ, the people at Telstra, the people at Ford, the people at 1st Fleet — to name a few. There are also those people who work in the public service, where at least another 4200 workers will be affected by this government's callous job cuts.

I must say I take a fierce objection to the government's characterisation of its so-called austerity measures. To call them 'austerity measures' is Orwellian in the first degree. It is Orwellian in the first degree because it imposes the economic assumption that these are absolutely necessary, because this government has not yet worked out how to be a government and how to use the levers of influence that are available to it.

This comes on top of the government cutting the first home bonus. That is another issue that deeply affects the people I represent — people who gain their

employment, who pay their mortgages, who fund their kids' swimming lessons, who buy their kids' school shoes and, hopefully, who pay for the annual family holiday as a result of working in and around the construction industry. This government does not understand some of the incentives it can influence as a state government in that industry — things that are absolutely essential for the economic and social health of the people I represent. Rather than understanding how to use that tool, it instead cuts the first home bonus.

Where is the government's hunger for jobs? We have established that it does not accept responsibility and that it feels so ideologically conflicted about what the role of government ought be. I for one am a person who believes the role of government can and should be for good and that the role of government ought to be to understand how you use the power that is available to you to stimulate the economy, to provide opportunities for people and to address issues such as inequality. But this government has consistently walked away from that opportunity, and nowhere is that more crisply indicated than in this budget with its incredible disappointment.

The budget is a completely unimaginative response to difficult economic times. It is such a short-sighted response to adopt an approach of mass sackings at a time when what we need is stimulatory activity and support. But then we think about support. Supporting people in difficult times is not in the DNA of this government. As I said, I represent an electorate that is incredibly diverse in economic, social and cultural terms. The impact on local families in my electorate, particularly those who are doing it tough and struggling with the cost of living, is another example of this. How does the government respond to supporting these people?

We could look at it through the rubric or the allegory of what this government's response has been in the field of education — for example, let us look at the education maintenance allowance. We see that the school component has been scrapped. We see the sorts of things this will mean for school programs and services. In my electorate the abolition and cuts to the education maintenance allowance will mean that breakfast programs for students will be gone.

A number of schools in the area that I represent have breakfast programs. A range of children have moved into the area, often in the context of public housing because the Port Phillip Prison is in my electorate. Many of the parents are sole parents because one member of the family is serving time. They have

moved into my electorate, and they are absolutely reliant on this breakfast program because it might mean that their child will be able to go on a school excursion and not be fingered out as the 'economically challenged one'. They were not disadvantaged because they were able to access a speech therapist or a social worker — but no more, because this government has cut the schools component in the budget. This is not just a small number of people. One of the schools affected has 700 students, and 50 per cent of those students entering prep are classified as at risk on the economic and social disadvantage scale.

What this government has done, rather than investing in the future of these children by providing them with opportunities and fulfilling our societal and public obligation to them, is walk away from them by making this callous cut. The government does not understand or accept the role government can play or the opportunity and possibility it can bring to the lives of these sorts of children. A government that does not do this does not deserve to be in office.

This comes on top of the government's callous attacks on the TAFE sector, which make a lie of its claim — its economic fiction — that it will grow productivity in this state, because you cannot increase productivity without investment in skills. The government is starting to feel a bit of pressure in respect of the TAFE sector, and it is a pressure that will continue to be brought to bear as families and students realise that the government wants one rule for the haves and another for the have-nots.

The government ought to be ashamed of this budget. The opposition will continue to illuminate, exhibit and argue this very point. A government that refuses to use its power is a group of people who do not deserve power in the first place.

Mr KATOS (South Barwon) — It is my pleasure to rise to make a contribution to the second-reading debate on the Appropriation (2012/2013) Bill 2012. The government has handed down a responsible budget given the economic challenges that Victoria is facing. Global and national economic factors have resulted in a softer economy and decreased revenues. The debt crises in Europe, including Greece, have affected global markets, and the higher Australian dollar has affected many Victorian exporters in both the manufacturing and agricultural sectors. We also have lower commodity prices in some sectors of the economy. These factors have put pressure on the budgets of businesses and families. Governments, like families and businesses, have to live within their means; they cannot keep spending money they do not have.

The budget is about driving economic activity, jobs and productivity. Members on this side of the house, especially those who have been in small business, understand the importance and value of workforce productivity. Under the Kennett government Victoria led the way — it was the leading state in Australia — with regard to productivity. However, under 11 years of Labor administration productivity went backwards, and Victoria is no longer the leading state when it comes to productivity.

The budget invests a record \$5.8 billion in state infrastructure with little assistance from the commonwealth. It will see important projects being undertaken in Melbourne and the regions. The budget delivers a \$155 million surplus and maintains our AAA credit rating, which is so important to the cost of borrowing money. As the Premier mentioned in question time today, if we were downgraded one rung, it would cost Victoria \$200 million a year in additional interest costs. That sum could certainly be well spent on projects around the state.

The budget is also about reducing business costs, with initiatives such as a 3 per cent reduction in WorkCover premiums and many measures to reduce red tape. This side of the house knows about reducing red tape and regulation. When the other side of the house was in government all it did was increase regulation and red tape, and it is up to us to unravel that.

Victoria is also facing challenges from the federal Gillard Labor government, with Victoria's share of GST revenue decreasing by \$6.1 billion over the last 18 months. We are also battling an unfair distribution of GST revenue; Victoria does not receive its fair share. I can understand the original intention of subsidising states like Tasmania; however, if you look at Tasmania, for example, you see its strengths are in agriculture, forestry, fisheries and mining. The Tasmanian Labor-Greens government has decimated those industries, so why should Victoria continue to subsidise Tasmania?

There is also the uncertainty of the carbon tax, which is affecting business and consumer confidence. This uncertainty creates an environment in which businesses are reluctant to invest and consumers are reluctant to spend — they are saving more, hence they are not spending out in the economy.

This budget is about strengthening Victoria's finances. Victoria and Western Australia are the only two states in Australia that are running surpluses. Surpluses are vitally important as they fund key infrastructure and spending and pay down the debt that was left to us by

Labor. Net debt is forecast to decline over the forward estimates period.

On top of this we have Labor's waste and mismanagement. It is simple: Labor just cannot manage money. This has been proven time and again at both state and federal levels. Expenditure growth was out of control under the former Labor government. It grew at an average rate of 7.3 per cent, but revenue was only growing at 6.9 per cent. You do not have to be a brain surgeon to work out that that is not a sustainable situation — Victoria was going backwards every year.

The Baillieu government is bringing expenditure under control. The forward estimates forecast revenue to grow at 4.1 per cent and expenditure to grow at 2.9 per cent, which is clearly a sustainable position to be in: you are in the black if you are doing that. If we had taken no action — if we had left Labor's budgetary settings in place — the state would be \$4 billion in deficit by this year and the deficit would have continued to grow over the forward estimates period, so clearly the government had to take action.

We also had to deal with numerous capital expenditure overruns of the previous government. We have been dealing with the millstone that is the Wonthaggi desalination plant. That will be a millstone around the necks of Victorians for the next 27 years, costing just under \$2 million a day without even taking a drop of water. I know this is an issue that is close to your heart, Speaker, being in your electorate. When members opposite stand up during the adjournment debate and ask for something to be funded in their electorates perhaps they should think about that almost \$2 million a day and what that could be doing in Victoria as far as capital works go for schools, for hospitals, for police and for nurses and doctors. That money could be being spent right throughout the state, but instead it is being wasted out on the Wonthaggi desalination plant. I remember those opposite for a long time telling us it would never rain again; well, it is raining.

I turn my attention to the South Barwon electorate in the Geelong region. In this year's budget there is just over \$8 million for planning and land acquisition for the Grovedale railway station. This station, which is going to be built at the end of Rossack Drive in Grovedale — it is right on the border with Waurin Ponds — will have provision for up to 400 car spaces, will be an enclosed and staffed station, will have air conditioning and heating and will be a welcome addition there. The first part of the station will be on the northern side of the railway line and will service the existing areas of Waurin Ponds and Grovedale, and in future the larger part of the station will be constructed

on the south side of the railway line in Armstrong Creek.

This year will also see the regional rail link project continuing, which is a fine thing for the Geelong area. It is a project that was mooted and first proposed by the previous government. It is a good project, but unfortunately we were left with some funding black holes to resolve there. In particular signals and rolling stock were not even costed, which is quite extraordinary. That project will provide for an extra 9000 passenger trips per weekday in Melbourne and country areas, and that increasing of capacity during weekdays is a fine thing.

As part of the Regional Growth Fund there is the country roads and bridges program. The Surf Coast shire in my electorate and shires such as those in, for example, the electorate of the member for Mildura will receive \$1 million a year over four years; this will be the second year of the instalments. That funding, which has no strings attached, is to go into country roads and bridges to increase the ability of rural shires to maintain their roads and bridges. That is also a good initiative.

Something else that is continuing this year in my electorate is the construction of noise walls at Wandana Heights, which are well and truly under way. The footings are in, and we should see those up shortly. This year's budget also delivers a \$13.6 million combined police station and SES (State Emergency Service) complex for Waurn Ponds in my electorate. This will be the only police station on the south side of the river, and it will be a fine addition. The budget will also see the South Barwon SES unit relocated from Belmont to Waurn Ponds. With the growth in the southern suburbs of Geelong, that is now where the action is, so the SES will be much closer as far as response times go.

The budget will also deliver an additional 20 police officers to Geelong for the 2013 year, which brings the total allocated to Geelong up to 34 officers. We will certainly be looking for an additional boost once the Waurn Ponds police station is completed, which will be at the start of 2014. As far as emergency services go, the new Torquay SES base has also been funded. We do not normally fund SES capital works, but in this case if the state government had not stepped in, there would have been a danger that that SES unit would have closed because its facility was located on a former council site which has been sold, so we have stepped in there. It is an \$850 000 project, which will see the Torquay SES unit continue.

Also in the budget there is money to buy the first school site in Armstrong Creek at Connewarre. This will be in

the Armstrong Creek east precinct, the area that is under construction at the moment — the first houses have just gone in — so we are well and truly ahead of the game with respect to this school site. This is something we are very conscious of given the school mess we were left with in Torquay. The previous government should have acted a lot sooner to acquire land for a secondary college and a second primary school, which was done in April of this year, with the site for the secondary college and the second primary school being acquired in North Torquay in the vicinity of South Beach Road. We certainly do not want to see that situation repeated, so we are getting well ahead of the game and acting before land values go up too much, as has occurred in Torquay. We are therefore providing good value for money for the taxpayer.

This year's budget will also see the Bellbrae Country Fire Authority facility upgraded as part of a \$23 million budget investment in upgrading or building new CFA stations around the state. This is extremely important given the proximity of Bellbrae to the eastern flank of the Otway Ranges. The budget also allows for additional controlled burns, which is important. Already in this financial year 170 000 hectares have been burnt, and we are committed to achieving the target of 225 000 hectares in the coming year. These planned burns are our best defence and reduce the risk of bushfire in these rural areas.

One of the most significant investments is the \$93 million in Geelong Hospital, which services the four lower house electorates located around and in the Geelong region and even some surrounding electorates. This is a major investment in the Geelong region and will include an additional 64 beds at Geelong Hospital and an integrated cancer and palliative care centre, which is excellent. I commend the fine work of the staff of Barwon Health, particularly that of board chair John Stekelenburg and CEO David Ashbridge. There is also \$2 million in funding for urgent capital works at Geelong Performing Arts Centre, which is a regional facility, and that is welcomed by those at the centre.

All of these measures in the Geelong region will result in the creation of approximately 330 jobs during the construction phase. This is very important direct investment in capital works that will create jobs in the Geelong region. With those comments, I commend the bill to the house.

Ms BEATTIE (Yuroke) — It is customary to say, 'It gives me great pleasure to rise to speak on the appropriation bill', but I cannot say that this time. It does not give me great pleasure to rise to speak on this appropriation bill. We on this side of the house think

that being in government is about having a vision, setting an agenda, providing leadership and giving confidence to the citizens of the state. What we have seen here tonight is a debate on the second Baillieu budget. What have we heard from government members tonight? We have heard that the economy is faltering and that these things are at fault: the drop in GST and stamp duty revenue; myki; and the high Australian dollar. I have to say this government inherited a AAA credit rating. It is not too hard to understand what 'AAA' means.

This government is quite happy to strut around the state opening projects that were started by the last government. The government does not complain about that. The Premier took credit for the Royal Children's Hospital redevelopment. We will see him taking credit for the Hamer Hall refurbishment, but we will not see him opening any new projects that have actually started and been finished under this government, because there are none. We have seen this government announce an east-west tunnel. We saw the Premier and the Minister for Public Transport drilling little syringes into the ground. This was supposed to be the start of the great east-west tunnel. What a furphy that was!

I am going to talk about some of the things the government does not want me to talk about. Some of those things involve jobs. We all know the Premier has no jobs plan at all. He is like a strongman in a circus that hits the mallet on a device that makes an indicator rise. The indicator rises to 40 000 and then 41 000. There will be 42 000 next week; that is what the Premier does in relation to jobs. He stands idly by while the indicator and the numbers keep going upwards. There was the Qantas relocation to Brisbane. What incentives were offered to Qantas to stay here? We will never know, because the Premier will not tell us. We know it is not good enough, but we will never know what it was about because he will not tell us.

Infrastructure projects can be influenced. Governments play a part in relation to infrastructure projects. The Labor government played that part. It might not have financed them; there might have been private-public partnerships, but procurement procedures existed where government had to buy a certain number of components for trains to be built. They had to be Victorian made. Government can do things.

I want to talk about schools, particularly those in my electorate. We will probably see some teachers out the front of the Parliament tomorrow because of the Premier's sleight of hand. He told teachers they would be the best paid teachers in the country. One of his rolled gold election promises was that teachers would

be the best paid in the country. Tomorrow they will probably be out the front of the building to remind him of that promise.

The EMA, as the education maintenance allowance is known, is perhaps not an issue for some schools in some places, but in my electorate it is an issue. In my electorate there is Roxburgh Rise Primary School, where over 60 per cent — it is nearly 70 per cent — of parents claim the EMA to have money for their children's books and excursions. This was support given by the previous government, but this government has cruelly slashed it from parents.

There are also the cuts to TAFE. I attended a jobs forum in Broadmeadows last week. One of the things that people talked about was a lack of skills. They can only see it getting worse, because this government is defunding a lot of TAFE programs. The Minister for Education visited Mount Ridley College at the beginning of the year. He received some publicity, and everything was hunky-dory. But where was he when the school applied for stage 5 funding? The school did not receive stage 5 funding in 2011, and in 2012 it has not received its stage 5 funding either. This is a P-12 school. Next year some students will be in year 10. Classes might be held, but they might be held on the oval because there might not be any classrooms for those students. There is not a cent for Mount Ridley College. We will be hearing a lot more about that later. I can tell members that the parents there are absolutely furious that the Minister for Education used them for publicity purposes but then refused to go out and meet with them when he did not fund the next stage of the school.

There is another thing I want to talk about, again on the subject of the education maintenance allowance. Like the schools in the electorate of the member for Altona, some of the schools in my electorate, which is an area where people are not very well off, have breakfast programs for the students. What will happen to those breakfast programs? Some of the non-government organisations (NGOs) might step in and provide breakfast for them. It should not be the role of NGOs to do that. They are government schools, and that was exactly what the EMA was for. I call on the Baillieu government to reinstate the EMA.

I have talked about jobs. I also want to talk about Melbourne Airport — not about Qantas this time but about a rail link to the airport. It is about time we saw that. What we have is a mickey mouse train that goes to Avalon Airport. I do not begrudge Avalon a train, but Melbourne Airport is the main airport for Melbourne. By the end of this decade we will have 40 million

visitors to Melbourne Airport, but we do not have an airport rail link. I call on the Baillieu government — —

Ms Ryall interjected.

Ms BEATTIE — Just settle down, Queen Dee, and listen. I think the only time the member for Mitcham has been to the airport has been when — —

The SPEAKER — Order! The member for Yuroke should just ignore interjections.

Ms BEATTIE — I will, but I do understand that the only time that the member for Mitcham has been to Melbourne Airport has been on an aeroplane, waving goodbye to everybody.

Ms Ryall interjected.

Ms BEATTIE — ‘That’s right’, she says. Let us hope that she goes to Melbourne Airport and waves goodbye a few more times.

I also want to talk about the first home bonus. What a cruel cut that is. People buying their first home need that extra incentive to get into their own house. This will not only impact on those first home buyers but also on the construction industry. The construction industry depends on building things. This cruel cut will not only stop people getting into their own homes but will strangle the construction industry. Then those opposite will say, ‘What’s happened to the construction industry?’.

I have to say also that earlier I was very distressed to hear the member for Seymour gloating about Wallan having a new 24-hour ambulance station built. This is an example of pork-barrelling at its best. Labor was going to build a 24-hour ambulance station at Craigieburn. Every member, perhaps with the exception of the member for Mitcham, will know that Craigieburn is a really fast-growing area, one of the fastest growing areas in the state. It was promised a 24-hour ambulance station, but after the election the money went to the electorate of Seymour. I have written to the Minister for Health, asking him about the Craigieburn 24-hour ambulance station. He keeps saying, ‘Yes, we’re committed to it, and it will be built at some stage in the future’. That is what those opposite are saying about a lot of projects in my area.

I refer to the death spot that is Somerton Road at Magnolia Boulevard and Kirkham Drive. It is a killer road; people have been killed on that road. I have written to VicRoads, and I have written to the Minister for Roads asking him to come out to see how dangerous the road is, because you cannot see that on a

map. There has been no response from the Minister for Roads to that invitation and there has been no response in the budget. How many more people have to be killed on Somerton Road before there is the response we need? I do get a response, which is, ‘Yes, the road does need to be done, and it will be done sometime in the future’. That is another thing that has not happened.

I would like to talk briefly about an issue that is near and dear to my heart. I was a member of the Drugs and Crime Prevention Committee that inquired into people trafficking for sex work. The member for Mornington was the deputy chair of that committee, which made 27 recommendations, all of which were supported in part or wholly in 2011 by the current Baillieu government. One of those recommendations was that there be funding for Project Respect, a unique and vital program. It supports victims of human trafficking for sex work. The funding for that program has been cut, and the people who run the program have been told that it will not be renewed.

The previous Minister for Multicultural Affairs was a great supporter of Project Respect because it supports women from other countries, particularly Korea, who have been involved in human trafficking. I call on the Minister for Multicultural Affairs and Citizenship, who is at the table, to go to the economic review committee and demand that its members fund Project Respect. As I said, all the recommendations of the Drugs and Crime Prevention Committee were supported by the current government.

In conclusion, although it is traditional to say how wonderful the budget is, there is no way that anybody could say that this is a wonderful budget. A wonderful budget does not slash 4200 jobs from the public service, it does not devalue teachers and it does not devalue nurses and make them go out on the ground for months at a time just to retain the status quo. This is a government that is heartless and this is a government that does not care. This is a government that has no leadership, that is providing no hope and that is providing no vision for this state. If liberalism is to survive, its followers have to look to the north and do what Barry O’Farrell, the New South Wales Premier, is doing. If the Premier wants another term in office, he must be a leader. All we can see is a long, dark tunnel with no light at the end of it. It is not the east–west link; it is just a long, dark tunnel, with no hope for the future.

Mr McCURDY (Murray Valley) — I am delighted to rise to speak on the Appropriation (2012/2013) Bill 2012. Before I do, I must say that I think the previous speaker is clearly delusional. It must be getting late. Is it possible to pause to get her a Bex, so she could have a

lie down? If you listened to her views, you would think that those opposite were the greatest financial managers of this world. I could not believe some of the stuff that was coming from the member for Yuroke.

I will give members some quotes, all to do with the budget, from a report entitled *Independent Review of State Finances — Interim Report — April 2011*. It states:

The panel concludes that a fresh approach to financial management is required if the state's finances are to be sustainable into the future.

Talking about the past 10 years, the report further states:

If these trend growth rates continue, Victoria's general government sector will, without policy change, record a negative net operating balance of around \$6.5 billion by 2020–21.

Shame on those opposite.

The conclusion of this independent review of the state's finances of the past 10 years was:

Victoria's financial position is projected to deteriorate unless there is significant improvement in the net operating balance of the state's general government sector.

Without a change of direction, the future financial position will be characterised by an undesirable combination of negative net operating balances and an increasing accumulation of debt.

If this occurs, Victoria will need to borrow to fund operating expenditure as well as infrastructure investment or sacrifice the latter. In the panel's view, this prospect is unsustainable, undesirable and inconsistent with the principles of responsible financial management.

Does that sum up Labor or what? That is the last 11 years.

As we know, we are talking about tough economic times globally, nationally and certainly here in Victoria. Everybody on both sides the house knows — in fact our grandparents probably told us all — that you do not spend what you have not got. That view is the same today as it was 100 years ago. If you do not have it, do not live beyond your means. This government is prepared to follow that advice. Day by day, inch by inch, the previous government was happy to fall behind. Labor premiers would sashay around, giving out stuff like Father Christmas and boosting their egos for 5 minutes, 5 hours or however long it took. We are all paying the price now, but this responsible budget will get us back on track.

The Baillieu government refuses to stand by and watch as Victoria slips into fiscal ruin. Other states have allowed themselves to lose their AAA credit rating. It happened only last week. Other states are increasing their debt to unsustainable levels. Other states and the Australian government are putting self-interest in front of the wellbeing of their own constituents. The Premier, the Treasurer and everyone in this team is committed to ensuring that Victoria does not sink into the mire. The same could not be said for the Brumby government — there is no doubt about that. This budget is responsible and accountable. We recognise that it is not palatable for all, but this budget is for Victoria and it is for all Victorians. Like all great teams, we will work together and stick together to get through these tough times. It is a no-frills budget from this government, unlike those of the previous government, which was all about care but absolutely no responsibility.

We will deliver a \$155 million surplus. That sounds like a lot. My constituents ask, 'Why can't we use \$155 million to fund this or to fund that?'. Let us put \$155 million into perspective as a percentage of the budget. For someone who is earning \$65 000 a year an equivalent percentage of that salary would be about \$210. At the end of a year you would have to come within \$210. I challenge anyone to do that. We will, and we will do it well. What will \$210 buy any one of our constituents? It might buy the member for Lyndhurst a map and compass, because he could have used those. It might buy the member for Melbourne a pair of fluffy slippers. She could buy some of those as she slips into retirement, against the wishes of all her colleagues.

Mr Wynne — On a point of order, Deputy Speaker, it has been an interesting contribution by the member, but he is now clearly straying from the appropriation — —

An honourable member interjected.

Mr Wynne — No, we have had a fair go.

The DEPUTY SPEAKER — Order! If the member for Richmond is making a point of order, he should address the Chair.

Mr Wynne — The appropriation debate, as we know, is an opportunity for a fairly broad-ranging debate. I think quite a deal of leniency is shown to members from both sides. However, it is not an opportunity for the member to get up and make personal reflections on members of this house or members who have now departed from this house.

Mr Kotsiras — On the point of order, Speaker, I was here for the previous speaker who referred to a member from this side travelling to the airport, so it is a bit rich for the opposition to now criticise the speaker who is on his feet.

The DEPUTY SPEAKER — Order! I have been listening to the contributions in my office, and I have been disappointed that the contributions have been undignified in some respects, but I cannot rule against the member who is now speaking when he is following on what has been permitted before. I ask the member, if possible, to stay with the Appropriation (2012/2013) Bill 2012.

Mr McCURDY — Thank you, Deputy Speaker; I appreciate your guidance.

Let us go to the budget and to the Murray Valley, the greatest part of Victoria, where \$2.2 million was committed to Bruck Textiles to improve an innovative water treatment plant. That is an improvement for all of Wangaratta — not just Bruck but the whole community of Wangaratta and the environment will benefit from that. There are other commitments in this budget, such as one to the Milawa Oxley sewerage pipeline. Again, there are no bells and whistles, just basic infrastructure that we need. There are a couple of Country Fire Authority upgrades at Yabba North and Oxley Flats, which are essential components of our community. There is a \$500 000 grant for the Katamatite Recreation Reserve in a town that was severely hit by floods.

That is to say nothing of the \$5.9 million in this budget that went towards wayside stops on the Hume Highway. Everybody in Victoria benefits from those, not just people in my electorate or in the Seymour, Benalla or Benambra electorates. Anyone who travels from Melbourne to Sydney or to the northern parts of Victoria will benefit from the significant improvements that will take place on the Hume Highway. They are very important for all of us. We know that because Wangaratta has the most significant hospital on that route between Melbourne and the border and we see a lot of the carnage that comes from those car accidents, so that will be a great contribution.

Not all items in the budget were specifically set out and targeted. I have seen recently the flood money that has been coming into our region. Sixty-six per cent of the Moira shire was flooded in March. Not the floods last night in Gippsland — I hope the people are going well — we were flooded in March, and we are still suffering from that. Of the 66 per cent of the area that was flooded, half has been assessed and already it is likely that \$10 million will be spent on infrastructure

and roads. That is likely to double, because they have only looked at half of it. Victoria's contribution to that infrastructure is outstanding. This continued support is appreciated, because once the pictures go off the front page of the paper it is very easy for the locals to think that everyone has forgotten them. This government certainly has not done that in this budget.

Once you have been through a flood, a fire or a drought you have a much greater appreciation for the basics of life, like having running water in your house — and let me clarify that that is running water in the house, not water running through the house as we saw in the floods — getting your road networks open again and your train lines going again, as well as other basic infrastructure. That is what this budget is all about: getting us back on track.

Let me give the house an example. Flood waters went through the Tungamah Football Club. Tungamah is a great community that is getting on with the job. I went and watched the team play against Rennie on Saturday. Unfortunately they did not get the points, although they did fight hard, but they won the points with me. Their changing rooms are portable and their showers are temporary — everything about their infrastructure is temporary because it has all been flood affected. It really makes you proud to represent them, because they are just getting on with the job. The glass is half full and they are just grateful to be back playing footy. The bridge that provides access to the town has been completed for about \$750 000. The pub is still trading under Peter Chisnall, and it is going well.

Next time members find their day is not going that well and they are sulking about little things that are not going right in their electorates, they should give me a call and I will take them around Tungamah, Katamatite or Telford — some of the places that have been flood affected. There are between 50 and 800 people in some of these communities. Those members too will be filled with pride at their can-do attitude. They are grateful for small mercies.

We call the Numurkah hospital MASH 3636, because it is literally a tent in the hospital car park since the floods. Credit must go to the staff and to Numurkah District Health Service CEO Jacqui Phillips. This government is supporting that hospital; it has to hold its line. It is like a bad dream for them — they wake up every morning and it is still there. They go to work, they are committed, and I take my hat off to them for the work they are doing.

Other items in the budget include funding for the Wangaratta courthouse. I saw it only recently — when

the Attorney-General came to town. We have been waiting nearly five years to get the courthouse fixed. A magnificent old building, it was literally falling down and we could not use half of it. The west wing, for example, was not available to be used. In the main courtroom the judge needed to put a bucket in the centre of the floor to catch the raindrops when it started raining. The building has been falling down for the last five years.

The Attorney-General visited us last week and gave us \$2.7 million, and that was a great step up for our community. It has been a long time coming, and we are very grateful for those upgrades to the jail cells and everything else at the site. We did not want a new, flash courthouse; we did not want to mow it down and rebuild it; we just wanted to get it fixed. We want something that can handle our day-to-day issues so that our communities can move forward.

This government continues to make good, sound business decisions, as it did with the Rutherglen Kindergarten. The people there are absolutely over the moon with the \$293 000 they received. I have never been with a working group that works as hard as these young mums do. Liz Fisher, Georgie James and Gabriel Cooper are absolutely tireless workers. They have been inclusive of their community, they have worked with their Apex, Rotary and Lions clubs and never have they felt that it is their God-given right to get a kindergarten. They have worked at it, they have deserved it, and it is just terrific to see it delivered in this budget.

That is what we have seen in the budget, but let us go through what is not in the budget. I have noticed that we do not have a desalination plant. I can see that there is no need for a desalination plant, firstly, because it is raining and, secondly, because we already have the biggest, oversized, underutilised desalination plant in Australia. Look at the one in Perth, which is about half the size of our desalination plant. It cost \$400 million to build that desalination plant — that is a lot of money. Ours is about twice as big, so I would have thought it would cost around about \$800 million, maybe \$1 billion. But what did it cost us? Was it \$800 million? Was it \$1 billion? No, it cost \$23 billion to build this desalination plant, and we are still paying that price now. It is 57 times the cost it should have been. Anyway, that is the way the previous government did it, and we are all paying the price for it now.

What else is not in the budget? Well, there is no east–west pipeline because the previous government built the north–south pipeline and that was useless after a while, so we chose not to build an east–west pipeline because it would be a waste of funds. We have used

good financial management. There are no half-funded fruit markets and no half-funded children's hospitals in the budget either. As I said earlier in my contribution, you cannot spend what you have not got, and this Baillieu-Ryan government cares about the people in our communities and it cares about sustainability. Any fool can hand out money they do not have, but it takes willpower and courage to live within your means.

The Treasurer, who has done an outstanding job in this budget, said:

As a state — as a community — we will be defined not by the challenges we face, but by the collective actions we take to address them.

We have retained the AAA credit rating, we will spend \$5.8 billion on infrastructure and we will support people in hardship while all the time going against the flow of GST revenue and stamp duty. The Treasurer and the Premier are not out there to make heroes of themselves, but they do want a stable economy and a future that we will be proud of. We will look back on the budget of 2012–13 as a building block for Victoria — the year that we lived within our means and still managed to achieve so much. I support this budget 110 per cent, and I commend the bill to the house.

Ms HALFPENNY (Thomastown) — Once again the Liberal-Nationals government has completely failed the people at the electorate of Thomastown and across the northern suburbs with the release of this year's budget. I question whether the government realises that to be effective in its role as a government it must have a vision and develop strong policies that will benefit the future of Victoria and Victorians and that it must carry out that vision with conviction. The only true conviction I can see in this budget is in the decision to savagely cut resources from the services that are most needed and, in the process, to punish those who can least afford it. This government has a conviction to ensure that it imposes the greatest burden on the battlers, a conviction to do away with any principle of egalitarianism or a fair go for all.

In the lead-up to this budget the Premier repeatedly warned that it would be a tough budget. We know that budgets are about governments making tough decisions about where to spend and demonstrating their priorities through how they make their funding decisions. But the meaning of the word 'tough', as used by the Premier in terms of his treatment of the northern suburbs and the people at the electorate of Thomastown, is the sarcastic one: 'too bad', 'bad luck' or 'just get on with it or over it'. Clearly this is the message that this government is sending to the people of the northern suburbs; that it is simply too bad that their needs have been buried,

forgotten and left until much later. During a time of unprecedented population growth in the northern suburbs and against a backdrop of rising costs and rising house prices the coalition government has decided to cut the first home bonus, to cut bus routes and to spend less money on the infrastructure and services that are needed to provide for a rapidly growing community.

This puts increasing pressure on the services of the older suburbs such as those in the electorate of Thomastown, but there is nothing in this budget to improve roads or road safety in the area, fix the High Street congestion that will only get worse, extend public transport or go towards any other government services that are necessary just to keep up with growing demand. We need a plan and a vision with which to take Victoria forward.

The day after the state budget was released the Northern Hospital issued a media release celebrating the delivery of 20 babies in the preceding 22 hours — a record for the hospital. During this time the state government delivered its second budget, and no doubt the birth of all those babies was a very noisy affair at the Northern Hospital with lots of crying and yelling, but it could also be seen as a message for this government, a wake-up call for the Baillieu-Ryan government to recognise that the northern suburbs are growing and that we need services there as well.

The babies born on budget day in the Northern Hospital and those born on every other day, no matter what hospital they are born in, deserve the best possible chance to grow and thrive. It is the most essential job of government to provide for and shape our society, to give all our children equality of opportunity and equal access to services. They deserve the best possible health services, education standards, job opportunities and a decent standard of living, but this budget delivers none of this. It builds nothing for our future; in fact it is almost trying to tear it down.

Let us start with education and skills. This budget cuts the school start bonus, a financial support for families to help with children starting school — so much for the coalition election promise to cut the cost of living! The budget cuts the school component of the education maintenance allowance (EMA), and this means schools will be less able to provide the support to ensure that all children can better participate in learning — that is, support to breakfast clubs and funds for excursions or camps if a family cannot afford to pay. Does this government have any heart at all? Talk about robbing the poor to pay the rich — denying children breakfast

in Thomastown but funding a new gymnasium in Mornington.

I have received many responses from schools and parents in the area who are flabbergasted by the actions of this cold-hearted government, because these cuts are cruel. They deliver relatively small savings for government but have devastating effects on school budgets in disadvantaged areas where every dollar is treasured and used to support children. Schools and teachers in these areas treasure their students. Why is it that this government will not treasure our children too? We all know education can provide us with the best chances in life: to find a job, know our rights and contribute to society for the benefit of us all. However, this budget provides nothing for the schools, nothing for education and nothing for the next generation in the electorate of Thomastown. In fact this budget is about making a worse future for us in the north.

For months I have been calling on the Minister for Education to get his act together and sell the site of the former Lakeside Secondary College, which was vacated when it merged with another school to form William Ruthven Secondary College. The school desperately needs to be rebuilt. The students deserve the new school they were promised upon the merger and a chance for a fresh start, but they have heard nothing and received nothing. This is a school that has embraced state-of-the-art teaching practices and a new way of teaching children, but it does not have the physical surrounds to properly implement that new program. Meanwhile the school community is suffering with deteriorating amenities and the vacant Lakeside Secondary College site has become a dumping ground, which is a fitting symbol of this government's detrimental lack of action. It is truly sad that the government has missed the opportunity to improve the learning environment for these students at William Ruthven Secondary College.

There is no funding to upgrade any of schools in the Thomastown electorate or continue the rebuilding program of the former Labor government. There are no programs to remove asbestos from schools. And it does not stop there; the whole Victorian community, with the exception of government members, are still reeling and shocked at the breadth and depth of the onslaught against TAFE. The government is again attacking and taking from those who have the least and can least afford it. A media release from the Victorian TAFE Association says:

The Victorian TAFE Association is today notifying students with disabilities, special need and Koori students they are at risk of missing out on vocational training resulting from the funding cuts in the Victorian budget.

In fact some TAFEs view the government's budget cuts as immoral, and some even go to the point of describing them as destructive actions to community assets.

This government just has no heart. The electorate of Thomastown is very privileged to have a relatively large indigenous community, and it also has one of the highest proportions of people who require care and assistance with daily living. These are the people who will be affected by the TAFE cuts, and they are the people who will bear the disproportionate burden of those cuts. At a time when we require additional investment in the skills of our people, our human capital, we have seen the biggest single cut to vocational training in our state's history — cuts so severe and so tough that even the minister responsible for overseeing them was driven to despair.

TAFE provides the skills needed by industry. Skills are an integral part of the economy and a key factor in determining how well the economy can provide for its citizens. The Victorian economy is not travelling well, yet we see that this government has decided to make huge cuts to the TAFE sector. It is increasing hourly funding for training in some trades that are in demand now but also cutting the hourly funding rate for others. How dangerously short-sighted this is. Governments need to plan, guide and direct our state. Skill shortages today can be oversupply tomorrow. Will we discourage new industries from developing by providing less funding to some training merely because industry does not demand it now?

TAFE has another fundamental role. It provides training to ensure people from disadvantaged communities can get job ready and compete in the job market. Recently arrived migrants, those with learning disabilities and those whose cultures have been destroyed by white settlement get additional training from TAFE institutes to help them even up the playing field. However, no programs, not even these, will be immune from these cuts.

Here we see a budget that undermines our future skills base and thereby our economy, and that undermines the principles of equality of opportunity for all Victorians. This is a budget that provides very little financial support for manufacturers who are struggling in the face of the high Australian dollar, and we are seeing the government not acting whilst accepting that many people will lose their jobs.

At budget time the toll of this government was 43 000 jobs lost. That is almost half the capacity of the MCG. Just on this, to put the government's priorities and values in perspective, this budget provides a

meagre \$1 million this year to assist workers who have lost their jobs to transition. Based on the 12-month job loss figures prior to the budget, that is something like 23 cents per person in assistance in transitioning following a job loss to try to get alternative work. This is less than what has been budgeted for roadside weed management, and while that is important, surely humans are more important still.

So far I have talked about birth, education, skills and jobs — the progression of life for many people — but now I would like to mention another inevitable part of life, and that is the end of life. Within our culture we keep memories of our loved ones close. We create memorials and lay our loved ones to rest in cemeteries. In the only win for the Thomastown electorate Fawkner Memorial Park will receive \$550 000 for memorial redevelopment. While I welcome this upgrade for Fawkner Memorial Park, it also seems to be a symbol of this government's mismanagement of the state — this government is turning Victoria into a graveyard for jobs.

This government's budget papers demonstrate its failure to keep its own promise in last year's budget of creating 55 000 jobs this financial year. I note that the budget forecasts that in the next financial year job growth in Victoria will be just 0.25 per cent. Not only do we see job losses spiralling out of control in Victoria in the private sector, much of it due to government inaction, but in Victoria we are also about to see more job losses through the government, in this case through direct action. The government is slashing thousands of public sector jobs, and it has a plan that was devised in secret and has been kept under wraps. Fair Work Australia has now ordered the government to reveal that plan.

This government is doing all of this sneaking around, but in opposition it promised to act openly and transparently. In the *Whittlesea Leader* of 1 May a state government spokeswoman said that the coalition was 'investing in new community infrastructure in Melbourne's north and will do so again in the budget'. What a cheap and useless throwaway line. Where is that money? Where is that investment? What is it?

We have heard a lot of crowing from members of the coalition about how good the budget is. We have heard them citing how delighted their electorates are that the government is paying to fix a pothole here or a leaky roof there. I am sure that Victorians expect much more than that from a state government budget. They expect a vision and a program to get Victorians working again — that is, real investment in education, health,

roads and public transport, not just reviews, studies and promises on the never-never.

Victorians have been let down again by this government in its second budget. It is a budget that fails us today and will fail us into the future. This is a government that has been proven to be lacking and not up to the job of supporting families, creating jobs or delivering the services that Victorians so desperately need and rely upon.

Debate adjourned on motion of Ms RYALL (Mitcham).

Debate adjourned until later this day.

GAMBLING LEGISLATION AMENDMENT (TRANSITION) BILL 2012

Council's amendments

Returned from Council with message relating to amendments.

Ordered to be considered next day.

PERSONAL EXPLANATION

Minister responsible for the establishment of an anti-corruption commission

Mr McINTOSH (Minister responsible for the establishment of an anti-corruption commission) — I seek to make a personal explanation under standing order 123. Following a question today from the member for Altona I checked my diary. In sitting weeks I have regular meetings with the Speaker in my capacity as Leader of the House. In this context, and for completeness, I note that the Speaker mentioned to me in passing the publicly known fact that the Premier had referred to him the matter relating to the member for Frankston and that he was looking into it, assisted by officers of the Department of Parliamentary Services. I reiterate that the substance of the matter was not discussed. I just wanted to make this point for completeness.

Remaining business postponed on motion of Mr McINTOSH (Minister for Corrections).

ADJOURNMENT

The SPEAKER — Order! The question is:

That the house now adjourns.

Rosanna Road, Rosanna: traffic management

Mr CARBINES (Ivanhoe) — The matter I raise is for the Minister for Roads. The action I seek is that the minister direct VicRoads to conduct a public consultation process on load limits, speed restrictions and curfews for trucks and heavy vehicles in the Rosanna Road–Greensborough Road–Burke Road corridor in my electorate of Ivanhoe.

Rosanna Road very much divides the community in my electorate of Ivanhoe. I grew up in Viewbank, and I now live in Rosanna with my family. I am well aware of the desire of heavy vehicle drivers and commercial traffic to use the Rosanna Road–Greensborough Road corridor, but unfortunately I and members of my electorate believe VicRoads has not managed well either the enforcement of load limits and speed restrictions or curfews around how those commercial and heavy vehicles are using Rosanna Road. We never see VicRoads vehicles out there managing enforcement to ensure that that road is being used appropriately and safely for the residents of Rosanna, Viewbank, Heidelberg and the surrounding suburbs in my electorate.

I believe members of the electorate of Ivanhoe would most welcome a public consultation process around these matters in order to consider load limits, speed restrictions and curfews for heavy vehicles and trucks using Rosanna Road. That would go a long way towards ensuring confidence in the local community with regard to Rosanna Road, a main arterial road in my electorate. It will help those people who live locally and who need to be able to get around in my electorate, who use Warringal Shopping Centre, attend Heidelberg Primary School and other local schools and who get around the train and bus transport hubs at Rosanna and Heidelberg. It would help them to feel that they can use Rosanna Road with some confidence.

The lanes are very narrow, we have very heavy vehicle traffic and people who are turning right into Banyule Road from Rosanna Road are sitting there shaking their heads and wondering how they are going to manage with these large, heavy trucks and vehicles. The drivers of these vehicles do not always show respect for other road users in the way that they use their exhaust brakes.

I know that the residents of Rosanna would make sure that they had strong input into a public consultation process around Rosanna Road and how it is used. I must say I do not believe that VicRoads, as a statutory authority, is very accountable to the local community in the way it engages in public consultation processes. If we had this public consultation, the minister and the

government could learn a lot about how we can better make sure that the community is served in a safe manner on Rosanna Road. It would be an opportunity for feedback from the community of my electorate of Ivanhoe.

Sport and recreation: Gembrook electorate funding

Mr BATTIN (Gembrook) — Tonight I rise to request that the Minister for Sport and Recreation visit the Gembrook electorate to tour some of the projects we have got under way since we came into government but also, and more importantly, to meet the volunteers who make sport in Victoria great. Sport is the lifeblood of our community. It encourages our young to communicate and stay fit, involves family and prevents social isolation. I know the minister in his sport portfolio is very supportive of the Gembrook electorate, as he is of encouraging all Victorians in get involved in sport.

Participating in sport is the best method of preventing obesity and social isolation and is one of the single best crime prevention strategies in Australia. On a regular weekend nearly 2000 junior football clubs manage to get kids on the ground playing football. Some 42 000 players get out there every weekend. Then there is the involvement of the community and parents as well as the umpiring fraternity, and that is just for football; it does not include soccer, golf, cricket and all the other great sports we have in our state.

The coalition government has demonstrated its support for the many clubs in the Gembrook electorate and is on target to deliver on the commitments it made during the last election campaign. The Gembrook Cockatoo Football Netball Club is only weeks away from receiving \$60 000 for lights that will enable teams to train at night and get more people out there, including juniors and seniors, making sure they stay active. The Beaconsfield football and netball club has \$1.5 million coming for new facilities, including lights, a junior ground and a senior ground. It has over 3000 members and players and a couple of hundred volunteers who manage to get plenty of people down to the club every weekend.

The Rythdale-Officer-Cardinia football and netball club will receive \$100 000 for an upgrade to its facilities. Planning is under way with Cardinia Shire Council for a new state-of-the-art facility for the club so its players can use the new oval built by the council, ensuring that it will get more people out there being active. The Berwick football and netball club will receive \$150 000 for an upgrade to its facilities, including those used by

its very strong female football team. Pakenham United Soccer Club will receive \$600 000 for stage 1 of the new soccer stadium in Pakenham. This upgrade is desperately needed in order to get more people involved in soccer.

I am looking forward to the minister coming to the Gembrook electorate. The most important thing for him to do is thank the volunteers who make football clubs great. They include John Airdrie, president of the Beaconsfield Football Club, and his fantastic team, who are overseeing the project management of their new facility, and Robert Porter, who has been known down at the Rythdale-Officer-Cardinia — or ROC — Football Club — to be out mowing the lawns as late as midnight, much to the displeasure of his wife, Carol, and sometimes the neighbours as well. But he does that to make sure people can get out there and be active, because he supports local people in his community — —

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

Eltham North Primary School: disability access

Mr HERBERT (Eltham) — I wish to raise an issue for the Minister for Education regarding a serious lack of disability access at Eltham North Primary School. The action I seek is for the minister to immediately ensure that funding is made available to fix disability access by installing a lift in the new Building the Education Revolution building, as per the original plans, to allow students with disabilities to access the toilets on the ground floor, and by completing a new partially built access ramp at the school. It is mind boggling that in this day and age, with the strict adherence we have to equality, children in wheelchairs do not have ready access to basic disabled toilet facilities in a public school.

Eltham North Primary School is a great local school which is held in high esteem by the local community. It has won numerous awards, and its magnificent new building is admired by all. Unfortunately Eltham North Primary School is set on a very steep hillside, has limited usable open space and many steps to access different parts of the school and is difficult for those with disabilities to navigate. That is why, when the new building was planned, a lift was to be installed to enable children using the grade 5–6 classroom at the top of the site to enter the top floor of the new two-storey building to access the disabled toilets on the ground floor. Unfortunately the department, in its wisdom, has determined that even though there is a shaft for a lift, it

will not install one, making it almost impossible for children in wheelchairs to access disabled toilets.

How does a child in a wheelchair get to a toilet at Eltham North primary? They have to go out of the building, up a hillside to the outside footpath, travel 400 metres down to another building and access the toilets there. Unfortunately, as the terrain is so steep, it is unsafe for children to do this by themselves, so they have to suffer the indignity of being pushed there. What is worse is that, as the teacher cannot leave the classroom, a call is made to the office and administration staff members are called out of a meeting or their other responsibilities to traipse up to the grade 5–6 classroom, collect the child and push the by now extremely uncomfortable child in their wheelchair 400 metres up steps and down ramps to get to the disabled toilet.

Yesterday I walked the route with members of the school council. Apart from the fact that it is undignified and embarrassing for the child with a disability, this is a serious occupational health and safety issue for the staff. But it gets worse. A new disability access ramp on the lower level has been left unfinished. Currently to access the incomplete ramp, students need to go through a dirty, muddy quagmire. Not only is this physically difficult for someone in a wheelchair, it means that mud and dirt is traipsed through the lovely new library and onto the new carpets.

I have seen some bizarre sights in my time, but as the minister knows from his visit to the site this situation is bizarre in the extreme. We are supposed to be making the lives of those with a disability easier, not putting barriers in front of them. There is no option here. This is a serious and basic human rights and occupational health and safety issue. The disabled ramp must be finished and the lift installed. It will not be long before a student or staff member is injured on the long, muddy trek to the toilets. The situation is urgent, as one student needs to access those toilets daily.

Tourism: Gippsland East electorate

Mr BULL (Gippsland East) — I raise a matter for the attention of the Minister for Tourism and Major Events, and the action I seek is for assistance and support to raise the profile of the Gippsland region in relation to tourism. As the minister would be well aware, tourism is one of the backbones of my electorate of Gippsland East and a very important part of our local economy. The electorate contains many coastal communities, including Lakes Entrance, Metung, Paynesville, Mallacoota and Bemm River, all of which rely very heavily on the tourism industry. There are also

many inland locations like Buchan, home of the internationally recognised Buchan Caves, and Omeo, at the foothills of the snowfields, that rely heavily on tourism. Our civic centre of Bairnsdale is also very well known as the gateway to the Gippsland Lakes.

When it comes to tourism East Gippsland has an enormous amount to offer, including picturesque estuaries and waterways, magnificent national parks and wilderness areas and rugged but beautiful stretches of coastline — and this is only in my region of Gippsland East. There are a host of other attractions in the wider Gippsland area, throughout the Latrobe Valley, South Gippsland and down into West Gippsland. The region lends itself to a vast array of activities. Boating, fishing, swimming, bushwalking, bird-watching, cycling and general sightseeing are among the many activities enjoyed by visitors to not only East Gippsland but the wider Gippsland region.

But whilst it is a popular holiday location and there are many thousands who enjoy our region, there are also many thousands who are unaware of the wide variety of attractions that East Gippsland and wider Gippsland have to offer. Particularly in the far east of the state we have a lot of hidden treasures, if you like. There are a lot of country towns in the Croajingolong National Park, and further east there are fantastic holiday destinations with hidden estuaries close by. It is God's own country, which a lot of people do not know about.

That is why I am asking the Minister for Tourism and Major Events for assistance to better profile, better promote and better get the message out in relation to the natural attractions of our region and to help foster and promote the tourism industry in East Gippsland to the wider Victorian, national and international communities.

Buses: Thomastown electorate

Ms HALFPENNY (Thomastown) — The matter I wish to raise is for the Minister for Public Transport, and it is in regard to changes to bus routes in the Thomastown electorate. The action I seek is that the minister reinstate the original bus routes 557 and 554 and run bus route 575 at more frequent intervals, of 20 minutes, commencing on 1 July 2012.

The changes to routes 557 and 554 have detrimentally affected a wide cross-section of people living and working in the electorate of Thomastown and surrounding suburbs. The request to increase the frequency of route 575 is in response to the changing needs and increasing demands of residents — because after all this government did promise to fix public

transport. The changes to existing routes have caused great disadvantage and inconvenience to many people involved in many activities. They have hindered people getting to work and also caused problems for people travelling to school and around the neighbourhood, shopping, volunteering, going to medical treatments and generally socialising and visiting. They will also severely hurt small business and local traders in the area.

It seems that on 22 April this year there were many changes to bus routes in the city of Whittlesea which were made to coincide with the opening of the South Morang rail extension. The extension of the Epping rail line to South Morang was a massive project, which has improved the lives of many people in the area. It was a massive infrastructure project that was built by the Labor government. However, the changes to the bus routes that have resulted from the opening of the South Morang rail extension were introduced without any consultation or consideration of the community's needs or concerns. I am told that at no time did the government or the department seek the views of or listen to any of the people who use the bus services.

I have been contacted by many residents — young, old and in between — who tell me that their lives have actually been made harder because of these thoughtless changes. They are changes that were made under the pretext of improvements to the rail line, but really, if we put aside this spin from the government, we can see that they were about cost cutting and reducing services, and the extension of the rail line was the excuse.

I have been contacted by residents who are elderly and have mobility issues or disabilities, who are now forced to walk long distances along Edgars Road in order to catch a bus to their desired destination. I have also been contacted by residents who now cannot catch a bus to their local shopping centre. The Lalor shopping centre is a vibrant, multicultural and very cheap shopping centre that people like to go to to socialise as well as shop. Now the bus services will not go there —

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

Rail: Glen Waverley line

Mr GIDLEY (Mount Waverley) — The matter I wish to raise this evening is for the Minister for Public Transport. The action I seek is for the Minister for Public Transport to inform the house of improvements the government is delivering to the Glen Waverley line. Having regular, reliable and safe public transport services for Waverley and Monash area residents is a

high priority for this government. It is important because we know there are a range of reasons why people use public transport.

In my electorate students will use public transport to access Monash University and a range of other higher education and school-based education. Many commuters will use it to get to work. Those who do not have any other options may also use the services, and of course with a growing population there are some productivity improvements people can gain from utilising public transport as commuters. A range of people use it, and it is important to them to have a frequent, safe and reliable service.

The issues of reliability and maintenance improvements are of particular note to residents of Glen Waverley because unfortunately, up until 2010, as many members of this house would know, the Glen Waverley line was one of the most unreliable train services in metropolitan Melbourne. I refer to an article published in the *Age* of 5 September 2007 entitled 'Delays likely as bent rails on Glen Waverley line cause drastic cut in speed', which reports speed restrictions being imposed on the Glen Waverley line, cutting the speed limit to 30 kilometres an hour from 95 kilometres an hour. Other headlines included 'Has our transport system come to this? Fury as 150 trains cancelled on the Glen Waverley line' and 'Sorry for the train chaos'.

The Glen Waverley line is the only line that has the unenviable record of having been closed three times in the one week. More importantly, when Melbourne was on show for the Kooyong international tennis tournament it was one of the most unreliable lines, which could be put down to lack of maintenance, lack of investment and a government that, firstly, did not know how to run a railway system or maintain a line, and secondly — and this is surprising given there were two state cabinet ministers in the city of Waverley — just did not care.

I am interested in what the coalition government, after coming to government in this tight financial situation, is able to put forward for further improvements. We have seen thus far some increases in service frequency. We know we have a very ambitious project to man every metropolitan railway station, including on the Glen Waverley line, with protective services officers, which is being supplemented by that \$27.8 million investment in the Victoria Police Academy, but what I am seeking from the minister tonight is that he provide the house with further information as to how the coalition government is going to improve maintenance on that line into the future.

Schools: Albert Park electorate

Mr FOLEY (Albert Park) — The matter I wish to raise is for the attention of the Premier, and the action I seek from him is that he establish a task force of responsible ministers to address the looming crisis of public education funding and infrastructure in the inner south of Melbourne following the failure of his government in the last two budgets to invest one new dollar of capital for the public education needs of this rapidly growing part of Melbourne.

This investment is needed because, although the inaction of the Minister for Education has made things bad, the actions about to be taken by other ministers, particularly the Minister for Planning, are likely to make things even worse. What is required is a whole-of-government solution that counters the effects of individual ministers operating in silos — and increasingly disconnected ones.

The urgency of this issue was highlighted at a public meeting last week, when some 200 people gathered in South Melbourne to support a community push for the government to invest now in two schools in the inner south. The meeting heard from former senior education department official and now consultant Mr Adrian Stephens that the government's most recently released assessment of demands in the area was fatally flawed in arguing that there is no immediate need for increased investment. Having been commissioned by the City of Port Phillip, Mr Stephens found that the Department of Education and Early Childhood Development had failed to account for a number of factors in the area.

Firstly, the growing population in the inner south had been underestimated. He indicated that the department had not allowed for the Minister for Planning's proposed new suburb, which is to be announced later this week as we understand it. It is the first of the Fishermans Bend precincts to be rolled out, with some 16 000 units and an extra 25 000 people planned for the area. Secondly, local families are choosing public education at an unprecedented rate. When given the real choice of a quality public education that reflects their values, an education that is committed to excellence and achievement and is accessible, we are seeing local families choosing public education against increasingly expensive private education. Nowhere is this more apparent than in the case of the highly successful Albert Park College.

The meeting heard from many people, including I should note the Leader of the Opposition, who pointed to the substantial cuts in investment in public education by the government. The meeting heard finally from the

president of the Port Melbourne Family and Children's Hub, a one-stop facility operating from a corner of Port Melbourne Primary School, that has brought together a range of children's and family services over the past decade. Ms Bernadene Voss made it clear that the community was not going away on this issue. The family and children's hub had only that day received eviction advice from the Department of Education and Early Childhood Development to make way for more portables as Port Melbourne Primary School deals with double-digit growth rates. Ms Voss made it clear that the community would campaign for as long as it could to make sure it achieves the goal of a quality, local and accessible public education.

West Gippsland Regional Library Corporation: mobile library

Mr BLACKWOOD (Narracan) — I wish to raise a matter for the Minister for Local Government. The action I seek is for the minister to support an application from the West Gippsland Regional Library Corporation for \$86 000 to facilitate the purchase of a new prime mover for its mobile library service. The West Gippsland Regional Library Corporation is a partnership of three Gippsland shire councils — Baw Baw, Bass Coast and South Gippsland. The library participation rate across the three municipalities is in excess of 40 per cent, which gives a very good measure of the excellent reputation the library service has in this part of Gippsland. Library services are delivered from both static sites and mobile facilities. The mobile library delivers a fantastic service to outlying communities in my electorate, such as Erica, Longwarry, Rawson, Thorpdale, Trafalgar, Willow Grove and Yarragon.

The library corporation's five-year plan outlines a number of capital work priorities, one of them being the need to upgrade the prime mover that delivers the library trailer to remote communities. In the library corporation's 2009–13 library plan, the vision for the service is that by June 2012, 40 per cent of the community would be active members of the library. At the time of producing the 2011–15 library plan the achievement of the 40-in-4 goal was very much in sight. In May 2011, 38 per cent of the population were members. This is a very stretching target, and something which only a few library services around the world could claim to have achieved.

The library corporation believed that setting this aspirational goal would send a message to all stakeholders about its commitment to delivering the kind of library service that best suits the needs of our communities. The corporation's vision statement also

confirms that lifelong learning will continue to be a strong feature of the service, providing informal support to complement that of the education system; that West Gippsland will be known as a centre for reading — not just reading for knowledge and enlightenment but also reading for pleasure; and that libraries are thought of as worthy institutions which provide spaces for fun and entertainment as well as for serious study and learning.

The corporation's mission is to be valued for its authoritative content; to be trusted as a guide in the discovery of information and the creation of knowledge; to be the provider of safe physical and virtual environments; to be the provider of core library services that are free, accessible and equitable; to ensure that its users have access to the best collection of international, national and local content; to provide a library service that is diverse in its content and programs; to facilitate the interaction of people, communities and businesses; and to be innovative and proactive in assisting in the development of the enabling infrastructure that will service the knowledge needs of a smart state. The reliability of the mobile library service is critical to the West Gippsland Regional Library Corporation's ability to deliver on its vision and mission and to continue to uphold the very high standards of service it currently delivers.

Medway Golf Club: Maribyrnong River bridge

Mr MADDEN (Essendon) — My adjournment issue tonight is for the Minister for Planning. My request is that he encourage or even direct Places Victoria to meet with representatives of the Medway Golf Club in Maidstone to discuss the development options and road infrastructure options that might form part of the Places Victoria redevelopment of the Maribyrnong defence force site. Constituents who reside in my electorate and are members of the Medway Golf Club have approached me regarding the prospect of a bridge being built over the Maribyrnong River from Ashley Street, Maidstone to Canning Street, Avondale Heights.

Given that the redevelopment of the Maribyrnong defence force site will require potentially another bridge crossing over the Maribyrnong River — and options have been discounted over a number of years — the golf club members believe the potential for this bridge that has been suggested to cross through the Medway Golf Course is having an impact on the club's membership numbers and a detrimental impact on recruiting future members to the club, based on the detrimental impact the bridge would have on the golf course. The issue more broadly is that if this bridge

were ever built, it would run through the centre of the golf course and really muck up its alignment.

Mr Herbert interjected.

Mr MADDEN — That is right. My understanding is that the land on which the golf course sits is good land that one could build on, but unfortunately much of the land at the defence force site has high levels of toxicity which will require a substantial degree of remediation, and there are prospects and potential for some sort of arrangement or swap.

Based on a suggestion by golf club members and their anxiety over the potential impact on the golf course and what would seem a loss of membership because of that potential impact and its effect, I would request that the minister either encourage or even direct officials from Places Victoria to sit down with representatives of the Medway Golf Club in Maidstone to discuss what options are likely to have an impact on the golf club and what alternative options Places Victoria might consider to form an appropriate development across one or both of the sites which will not only be to the advantage of the golf club and residents in the area but will also take enormous pressure off the Maribyrnong Road area.

Rail: Frankston line

Ms MILLER (Bentleigh) — I direct my request to the hardworking and dedicated Minister for Public Transport. The action I seek is that the minister visit the Bentleigh electorate to tour the Frankston railway line. I would like the minister to see the improvements that have been made to infrastructure along the Frankston line that improve the safety of the railway network for commuters. As recently as June 2012 tactile ground surface indicators were installed on McKinnon railway station platform 3. These are the yellow dots on the edge of the platform near the coping. These yellow dots provide additional safety for commuters; people waiting for a train will be made aware that they are close to the edge of the platform.

According to the Australian Bureau of Statistics, on 30 June 2010 the average age of people in Victoria was 36.9 years. Like most of Australia, Victoria is gradually ageing. With this, increasing numbers of Victorians may suffer impairments including macular degeneration and loss of vision. This is more common among the elderly. This safety initiative will assist those commuters affected. It will also assist mothers with prams to navigate the platform.

An honourable member — What about fathers with prams?

Ms MILLER — And fathers with prams. Bentleigh is a growing family area. This will allow parents and children to avoid slipping on the platform, particularly in wet weather. This initiative builds on previous rail safety improvements completed in May, when Metro Trains Melbourne employed the equivalent of 140 single days of manpower to remove mud spots along the tracks. The coalition government also funded drainage improvements along the Frankston line, particularly from Caulfield to Richmond, which will help to increase the reliability of our trains.

I call on the Minister for Public Transport to visit Bentleigh to inspect works currently being undertaken and to provide an update on any future improvement works on the Frankston line. Following 11 years of neglect and financial mismanagement by the Labor government, I believe the minister will appreciate the results of these successful safety initiatives. I know the commuters from the Bentleigh electorate will appreciate the improvements from a government that is delivering for all Victorians and certainly for commuters along the Frankston line and those in Bentleigh.

Responses

Ms ASHER (Minister for Tourism and Major Events) — The member for Gippsland East spoke about the importance of tourism in the Gippsland region and asked if I would do something to assist in raising the profile of tourism in that area. The government is keen to do this. In essence, the government will produce a new short film promoting the Gippsland region which will be used at domestic and international trade and consumer shows, online social media channels and, at a later stage, regional cinemas and television. We will be using three ambassadors for the *Inspired by Gippsland* series.

An honourable member — Name them.

Ms ASHER — I will name them. The three personalities are Tim Cope, Young Australian Adventurer of the Year; Lisa Saad, award-winning photographer; and Glyndon Ringrose, professional surfer. The clips will show a whole range of areas in the member's electorate. With the support of the Deputy Premier, the member for Narracan and obviously that of the member for Gippsland East, various towns within the Gippsland area will be profiled.

An exciting development needs to be reported to this chamber and to the member for Gippsland East. Tourism Victoria has teamed up with Federation Square so that exhibitions of these videos from Gippsland — and other areas will have their turn — will be featured on the big screen at Federation Square in November. A minimum of four 90-second screenings are guaranteed per day over the month and at least half of the minimum screenings will be played back with audio between 8.00 a.m. and 8.00 p.m.

The exciting element about this development, which I am sure the member for Gippsland East will understand, is that Federation Square is the most visited attraction in Melbourne for domestic and international tourists, with weekly visitations averaging between 50 000 and 120 000. All these visitors will see this screening of Gippsland attractions. Importantly this initiative provides an opportunity to encourage Melburnians and interstate and international visitors to travel and stay in regional Victoria, and in this instance Gippsland, and hopefully will provide — and this is the whole point — an increased economic yield for the regions. I thank the member for his interest and pursuit of this particular initiative.

Mr MULDER (Minister for Public Transport) — The member for Ivanhoe raised concerns in relation to curfews, speed limits and load limits on Rosanna Road and Greensborough Road in his electorate and in the area serviced by those roads. He has asked that VicRoads conduct some form of public consultation with the local community in relation to what he believes are breaches of these limits. He also raised concerns in relation to the level of enforcement carried out by VicRoads officers. The member indicated I could perhaps learn a lot in relation to the consultation process.

I will get VicRoads to investigate what has happened in that area in relation to the enforcement mechanisms that have been put in place. In relation to the need to perhaps learn a lot, I will also ask VicRoads to advise me on what sort of consultation the former Minister for Roads and Ports, the member for Tarneit, carried out with the people of Ivanhoe, because I am always keen to learn a lot. If indeed a consultation process was carried out in the past by the former Minister for Roads and Ports, I could perhaps learn a lot from that. I am more than happy to ask VicRoads to inform me on that matter and also inform the member for Ivanhoe.

The member for Thomastown raised an issue in relation to changes to bus routes 557 and 554 and asked that those bus routes be reinstated, and also that route 575 change to a service frequency of 20 minutes. The

member for Thomastown was right when she indicated there have been changes to bus routes as a result of the extension of the rail line to South Morang. In fact across the broader network 140 bus routes have now been integrated with the metropolitan train timetable.

I have had a lot of positive feedback from people who did not realise work had been undertaken in that space. We said all along that what we needed to do was make sure that we get in a great train, tram and bus network, and the most important part of that is getting the rail service frequency right, because that is the heart to making sure that interconnecting services with the bus routes work. There was always going to be some disadvantage in relation to changing some of the bus routes, but they have been changed in such a manner as to benefit the broader community. It is simply impossible to weave in and out each and every single street. Those bus routes have been changed, firstly, to make sure they integrate with the train timetables, and secondly, to benefit the greater population.

An issue was raised by the member for Mount Waverley in relation to the Glen Waverley line and works being undertaken on the line. As the member quite rightly pointed out, in the past, under the former Labor government, the Glen Waverley line had appalling reliability statistics, cancellations and breakdowns.

We put a massive investment into that line and across the broader rail network to make sure we improve punctuality and reliability. We are investing up to \$225 million a year in rail maintenance and renewals, which is \$25 million more than that provided by the previous government. During Easter Metro Trains Melbourne shut down the Cranbourne line and successfully undertook a complete works program.

With the coalition government's backing, and the support of the member for Mount Waverley, in July Metro will be undertaking a mammoth \$12 million package of renewal works on the Glen Waverley line. About 45 000 rotten, old sleepers — tired and worn-out sleepers — will be replaced with concrete sleepers sufficient to stretch for about 29 track kilometres if laid end to end. Level crossings will be resealed, signals and point machines will be upgraded, and during the shutdown for the works a fleet of buses will be provided. A lot of information will go out to the public, and the work will take place over the school holiday period to ensure minimal inconvenience to people travelling in and out for work.

Clearly this is a massive investment for the seat of Mount Waverley. In relation to the Glen Waverley line,

we want to make sure we keep up the good work on improving punctuality and reliability. You can only do that if you get rid of the tired, worn-out, old sleepers, and we are doing that.

The member for Bentleigh raised a matter with me in relation to the Frankston line. What a great story we have to tell about the Frankston line in terms of improving reliability and punctuality. These fantastic improvements have been noted by people who travel along that line. Gone are the dark old days of appalling punctuality. The Frankston line continues to improve. There are now 10-minute services on weekends — almost what you would call on Metro 'Throw away the timetable'. That has been a fantastic outcome for people serviced by the Frankston line.

I am delighted to tell the member for Bentleigh, who is a great advocate for public transport in her community, that Metro is installing tactile ground surface indicators — a series of yellow dots — along the 160-metre length of the down, or no. 3, platform at McKinnon railway station. This is another coalition government step to ensure that safety is the primary focus on our public transport network.

The drainage and mud spot removal works that Metro is undertaking between Richmond and Caulfield in June are part of fixing up the network and making sure, once again, that we get reliability and punctuality right up there. Prior to the coalition government being elected Metro wrote a 2009 report stating that trains on the Frankston line and three other lines were at risk of colliding with line-side structures and derailling. That is what we inherited — that is how bad it was — and that is why we are putting in this investment to make the system safer.

That is why the member for Bentleigh wants to take me out there to inspect the line and look at the work we are undertaking. We are installing concrete sleepers, upgrading tracks and spending more money on renewals right across that part of the network. We will continue to do that. I am more than happy to go out there with the hardworking and dedicated member for Bentleigh to have a look at this work and see what else we can do to make sure that the Frankston line and the communities the member represents are well serviced by the government and the member for Bentleigh. We will certainly be interested in looking at those works.

Mrs POWELL (Minister for Local Government) — The member for Narracan raised with me a request for funding for a mobile library prime mover for his library service, the West Gippsland Regional Library Corporation, which services the Baw Baw, Bass Coast

and South Gippsland shires. I am pleased to advise the member that \$17.2 million has been made available over four years through the Living Libraries Infrastructure program to improve public library facilities in Victoria.

I wrote to all councils and regional library corporations advising of the opening of the second round of funding early this year. That is now closed — it closed in mid-May — and I understand that the program was heavily subscribed. There were applications for about 28 projects, totalling about \$10.9 million in applications. The government's minimum grant has been increased from \$500 000 to \$750 000. All projects are assessed by an independent panel. I am looking forward to receiving the recommendations from the assessment panel, possibly in coming weeks. I acknowledge the member for Narracan's lobbying and strong support for the program, and I look forward to announcing library funding soon.

Mr DELAHUNTY (Minister for Sport and Recreation) — I rise to respond to a matter raised by the member for Gembrook, a hardworking member who is active in his community. He asked me to come to look at some of the projects that are under way in his electorate and to meet with volunteers.

A key part of delivering active and healthy communities is our special volunteers. More than 580 000 Victorians volunteer annually in sport and recreation, and again I say a big thankyou to those people. Our volunteers need support, especially with the mounting time pressures they have in their communities. The government recognises that this is a significant challenge into the future. That is why we have committed funding of \$1.75 million over four years to support volunteers and coaches in community sport; \$400 000 of that money will be used to increase the skills of volunteers involved in coaching across Victoria.

Importantly, if we are going to have people playing sport and have active and healthy communities, we need facilities for active communities. The member has outlined many of those projects, but because of time I will not go through them tonight. There is a great range of projects. I congratulate the member for Gembrook on the fantastic work he does in supporting his volunteers. I will be happy to visit his electorate to view some of the facilities that are being constructed and to meet with the volunteers to congratulate them on the great work they are doing to ensure that sporting communities in Gembrook remain more active, more often.

Mr DIXON (Minister for Education) — The member for Eltham raised with me an issue regarding Eltham North Primary School. He has done the house a great service by listing another example of the federal government's bungled Building the Education Revolution (BER) program and the way it was administered in Victoria by the former government. We have an example in Eltham North where we have a lift well without a lift because the project ran out of money and was de-scoped.

We have seen many examples of that. We have seen over-budget projects, we have seen late projects, we have seen projects the joinery for which could not be put into the classrooms and where there was no provision for utilities and maintenance of buildings. We have seen landscaping taken away and the demolition of buildings that were replaced by BER projects. There is a long list of bungled projects.

I know the project at Eltham North. It was a good project — a common-sense project — because it fitted in with the needs of the school. But they were very few and far between. Unfortunately the school has been caught up with the lack of management of the total project. That is not just my opinion; the Gillard government's own investigation into this matter by Brad Orgill also found these issues. I am aware of the issues the member raised. I received correspondence just recently from the school regarding this. I have asked my department to have a good look at it to find out why it happened in the first place, but most importantly what sort of sustainable solution we might find that will meet the needs of the school and the students. Once again it is another example of the mismanagement of the BER projects.

Mr McINTOSH (Minister for Corrections) — I will ensure the matters raised by the members for Albert Park and Essendon are referred to the respective ministers.

The DEPUTY SPEAKER — Order! The house stands adjourned until tomorrow.

House adjourned 11.55 p.m.

