

PARLIAMENT OF VICTORIA

**PARLIAMENTARY DEBATES
(HANSARD)**

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

Tuesday, 22 May 2018

(Extract from book 6)

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By authority of the Victorian Government Printer

The Governor

The Honourable LINDA DESSAU, AC

The Lieutenant-Governor

The Honourable KEN LAY, AO, APM

The ministry

(from 16 October 2017)

Premier	The Hon. D. M. Andrews, MP
Deputy Premier, Minister for Education and Minister for Emergency Services	The Hon. J. A. Merlino, MP
Treasurer and Minister for Resources	The Hon. T. H. Pallas, MP
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Minister for Training and Skills, and Minister for Corrections	The Hon. G. A. Tierney, MLC
Minister for Planning	The Hon. R. W. Wynne, MP
Cabinet Secretary	Ms M. Thomas, MP

**OFFICE-HOLDERS OF THE LEGISLATIVE ASSEMBLY
FIFTY-EIGHTH PARLIAMENT — FIRST SESSION**

Speaker

The Hon. C. W. BROOKS (from 7 March 2017)

The Hon. TELMO LANGUILLER (to 25 February 2017)

Deputy Speaker

Ms J. MAREE EDWARDS (from 7 March 2017)

Mr D. A. NARDELLA (to 27 February 2017)

Acting Speakers

Ms Blandthorn, Mr Carbines, Ms Couzens, Mr Dimopoulos, Mr Edbrooke, Ms Graley,
Ms Kilkenny, Ms Knight, Mr McGuire, Mr Pearson, Mr Richardson, Ms Spence, Ms Suleyman,
Ms Thomson, Ms Ward and Ms Williams.

Leader of the Parliamentary Labor Party and Premier

The Hon. D. M. ANDREWS

Deputy Leader of the Parliamentary Labor Party and Deputy Premier

The Hon. J. A. MERLINO

Leader of the Parliamentary Liberal Party and Leader of the Opposition

The Hon. M. J. GUY

Deputy Leader of the Parliamentary Liberal Party and Deputy Leader of the Opposition

The Hon. D. J. HODGETT

Leader of The Nationals

The Hon. P. L. WALSH

Deputy Leader of The Nationals

Ms S. RYAN

Heads of parliamentary departments

Assembly — Acting Clerk of the Legislative Assembly: Ms Bridget Noonan

Council — Acting Clerk of the Parliaments and Clerk of the Legislative Council: Mr A. Young

Parliamentary Services — Secretary: Mr P. Lochert

MEMBERS OF THE LEGISLATIVE ASSEMBLY
FIFTY-EIGHTH PARLIAMENT — FIRST SESSION

Member	District	Party	Member	District	Party
Allan, Ms Jacinta Marie	Bendigo East	ALP	McLeish, Ms Lucinda Gaye	Eildon	LP
Andrews, Mr Daniel Michael	Mulgrave	ALP	Merlino, Mr James Anthony	Monbulk	ALP
Angus, Mr Neil Andrew Warwick	Forest Hill	LP	Morris, Mr David Charles	Mornington	LP
Asher, Ms Louise	Brighton	LP	Mulder, Mr Terence Wynn ²	Polwarth	LP
Battin, Mr Bradley William	Gembrook	LP	Naphthine, Dr Denis Vincent ³	South-West Coast	LP
Blackwood, Mr Gary John	Narracan	LP	Nardella, Mr Donato Antonio ⁴	Melton	Ind
Blandthorn, Ms Elizabeth Anne	Pascoe Vale	ALP	Neville, Ms Lisa Mary	Bellarine	ALP
Britnell, Ms Roma ¹	South-West Coast	LP	Noonan, Mr Wade Matthew	Williamstown	ALP
Brooks, Mr Colin William	Bundoora	ALP	Northe, Mr Russell John ⁵	Morwell	Ind
Bull, Mr Joshua Michael	Sunbury	ALP	O'Brien, Mr Daniel David ⁶	Gippsland South	Nats
Bull, Mr Timothy Owen	Gippsland East	Nats	O'Brien, Mr Michael Anthony	Malvern	LP
Burgess, Mr Neale Ronald	Hastings	LP	Pakula, Mr Martin Philip	Keysborough	ALP
Carbines, Mr Anthony Richard	Ivanhoe	ALP	Pallas, Mr Timothy Hugh	Werribee	ALP
Carroll, Mr Benjamin Alan	Niddrie	ALP	Paynter, Mr Brian Francis	Bass	LP
Clark, Mr Robert William	Box Hill	LP	Pearson, Mr Daniel James	Essendon	ALP
Couzens, Ms Christine Anne	Geelong	ALP	Perera, Mr Jude	Cranbourne	ALP
Crisp, Mr Peter Laurence	Mildura	Nats	Pesutto, Mr John	Hawthorn	LP
D'Ambrosio, Ms Liliana	Mill Park	ALP	Richardson, Mr Timothy Noel	Mordialloc	ALP
Dimopoulos, Mr Stephen	Oakleigh	ALP	Richardson, Ms Fiona Catherine Alison ⁷	Northcote	ALP
Dixon, Mr Martin Francis	Nepean	LP	Riordan, Mr Richard ⁸	Polwarth	LP
Donnellan, Mr Luke Anthony	Narre Warren North	ALP	Ryall, Ms Deanne Sharon	Ringwood	LP
Edbrooke, Mr Paul Andrew	Frankston	ALP	Ryan, Mr Peter Julian ⁹	Gippsland South	Nats
Edwards, Ms Janice Maree	Bendigo West	ALP	Ryan, Ms Stephanie Maureen	Euroa	Nats
Eren, Mr John Hamdi	Lara	ALP	Sandell, Ms Ellen	Melbourne	Greens
Foley, Mr Martin Peter	Albert Park	ALP	Scott, Mr Robin David	Preston	ALP
Fyffe, Mrs Christine Anne	Evelyn	LP	Sheed, Ms Suzanna	Shepparton	Ind
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Gidley, Mr Michael Xavier Charles	Mount Waverley	LP	Smith, Mr Timothy Colin	Kew	LP
Graley, Ms Judith Ann	Narre Warren South	ALP	Southwick, Mr David James	Caulfield	LP
Green, Ms Danielle Louise	Yan Yean	ALP	Spence, Ms Rosalind Louise	Yuroke	ALP
Guy, Mr Matthew Jason	Bulleen	LP	Staikos, Mr Nicholas	Bentleigh	ALP
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Hennessy, Ms Jill	Altona	ALP	Suleyman, Ms Natalie	St Albans	ALP
Hibbins, Mr Samuel Peter	Prahan	Greens	Thomas, Ms Mary-Anne	Macedon	ALP
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Kairouz, Ms Marlene	Kororoit	ALP	Tilley, Mr William John	Benambra	LP
Katos, Mr Andrew	South Barwon	LP	Victoria, Ms Heidi	Bayswater	LP
Kealy, Ms Emma Jayne	Lowan	Nats	Wakeling, Mr Nicholas	Ferntree Gully	LP
Kilkenny, Ms Sonya	Carrum	ALP	Walsh, Mr Peter Lindsay	Murray Plains	Nats
Knight, Ms Sharon Patricia	Wendouree	ALP	Ward, Ms Vicki	Eltham	ALP
Languiller, Mr Telmo Ramon	Tarneit	ALP	Watt, Mr Graham Travis	Burwood	LP
Lim, Mr Muy Hong	Clarinda	ALP	Wells, Mr Kimberley Arthur	Rowville	LP
McCurdy, Mr Timothy Logan	Ovens Valley	Nats	Williams, Ms Gabrielle	Dandenong	ALP
McGuire, Mr Frank	Broadmeadows	ALP	Wynne, Mr Richard William	Richmond	ALP

¹ Elected 31 October 2015

² Resigned 3 September 2015

³ Resigned 3 September 2015

⁴ ALP until 7 March 2017

⁵ Nats until 28 August 2017

⁶ Elected 14 March 2015

⁷ Died 23 August 2017

⁸ Elected 31 October 2015

⁹ Resigned 2 February 2015

¹⁰ Elected 18 November 2017

PARTY ABBREVIATIONS

ALP — Labor Party; Greens — The Greens;
Ind — Independent; LP — Liberal Party; Nats — The Nationals.

Legislative Assembly committees

Privileges Committee — Ms Allan, Mr Clark, Ms D’Ambrosio, Mr Morris, Ms Neville, Ms Ryan, Ms Sandell, Mr Scott and Mr Wells.

Standing Orders Committee — The Speaker, Ms Allan, Ms Asher, Mr Carroll, Mr Clark, Ms Edwards, Mr Hibbins, Mr Hodgett, Ms Kairouz, Ms Ryan and Ms Sheed.

Legislative Assembly select committees

Penalty Rates and Fair Pay Select Committee — Ms Blandthorn, Mr J. Bull, Mr Clark, Mr Hibbins, Ms Ryall, Ms Suleyman and Ms Williams.

Joint committees

Accountability and Oversight Committee — (*Assembly*): Mr Angus, Mr Gidley, Mr Noonan and Ms Thomson. (*Council*): Mr O’Sullivan, Mr Purcell and Ms Symes.

Dispute Resolution Committee — (*Assembly*): Ms Allan, Mr Clark, Ms Hutchins, Mr Merlino, Mr M. O’Brien, Mr Pakula and Mr Walsh. (*Council*): Mr Bourman, Mr Dalidakis, Ms Dunn, Mr Jennings and Ms Wooldridge.

Economic, Education, Jobs and Skills Committee — (*Assembly*): Mr Crisp, Mrs Fyffe, Ms Garrett and Ms Ryall. (*Council*): Mr Bourman, Mr Elasmarr and Mr Melhem.

Electoral Matters Committee — (*Assembly*): Ms Asher, Ms Blandthorn, Mr Dixon and Ms Spence. (*Council*): Ms Bath, Ms Patten and Mr Somyurek.

Environment, Natural Resources and Regional Development Committee — (*Assembly*): Mr J. Bull, Ms Halfpenny, Mr Richardson and Mr Riordan. (*Council*): Mr O’Sullivan, Mr Ramsay and Mr Young.

Family and Community Development Committee — (*Assembly*): Ms Britnell, Ms Couzens, Mr Edbrooke, Ms Edwards and Ms McLeish. (*Council*): Dr Carling-Jenkins and Mr Finn.

House Committee — (*Assembly*): The Speaker (*ex officio*), Mr J. Bull, Mr Crisp, Mrs Fyffe, Mr Staikos, Ms Suleyman and Mr Thompson. (*Council*): The President (*ex officio*), Mr Eideh, Ms Lovell, Mr Mulino and Mr Young.

Independent Broad-based Anti-corruption Commission Committee — (*Assembly*): Mr Hibbins, Mr D. O’Brien, Mr Richardson, Ms Thomson and Mr Wells. (*Council*): Mr Ramsay and Ms Symes.

Law Reform, Road and Community Safety Committee — (*Assembly*): Mr Dixon, Mr Howard, Ms Suleyman, Mr Thompson and Mr Tilley. (*Council*): Mr Gepp and Ms Patten.

Public Accounts and Estimates Committee — (*Assembly*): Mr Dimopoulos, Mr Morris, Mr D. O’Brien, Mr Pearson, Mr T. Smith and Ms Ward. (*Council*): Ms Patten, Ms Pennicuik and Ms Shing.

Scrutiny of Acts and Regulations Committee — (*Assembly*): Ms Blandthorn, Mr J. Bull, Mr Dimopoulos, Ms Kilkenny and Mr Pesutto. (*Council*): Ms Bath and Mr Dalla-Riva.

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Tuesday, 22 May 2018

The SPEAKER (Hon. Colin Brooks) took the chair at 12.03 p.m. and read the prayer.

ACKNOWLEDGEMENT OF COUNTRY

The SPEAKER (12:03) — We acknowledge the traditional Aboriginal owners of the land on which we are meeting. We pay our respects to them, their culture, their elders past, present and future, and elders from other communities who may be here today.

DISTINGUISHED VISITORS

The SPEAKER (12:04) — Before calling questions I would like to acknowledge a former member for Bundoora, Ms Sherryl Garbutt, in the gallery today — one of the three best members for Bundoora.

QUESTIONS WITHOUT NOTICE and MINISTERS STATEMENTS

Sports funding

Mr M. O'BRIEN (Malvern) (12:04) — My question is to the Treasurer. Treasurer, a week ago you told the Public Accounts and Estimates Committee that you do not know the value of the 15 000 square metres of prime harbourfront land that you have gifted to the AFL to build a new corporate headquarters. Given you have now had a full week to determine the value of the taxpayers asset that you are giving away, I ask you again: what is the value in nominal terms and in today's dollars of the 40-year harbourfront lease that your government is handing to the AFL?

Mr PALLAS (Treasurer) (12:05) — I thank the member for Malvern for his question, and I also thank him for the opportunity for us to restate our commitment to the sports and stadiums package, which will be a great boon to Victorian sport and will ensure that the grand final stays well into the 2050s as a consequence of our investment. You want to know what the value of this total package is? I will tell you what the value is: it is the fact that we have retained the grand final.

Mr M. O'Brien — On a point of order, Speaker, the question was specifically about the land value of the new corporate headquarters site that the government has gifted to the AFL. The Treasurer has not even sought to answer that question, and I ask you to bring him back to answering the question he was asked, not speaking about different issues which he was not asked.

The SPEAKER — Order! The Treasurer has only been answering the question for a short period of time. The Treasurer to continue.

Mr PALLAS — Well, Speaker, isn't it a telling indictment of those opposite? They know the cost of everything and the value of nothing. That is how they govern, that is how they turned their back on Victorians and that is why in this budget we put over 13 times more in sport over our last four years than they did in their last year.

Honourable members interjecting.

The SPEAKER — Order! I ask the Minister for Police and the member for Malvern to assist with the running of question time, and I ask the member for Ripon to stop shouting across the chamber.

Mr Clark — On a point of order, Speaker, the Treasurer is continuing to talk about anything but the question he was asked. I renew the point of order made by the member for Malvern, and I ask you to bring him back to answering the very specific question that he was asked and to account to this Parliament and to the community about the public money he is spending.

The SPEAKER — Order! I do not uphold the point of order. The Treasurer to continue answering the question.

Mr PALLAS — Look, I will just make the point again: you might ask what the cost of this is and I will tell you what the opportunity cost of this is every time, because it is not simply about the state putting a dollar value on it.

Honourable members interjecting.

The SPEAKER — The member for Bass is warned.

Mr PALLAS — It is about the entire package and its value to the people of Victoria.

Mr M. O'Brien — On a point of order, Speaker, the Treasurer is required to answer to the people of Victoria: what is the value of this land he has given away to the AFL? It is not for him to say, 'I do not want to tell you'. He is required to answer to this house as a minister what the value of this land was. He has not done it, and I ask you to bring him back to answering the question, if he is not too embarrassed to tell the truth.

The SPEAKER — Order! I understand the point of order that the member for Malvern is making, but the Treasurer is complying with the sessional and standing orders.

Honourable members interjecting.

The SPEAKER — Order! The member for Malvern is warned.

Supplementary question

Mr M. O'BRIEN (Malvern) (12:08) — Treasurer, given you are handing the AFL \$225 million to renovate its own private asset, Etihad Stadium, and you are gifting the AFL 15 000 square metres of prime harbourfront land for the next 40 years, why do you still propose to charge not-for-profit community sporting clubs interest on loans to repair their change rooms?

Mr PALLAS (Treasurer) (12:09) — The member for Malvern is being deliberately obtuse. So we are very clear about this, when it comes to community sports infrastructure, this government is providing in this budget \$60 million. Now, let us be clear: never in their four years in government did they ever come close to putting that money up.

Mr M. O'Brien — On a point of order, Speaker, my question specifically related to the interest that this government is charging on loans to community sporting clubs. I asked him why he is continuing to do that in light of his giveaway and largesse to the AFL. He is halfway through his answer; I ask you to bring him back to addressing the question.

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

Mr PALLAS — Once again, Speaker, just to be clear: the community sports infrastructure loans will effectively leverage about \$100 million of opportunity. It is \$5 million, where we give them access to the borrowing of Treasury Corporation of Victoria and indeed the state. The \$5 million cost is to underwrite and reduce that borrowing rate. Let us be clear: nobody is forced to take these loans up, but because we are giving so much more in sports funding, there is plenty more appetite to do more.

Honourable members interjecting.

The SPEAKER — The member for Gippsland South, the member for Hawthorn, the member for Hastings and the member for Essendon are all warned.

Mr M. O'Brien — I suppose you do not need a loan when you get a big cheque from the Treasurer. On a point of order, Speaker, in relation to the answer to the substantive question, I argue it is not within the terms of sessional order 9, and I ask you to review it

and have the Treasurer answer the question which was actually asked.

The SPEAKER — Order! I will consider that matter and come back to the house.

Ministers statements: emergency services

Mr ANDREWS (Premier) (12:11) — I rise to update all honourable members on announcements the government has made today in relation to protecting our emergency services workers and appropriately punishing those who do them harm. All of our emergency services workers put themselves in harm's way to keep us safe, to fight crime. They are there whenever we need them in fire and flood, in conflict, in crisis, and the least that we can do as a Parliament is deal with the significant flaws that were highlighted in a judgement of the County Court last week. Those laws, passed by the previous Parliament, under the previous government, need to be remedied.

That is why our government today has outlined that a number of offences relating to causing injury to emergency services workers will be shifted to category 1, where there is a mandatory jail term, and beyond that we will substantially and importantly reduce and scale back the so-called 'special reasons', as drafted by those opposite. There will no longer be an ability for any offender who is intoxicated, who is drunk, to use that as a get-out-of-jail-free card. If you are under the influence of drugs, similarly that will not be a 'special reason'. The error of those opposite, as exposed last week, will be remedied by these changes. If you cause harm to a paramedic or a police officer or any member of our emergency services, jail will mean jail.

North-east link

Mr M. O'BRIEN (Malvern) (12:14) — My question is to the Treasurer. Treasurer, you admitted to the Public Accounts and Estimates Committee last week that your 2018–19 budget contains not a single dollar to fund construction of a \$16.5 billion north-east link. In light of this, do you rule out imposing any new or additional taxes, levies or charges on Victorians in order to pay for your unfunded north-east link?

Mr PALLAS (Treasurer) (12:14) — I thank the member for Malvern for his question. I suppose we should make the point that if you want to see the difference between this side of Parliament and the other side, it is that we seek a mandate for the things that we do. We have put \$100 million aside for this vital project, but we will not proceed to deliver it unless and until we have a mandate from the people of Victoria.

Importantly, look at what we did with Melbourne Metro. We put aside \$300 million in *Labor's Financial Statement* for the planning and delivery, ultimately, of this vital project. And what is happening? An almost \$11 billion project is underway because this government got going.

Mr M. O'Brien — On a point of order, Speaker, the question asked the Treasurer to rule out imposing any new or additional taxes, levies or charges to fund the north-east link. I invite you to bring the Treasurer back to giving Victorians that assurance. Will you rule out new or additional taxes, levies or charges to fund the unfunded north-east link?

The SPEAKER — Order! I uphold the point of order. I ask the Treasurer to answer the question asked.

Mr PALLAS — Well, as the member for Malvern already knows, if this government receives a mandate to deliver this project, it will be a toll road — we have been very clear about that — and it is our intention to seek a mandate from the people of Victoria. We will go to the next election with a very clear offering to the people of Victoria: vote for us and you will get the north-east link; vote for those opposite and you will not.

Honourable members interjecting.

The SPEAKER — Order! The member for Macedon is warned.

Mr M. O'Brien — On a point of order, Speaker, the question did not refer to tolls; it referred to taxes, charges and levies and asked the Treasurer to rule them out. The Treasurer did not do so, and I would ask you to review the answer under sessional order 9.

Mr Pakula — On the point of order, Speaker, the question asked the Treasurer if he would rule out any taxes, charges or levies, and he said it will be tolled. A toll is a charge. I do not know how much clearer he can be.

The SPEAKER — Order! I will carefully check *Hansard* and come back to the house.

Supplementary question

Mr M. O'BRIEN (Malvern) (12:17) — Treasurer, you have previously said that you would keep debt to gross state product at a level no greater than the level you inherited from the previous coalition government. Given you have failed to explain how you will pay for your unfunded \$16.5 billion north-east link, can you confirm: will this debt promise continue to be a

commitment of the Andrews Labor government — yes or no?

Mr PALLAS (Treasurer) (12:18) — We have been very clear that during this term of office that we will keep debt below the level we inherited. Might I say not only is debt below the level we inherited but the surplus is substantially larger and the economic growth is substantially larger too. We are actually spending close to three times the capital amount that those opposite spent on infrastructure. So we do not really need lectures from those opposite about how to manage an economy. But importantly we will say to the people of Victoria what our fiscal parameters will be. We will seek a mandate from them at an appropriate stage.

Ministers statements: manufacturing sector

Mr CARROLL (Minister for Industry and Employment) (12:18) — I rise to update the house on how the Andrews government is creating manufacturing jobs not just in Melbourne but in regional Victoria. Last Thursday I had the great pleasure of joining another A-grader on our side of the house, the member for Bendigo West, in Castlemaine to talk about regional jobs and regional manufacturing. Victoria will always be the home of manufacturing. It is a cornerstone of our economy. The numbers speak for themselves: 280 000 people employed across 13 000 businesses, 15 months of consecutive growth and exports over \$18 billion.

But it is not just in Melbourne that manufacturing is going strong; it is also in regional Victoria. Twenty per cent of manufacturing is in regional Victoria, and why shouldn't it be? There is access to raw materials, industrial land and wonderful cities. It is just like when the member and I were in Castlemaine last week to meet with representatives of Vossloh Cogifer, which does all the drilling machines and hard work on our rail network, being well supported by the Minister for Public Transport. With our support they have installed a new computer numerical control milling machine, which is adding 10 more employees.

Most importantly when we talk about jobs, we are talking about strength. We love talking about jobs on this side of the house, but I also see there have been some new jobs created on that side of the house, with David Mond, the new Liberal Party organisational Treasurer, saying, 'I want to offer my heartfelt congratulations and thanks to Marcus Bastiaan, an outstanding talent and dedicated leader of the team'. I thought the Leader of the Opposition was the leader, but the new Liberal Party Treasurer says it is Marcus Bastiaan.

Honourable members interjecting.

The SPEAKER — Order!

Mr Clark — On a point of order, Speaker, the minister is now proceeding to debate the issue and not make a minister's statement. I ask you to bring him back to compliance with sessional orders.

Honourable members interjecting.

The SPEAKER — Order! The member for Gembrook! There is too much noise in the chamber. I uphold the point of order. The minister to come back to making a minister's statement.

Mr CARROLL — Manufacturing is growing under the Andrews Labor government. As Jane Hume said on Q&A, they just need to work a little harder on their side of the house and they might go somewhere, but while we are busy counting job numbers they are busy counting numbers on the Leader of the Opposition.

North-east link

Mr M. O'BRIEN (Malvern) (12:21) — My question is to the Treasurer. Treasurer, you have form on breaking promises and making users of other roads pay for your unfunded road projects, such as your attempt to make CityLink users pay decades of higher tolls to fund the West Gate tunnel. Will you rule out making any change to any tolling arrangements on any other road in order to pay for your unfunded north-east link — yes or no?

Mr PALLAS (Treasurer) (12:21) — First of all there is at least one part of the Liberal Party that likes this road, and they are in Canberra. They are making a very substantial contribution to this road — the road that the Leader of the Opposition has said he will tear up contracts on, or words to that effect. But importantly our position is not to do what those opposite did — they decided to charge the entirety of network users — for the extension of the West Gate tunnel or for the Tullamarine-Calder freeways upgrade. It is to make sure that we get a proper bargain at a lower rate; we did it for the West Gate tunnel — let us be very clear.

Mr M. O'Brien — On a point of order, Speaker, it was a very clear question: will the Treasurer rule out making any change to any tolling arrangements on other roads in order to pay for the north-east link? It invites a very simple yes or no. I would ask you to ask the Treasurer to give that answer — yes or no.

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

Mr PALLAS — The member for Malvern may or may not know, but we are going through a business case process preparation at the moment.

Honourable members interjecting.

Mr PALLAS — Of course they laugh and they guffaw, Speaker. They guffaw, because why would you need to understand a business case for a road? You just make up your mind that you are going to proceed with it, regardless of facts or information. This is Trumpism gone mad, Speaker. We will advise ourselves once we are apprised of the full information. The people of Victoria will get the opportunity to vote on it.

Mr M. O'Brien — On a point of order, Speaker, for the third and hopefully final time, I ask you to ask the Treasurer to answer the question. Will he rule out changing any tolling arrangements on any other road to fund the north-east link? For the third and final time — yes or no?

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

Mr PALLAS — We are committed to building vital infrastructure projects for this state — \$13.7 billion of infrastructure is being built in this budget. With respect to the fear campaign that those opposite will no doubt seek to indulge themselves in, this government has no plans to change the tolling structure on other roads in respect of this road. Indeed, quite frankly, this road will be funded from state contributions, it will be funded from user contributions and it will be funded from that part of the Liberal Party that actually supports the road — the federal government.

Honourable members interjecting.

The SPEAKER — Order! The member for Hawthorn and the member for Warrandyte have already been warned, I think.

Supplementary question

Mr M. O'BRIEN (Malvern) (12:25) — Treasurer, you were Steve Bracks's chief of staff when he promised Victorians before an election that there would be no tolls on EastLink and then broke his promise after the election. You also promised Victorians before an election that no compensation would be paid to rip up the east-west link, but you paid out \$1.3 billion to do so. Treasurer, given your and Labor's track record on deceit, how can Victorians take you on trust that you will not toll the Eastern Freeway?

Mr PALLAS (Treasurer) (12:25) — Yes, I was former Premier Bracks’s chief of staff — and what a great Labor Premier he was. Might I also say that, yes, I was his chief of staff, but the member for Malvern was his own man when he signed the dodgy side letter, when he tried to keep it secret — the benefit-cost ratio and the business case. He tried to keep it all secret from Victorians. When this government came to power we basically produced it, which showed exactly what you were up to — 45 cents in the dollar —

Honourable members interjecting.

Mr PALLAS — Of course we continue with our commitment to deliver the vital infrastructure that this state needs. We will of course let the people of Victoria know, seeking a mandate, and that is exactly what this is about. Every day you talk about this piece of infrastructure, people will be reminded of your dishonesty.

Ministers statements: road infrastructure projects

Mr DONNELLAN (Minister for Roads and Road Safety) (12:26) — It is a pleasure to update the house on last week’s Transport and Infrastructure Council meeting in Darwin. It was a great meeting. We were there to discuss the infrastructure needs of the country. It was a lovely 27 degrees, and I was up there with the Minister for Public Transport.

Above all else it was actually very enjoyable to meet with my federal counterparts, Minister McCormack and obviously Minister Fletcher. They were telling us they were very keen to get the business case for the north-east link, because of course they know the travel time savings which will be realised, unlike their Victorian counterparts — 30 minutes travel time savings from the north to the south, massive reductions if you are going to the airport from the east and the south-east, and 15 000 trucks off north-eastern streets, returning the local roads to local residents. We know that the Doncaster busway will deliver 30 per cent travel time savings and improvements.

It is great to be part of a crusading coalition who wants to deliver the infrastructure that Victoria needs. We know those on the other side are into a different type, a holy crusade. Whether it be the Sun King Emperor, Emperor Kroger or Bishop Bastiaan and his little band of branch stackers —

Mr Clark — On a point of order, Speaker, the minister is now departing from making a ministers

statement and is debating issues. I ask you to bring him back to compliance with sessional orders.

The SPEAKER — The minister did depart from making a ministers statement. I ask him to come back to making a ministers statement.

Mr DONNELLAN — We are very keen to crusade in the streets, whether it be Rosanna Road, Fitzsimons Lane, Bulleen Road or Lower Plenty Road, to get those trucks and the cars off the local streets and get them onto a higher order arterial. We know others have been hunting, they have been crusading, down at Narracan, Burwood, Higgins, Chisholm and Menzies. It is a very unholy crusade, trying to knock off those lefties and ungodly infidels —

Mr Clark — On a point of order, Speaker, the minister is now defying your ruling. I ask you to instruct him in the remaining 7 seconds to come back to making a ministers statement.

The SPEAKER — I uphold the point of order. The minister is to come back to the statement.

Mr DONNELLAN — It is very much wet work being a weed in the Liberal Party.

Education funding

Mr NARDELLA (Melton) (12:29) — My question is to the Minister for Education. Can the minister advise what school capital investments there have been to date —

Honourable members interjecting.

The SPEAKER (12:29) — Order! The member for Hastings will leave the chamber for a period of 1 hour.

Honourable member for Hastings withdrew from chamber.

Mr NARDELLA — My question is to the Minister for Education. Can the minister advise what school capital investments there have been to date by the government in existing schools in Melton, and when these will be delivered?

Mr MERLINO (Minister for Education) (12:30) — I thank the member for Melton for his question. Before I get to the substance of his question in terms of investments in schools in the Melton electorate, we should think about the investment across the state over our four budgets — \$3.8 billion — the biggest infrastructure campaign, the biggest infrastructure building program that this state has ever seen; 1300 upgrades and 70 new schools in the construction

pipeline. The budget that we delivered just a few weeks ago was \$1.25 billion in one budget, the equivalent of what those opposite delivered in four years.

In terms of the question from the member for Melton, in the most recent budget there is \$6.4 million to upgrade Melton West Primary School and funding to purchase land for the future Cobblebank secondary school. In Melton across our four budgets there has been \$55 million for new schools and upgrades, compared to \$17 million under those opposite. That is more than three times the level of funding.

Firstly, in terms of Melton West Primary School, there is \$6.4 million for upgraded and modernised facilities, including a new gymnasium, a canteen, music and arts buildings, a new toilet block, a new administration building and landscaping works. Planning was already done and funded in the previous budget, so this latest investment will go out to tender very, very shortly. It will go out to tender next month and then construction will begin in the next couple of months — so very quickly we are going to see the works. There is \$4.3 million for Melton Secondary College for the upgrading of classrooms and maintenance, a new admin area and a car park currently in construction. We should be finished by about February next year. There is \$5.5 million for Melton Specialist School. A new admin multipurpose canteen area is currently under construction, with planned completion by February.

There is \$8 million for Bacchus Marsh, which should be completed by about mid-next year. There is \$200 000 for Arnolds Creek currently out for tender, with completion by about August of this year. There is \$4.2 million for Kurrajong Primary School. The scope includes new admin, upgrades to site infrastructure, landscaping currently out for tender and a projected completion date by September next year. Melton South Primary School is completed, with new relocatables. There is \$541 million in maintenance for Staughton College. Again, that project is completed. Right across the electorate of Melton the Andrews Labor government is investing in schools, unlike those opposite.

Mr R. Smith — On a point of order, Speaker, the whole house could see that the minister was reading from a prepared statement. I ask you to direct him to make it available to the house.

The SPEAKER — Order! Was the minister reading from a document or referring to notes?

Mr MERLINO — Referring to notes, Speaker. That massive list of investment in schools in Melton

and schools right across Victoria is something you would never understand.

Honourable members interjecting.

The SPEAKER — Order! The member for Warrandyte has been warned.

Supplementary question

Mr NARDELLA (Melton) (12:33) — My supplementary question to the minister is: last week Exford Primary School school council president Jacqueline McDonald and vice-president Sharon Mills wrote to you regarding the growth issues and pressures on the school. The minister has visited the school with me in the past. My question is: will you make some time to meet with me and them to discuss the issues raised in the email to you?

Mr MERLINO (Minister for Education) (12:34) — I thank the member —

Mr R. Smith — On a point of order, Speaker, perhaps the member for Melton might have had more money available for his school if he had not rorted \$175 000 from the Victorian taxpayer. There might have been more money available if you had not stolen that money.

The SPEAKER — Order! That is a not a point of order.

Mr MERLINO — The Liberals will never talk about their massive cuts to education, the huge backlog of schools that required fixing by the Andrews Labor government.

I thank the member for Melton for his supplementary question. I received correspondence from Exford Primary School and I have previously met with Lisa Campo, the principal at Exford. I would be very pleased to meet with them again. I understand, in terms of growth right across the state, we need to accommodate 90 000 additional students by 2022. In terms of Exford they have quadrupled their enrolments since 2012. I understand there is more to be done. We inherited a massive backlog from the previous government, but I understand there is more to be done in terms of permanent facilities and access to services, so I would be very happy to meet with the school as soon as possible.

Ministers statements: police numbers

Ms NEVILLE (Minister for Police) (12:35) — I want to provide to the house an update on how our

recruitment of new police is going. As the house will recall we have funded 3135 police, on top of attrition — so all new, all additional police. It is the biggest ever uplift of police numbers in Victoria's history. It is not surprising that it is being delivered by a Labor government, because the last time a Liberal government funded new police was back in the Hamer government.

What a success this recruitment drive has been. We have had over 10 800 applications. We have 812 police recruits at the academy right now. Over the next 12 months we will have 1274 new, additional police recruits hitting the beat. They are already making a difference, the ones that have gone out over the last 12 months.

This is not just about keeping communities safe, but it is actually providing real job opportunities and careers for many young people. I have had many opportunities to go out with the recruits, have dinner with them, see them at their graduation, see them in their training and I can tell you that this opportunity — the 3000 additional police — has been embraced by these young people — and some older ones, as the Premier said — who see this as a new way of developing their skills. So people of all ages are really saying, 'This government has done an outstanding job in opening up this many police positions'.

So while we are focused on the recruitment of new police officers we have got others focused on recruiting for power, recruiting ultraconservative members to secure seats in Parliament, or as those who say —

Mr Clark — On a point of order, Speaker, the minister is proceeding to debate issues. You have cautioned previous ministers to comply with sessional orders. I ask you to ask the minister to also show respect for the house by complying with sessional orders and making a ministers statement rather than proceeding to debate issues.

The SPEAKER — I ask the minister to come back to making a statement.

Ms NEVILLE — I can tell you now, there is not one of those recruits out there that are B-graders that need to be moved on, unlike some others who are recruiting to try and fill their seats in Parliament and recruiting for power. We are getting on with delivering the biggest number of police officers in this state.

Mr Clark — On a point of order, Speaker, the Minister for Police is the latest in a series of ministers today who have been defying your rulings and proceeding to debate during ministers statements. I ask

you to caution the Minister for Police and other ministers that that is unacceptable and they should not do so.

The SPEAKER — I have noticed, in my time in the chair, that people on both sides of the house, whether they are asking or answering questions or making statements, do tend to push the boundaries. I ask all members to stick to the standing and sessional orders.

Education funding

Mr T. SMITH (Kew) (12:38) — My question is to the Minister for Education. Minister, Cobden Technical School student, Joe Kellermeir, has Hunter syndrome. Hunter syndrome is a degenerative condition characterised by extreme breathlessness and cardiac, muscular and skeletal pain that limits physical capabilities. School life is a real struggle for Joe. In May 2017 the education department approved the school's application for funding to undertake significant accessibility capital works. Architects were appointed and the project approved, yet a week ago the school was advised the project will no longer receive any funding in your state budget. Minister, why is it your priority to employ 400 new fat cat education bureaucrats, but to cut funding to students like Joe?

Mr MERLINO (Minister for Education) (12:39) — I thank the member for Kew for his question. Firstly, in regards to Joe and the Cobden school community, it is a very serious issue in terms of providing for students with additional needs, whether it is the reasonable adjustments that schools are required to deliver under the act or whether it is in regards to building upgrades — facility upgrades — either through the Inclusive Schools Fund or through our broader capital works program. My message for the Cobden community — I will get to the second part of your question in a moment — is that we take the needs of each and every school seriously.

We have got over 1500 government schools. All of those schools have specific needs. We have got the biggest building program that the state has ever seen. There are some schools that have received planning funding for capital projects. We know that there is more work to be done, but whether it is in our mainstream schools or whether it is in our special schools, where we have upgraded well over 40 schools and are providing additional new schools, we are committed on this side of the house to investing in education. And as I said in the previous question, our record is there for all to see. In this budget alone —

Mr T. Smith — On a point of order, Speaker, the question was very specific to Cobden Technical School and accessibility capital works that were promised and have not been delivered. When will the school get these works delivered?

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

Mr MERLINO — Speaker, as I was saying, there has been unprecedented investment in our schools. I will check the comments from the member for Kew and I will ensure that the Victorian School Building Authority engages with the Cobden school community, but everyone in Victoria knows who invests in education and who cuts education.

Can I come to the second part of the member's question and his reference to so-called fat cats? When you have the biggest school building program that the state has ever seen, you need people there to actually deliver it — 70 new schools and 1300 school upgrades. When you talk about students with additional needs and students who need welfare and wellbeing support — psychologists, speech pathologists and occupational therapists — those are the people we are talking about. Those opposite gutted our regional offices. There was no support for schools across Victoria, and given a chance they would do it again.

Supplementary question

Mr T. SMITH (Kew) (12:43) — Minister, in the 2017–18 financial year, you spent at least \$38 million more to employ 411 extra education bureaucrats. None of them teach a single child. Minister, today Joe and his parents are watching this question time through the live stream. Their second son, Chris, started high school this year. He suffers from the same condition. Can you tell them why you could not find the \$500 000 needed to upgrade Cobden Technical School to make school life bearable for these two boys?

Mr MERLINO (Minister for Education) (12:43) — Speaker, my message to Joe and his parents is that this government is investing not only in capital upgrades but also in terms of students with additional needs. It is the Andrews Labor government that is reforming the program for students with disabilities (PSD). That is the funding program to support our kids, and we are going to move from a deficit model to a functional needs model.

Mr R. Smith — On a point of order, Speaker, as the member for Kew pointed out, Joe and his family are watching now. They do not need political rhetoric. They want to know why a project that was approved

has been stopped by this minister. That is what they want to know. They do not want to hear the spin; they want to hear why this project was stopped.

The SPEAKER — There is no point of order. The minister to continue answering the question.

Mr MERLINO — There is no rhetoric in providing additional support for students with additional needs, whether it is the review of the PSD or whether it is delivering greater support. These people may not be teachers, but they are wellbeing workers — they are psychologists, they are speech pathologists. They are supporting students and their families in our schools. In terms of the Cobden project —

Mr T. Smith — On a point of order, Speaker, this minister is not answering the question. It was a very specific question. The family wants to know when these works will be undertaken. It was promised. It has not been delivered. They want to know, and they are listening.

The SPEAKER — Order! The minister has been relevant to the question. He was just coming to Cobden. The minister to continue answering the question.

Mr MERLINO — My message to Joe and his family is that they can be assured that it is the Andrews Labor government that invests in education, unlike those opposite. I will speak with the Victorian School Building Authority in terms of the Cobden school community.

Ministers statements: Head Start apprenticeships and traineeships program

Mr MERLINO (Minister for Education) (12:45) — I rise to update the house on the rollout of the Andrews government's Head Start apprenticeships and traineeships initiative, where students will have the option of year 13 and then leave school with a Victorian certificate of education or Victorian certificate of applied learning in one hand and a trade certificate in the other, fully qualified and ready for work.

Last week I announced that students at Maryborough Education Centre in the electorate of Ripon will be one of the schools that will offer this exciting new initiative from next year. And it is not just in Maryborough where students will benefit. I visited Phoenix P-12 Community College with the members for Wendouree and Buninyong to announce that a cluster of Ballarat schools will have the opportunity to participate. Phoenix P-12, Mount Clear College, Ballarat High School and Ballarat Secondary College will all offer opportunities for these young people so they can take

part in the Head Start apprenticeships and traineeships program. From next month the department will provide information sessions to participating schools so they are ready to go from 2019.

But while we are focused on providing kids in the electorate of Ripon and around Victoria — regional Victoria — with pathways to great jobs, the member for Ripon is more focused on attacking her National Party comrades, taking seats off them.

Honourable members interjecting.

The SPEAKER — Order! I warn the member for Frankston.

Mr Clark — On a point of order, Speaker, yet again a minister is defying your previous rulings and is proceeding to debate issues in breach of sessional orders. I ask you to caution the minister that he needs to comply with sessional orders and that you will sit him down if he fails to do so.

The SPEAKER — Order! Ministerial statements are not an opportunity to attack the opposition.

Mr MERLINO — We will continue to roll out this wonderful Head Start initiative right across Victoria — 100 secondary schools, 1700 students. While we are focused on pathways to jobs, we know the only jobs those opposite are worried about — they want more Liberal Party members in seats. They are a divided lot, aren't they.

Mr Clark — On a point of order, Speaker, the Deputy Premier is defying your ruling. I suggest you refuse to hear him further.

The SPEAKER — Order! The Deputy Premier has concluded his statement.

Mr MERLINO — No, Speaker. I have got 6 seconds. I do not want to poke the bear, but we will focus on investing in our kids, providing pathways to jobs and delivering skilled workers.

Mr T. Bull — On a point of order, Speaker, I would like to bring to your attention an unanswered question, 14 194, directed to the Minister for Early Childhood Education on 28 March. It relates to the time frame to address the operational and capital works issues at the Omeo early learning centre, which is still not yet resolved.

The SPEAKER — Was it a constituency question?

Mr T. BULL — Yes, it was — 14 194. If you could follow that up and get me an answer, that would be greatly appreciated.

Mr Watt — Speaker, I raise a point of order with regard to question 14 166. I have raised this particular point of order previously. It was a question around Crohn's disease and colitis for a constituent. Given that it is Crohn's and Colitis Awareness Month, I would have thought that the minister would have been able to answer a question about Crohn's and colitis and the funding available for a constituent who suffers and who is very interested in having this question answered. I would really appreciate it if you could chase up with the minister —

The SPEAKER — Can I just ask the member: was it a question on notice or a constituency question?

Mr Watt — It was a question on notice. I would really appreciate it if you could get the minister to answer the question. She is required under the standing orders to do that. Her belligerence is not appreciated by me or my constituent.

The SPEAKER — Order! Points of order are not an opportunity to reflect on other members of the house. Has the member got any further points of order he wishes to raise?

Mr Watt — No, this is the only belligerent minister at this point in time.

The SPEAKER — Thank you, member for Burwood. I will dutifully chase that up.

Ms Kealy — On a point of order, Speaker, I have a constituency question which remains unanswered after an extended period of time. The question was asked on 27 March and was to the Minister for Emergency Services regarding a critical piece of equipment required by the Gazette fire brigade — an ultralight. This was not provided in the budget papers and is something the community desperately wants. I refer to question 14 169. Given the critical nature of this, I ask you to ensure that the minister responds very promptly.

The SPEAKER — I thank the member for that. We will follow that matter up.

Mr Katos — On a point of order, Speaker, I have got an unanswered constituency question, 14 211, directed to the Minister for Roads and Road Safety regarding why he wants to put an acquisition line through the front lounge room of a lady that lives on Barwon Heads Road as part of its proposed duplication. I ask you to get the minister to respond to that question.

The SPEAKER — I thank the member for South Barwon.

CONSTITUENCY QUESTIONS

Warrandyte electorate

Mr R. SMITH (Warrandyte) (12:52) — (14 389) My constituency question is to the Minister for Roads and Road Safety, and it is in regard to Warrandyte Bridge. The bridge-widening project continues to draw a lot of frustration from the local community due to the lack of communication between VicRoads and the community. When my office called VicRoads they were told they could not answer any questions, saying that any information needed to be sought from the minister's office. Unfortunately the minister's office routinely takes up to six to eight weeks to respond, and this is clearly not particularly helpful for Warrandyte residents.

Residents are frustrated at the slow pace of the works, and it is not uncommon for residents to wait in traffic jams, with it taking up to between 30 and 60 minutes to get across the bridge. During the recent bridge closure residents were given just one week's notice of a three-day closure, which is very little time to make alternate plans. In addition, there is a considerable safety risk, particularly for emergency services needing to use the affected roads. Noting that this work was supposed to be finished before the last bushfire season commenced — November last year — can the minister give an update on the schedule of the works, an expected project finishing date for these works and assurances that VicRoads will undertake greater community engagement in the future?

Yan Yean electorate

Ms GREEN (Yan Yean) (12:53) — (14 390) My constituency question is to the Minister for Public Transport. I ask whether a Parkiteer bicycle storage facility can be provided at Diamond Creek station to assist passenger access to the train station and to promote healthy travel options.

Gippsland South electorate

Mr D. O'BRIEN (Gippsland South) (12:54) — (14 391) My question is to the Minister for Police. I ask: when will South Gippsland receive more police to better serve the region? In February I first raised this matter in Parliament following a number of high-profile criminal events and given the statistics at the time, which showed a 17.8 per cent increase in crime in the South Gippsland area. It concerns me greatly that on

most weeknights from Sunday to Thursday from Phillip Island through to Welshpool there are literally only two divisional vans and another car operating on the entire stretch. The minister and I have both recently received a letter from Korumburra Business Association (KBA) raising the same concerns. The KBA says that it is concerned about the crime rate rising. It has noted:

These offenders know that the police are at the very least a half-hour away but often much further than this and are well gone by the time police arrive. This delay certainly doesn't act as a deterrent.

I ask the minister to provide more police for the South Gippsland region.

Yuroke electorate

Ms SPENCE (Yuroke) (12:55) — (14 392) My question is to the Minister for Education. What information can the minister provide in regard to the second stage of the new Aitken Hill primary school? This year's budget provided \$6.78 million in additional funding to deliver the second stage of this new school, bringing the total investment to over \$20 million to build what will be an outstanding new learning facility. With the opening of Aitken Hill primary school rapidly approaching for term 1 2019, I welcome the opportunity to share more details about stage 2, and I thank the minister for delivering these new facilities for Yuroke residents.

South Barwon electorate

Mr KATOS (South Barwon) (12:55) — (14 393) My constituency question is for the Minister for Finance. Can the minister explain why Zeally Bay Sourdough of Torquay is forced to pay higher WorkCover premiums, being lumbered into a category with industrialised bakers, and not being treated as the artisan bakery that it is? I have been contacted by the owners of Zeally Bay Sourdough, Jan and John Farnan, who have raised their frustrations with the fact that they are forced to pay a crippling amount of WorkCover premiums. They are being treated as an industrial-sized bakery, yet their business uses artisan techniques, and one-third of their staff are administrative office based and not physically working on the bakery floor.

In figures provided to me by Zeally Bay Sourdough for the 2017–18 year, the premium costs were over \$57 000, an increase of 19 per cent on the previous year. This again was on top of increases of 12 per cent and 17 per cent over the previous two years. With a growing and successful story like Zeally Bay, should we not be doing more to actively encourage our small

business to grow, and therefore ultimately hire more people, creating more jobs in Victoria?

Ivanhoe electorate

Mr CARBINES (Ivanhoe) (12:56) — (14 394) My constituency question is to the Minister for Education. I seek information on the progress of the construction of the new performing arts centre at Viewbank College in my electorate. This is a \$11.5 million project, which I had the pleasure of visiting with the principal, Judith Craze, and some of the assistant principals, including John Munro, just last week to again catch up with some of the students. The works now through GJ block largely are completed, so there are new classrooms and refurbished science rooms and also preparation for science experiments and science works. For the *Singin' in the Rain* production in August this year we want to make sure that the project is concluded in plenty of time so we can enjoy the new production in that new \$11.5 million redevelopment of Viewbank College. I look forward to the update.

Bass electorate

Mr PAYNTER (Bass) (12:57) — (14 395) Recently the Premier along with his deputy rode into Pakenham on their white horses and announced that they would be funding a new secondary school alongside the John Henry Primary School in Henry Road, Pakenham, and promised the school community that by 2021, year 7 would commence. There was the announcement of the land purchase next door to the primary school. The problem with that is that there were no funds in the 2018–19 budget allocated to build the new John Henry secondary college. So the school community is asking: was in fact the Premier misleading the Pakenham community when he came down and announced a new secondary school starting in 2021 or in fact is the money in the budget? If not, when is the budget announcement or funding going to be allocated to the school?

Bentleigh electorate

Mr STAIKOS (Bentleigh) (12:58) — (14 396) My question is to the Minister for Energy, Environment and Climate Change. I recently received a letter co-signed by AFL Victoria, Cricket Victoria, Football Federation Victoria, St Kilda Football Club, Southern Football Netball League, South Metro Junior Football League and Victorian Amateur Football Association, representing over 40 000 players and umpires. Teams are being capped by Bayside council due to a shortage of ovals.

Given this, the co-signatories are concerned by council's plans for Elsternwick Park. The concerns are summarised in the following extract from their letter:

The recent decision to ignore the request for an additional oval at Elsternwick Park North, and to replace the 13 hectares with a 'passive/open space environmentally focused reserve', further intensifies the oval crisis. We believe the council resolution is a change of land use and is inconsistent with, and in breach of, the Crown land grant.

My question to the minister is: is Bayside council's intention for Elsternwick Park consistent with the Crown grant?

Ripon electorate

Ms STALEY (Ripon) (12:59) — (14 397) My constituency question is to the minister for Transport. Why are traffic management vehicles with flashing lights and staff with lollipop signs still needed to manage the boom gates for every train that runs along the Maryborough to Ararat rail line, given it is now 22 May and she declared the line open on 29 January?

Frankston electorate

Mr EDBROOKE (Frankston) (13:00) — (14 398) My constituency question is to the Minister for Industry and Employment, and I ask: what benefits can jobseekers in the Frankston electorate expect from the Jobs Victoria program? We all know how important a secure and stable job is to our wellbeing. It is not just about a pay cheque; it is about a place in our community. Being unemployed can too often cause social isolation and problems well beyond simply not having an income. That is why I have been proud of the Andrews Labor government in that it is making sure it does everything it can to ensure people have every opportunity to get a job. I know that access to employment is a top priority for local residents, and I look forward to hearing from the minister how Frankston constituents will benefit from this initiative.

I know there is a lot going on in Frankston at the moment. It is almost a new evolution that Frankston has never seen before, with more investment and more passion injected into Frankston than ever — and people from outside Frankston are starting to take notice. We certainly want to make sure in the seat of Frankston, our community of Frankston, that we are supporting that growth and employing local people in those jobs.

Mr Pearson — On a point of order, Speaker, I listened to the member for Bass's constituency question, and I seek your guidance. I know that the member was not reading; he was thinking on his feet. I am not sure, though, whether the question asked was

pursuant to sessional orders, and I ask you to review the question.

The SPEAKER — I will have a look at the questions asked today and see if they were compliant with the standing and sessional orders.

**FLORA AND FAUNA GUARANTEE
BILL 2018**

Introduction and first reading

Ms D'AMBROSIO (Minister for Energy, Environment and Climate Change) (13:01) — I move:

That I have leave to bring in a bill for an act to repeal and re-enact with amendments the Flora and Fauna Guarantee Act 1988 and to make consequential and related amendments to certain other acts and for other purposes.

Mr CLARK (Box Hill) (13:02) — I ask the minister to provide a brief explanation of the bill.

Ms D'AMBROSIO (Minister for Energy, Environment and Climate Change) (13:02) — The bill will give a modern, overarching framework for biodiversity protection and management in Victoria as well as strong and effective protection for Victoria's native species and important habitats.

Motion agreed to.

Read first time.

**SENTENCING AMENDMENT
(PROTECTING OUR PROTECTORS)
BILL 2018**

Introduction

Mr PESUTTO (Member for Hawthorn) (13:02) — I move:

That I have leave to bring in a bill for an act to amend the Sentencing Act 1991 to make further provision in relation to the imposition of custodial sentences on offenders who attack paramedics, police officers, custodial officers, youth custodial workers and other emergency workers in the course of their duties and in relation to the imposition of custodial sentences on certain other offenders and for other purposes.

House divided on motion:

Ayes, 40

Angus, Mr
Asher, Ms
Battin, Mr
Blackwood, Mr
Britnell, Ms
Bull, Mr T.
Burgess, Mr

O'Brien, Mr D.
O'Brien, Mr M.
Paynter, Mr
Pesutto, Mr
Riordan, Mr
Ryall, Ms
Ryan, Ms

Clark, Mr
Crisp, Mr
Dixon, Mr
Fyffe, Mrs
Gidley, Mr
Guy, Mr
Hibbins, Mr
Hodgett, Mr
Katos, Mr
Kealy, Ms
McCurdy, Mr
Morris, Mr
Northe, Mr

Sandell, Ms
Sheed, Ms
Smith, Mr R.
Southwick, Mr
Staley, Ms
Thompson, Mr
Thorpe, Ms
Tilley, Mr
Victoria, Ms
Wakeling, Mr
Walsh, Mr
Watt, Mr
Wells, Mr

Noes, 43

Allan, Ms
Andrews, Mr
Bull, Mr J.
Carbines, Mr
Carroll, Mr
Couzens, Ms
D'Ambrosio, Ms
Dimopoulos, Mr
Donnellan, Mr
Edbrooke, Mr
Edwards, Ms
Eren, Mr
Foley, Mr
Garrett, Ms
Graley, Ms
Green, Ms
Halfpenny, Ms
Hennessy, Ms
Howard, Mr
Hutchins, Ms
Kairouz, Ms
Kilkenny, Ms

Knight, Ms
Languiller, Mr
Lim, Mr
McGuire, Mr
Merlino, Mr
Nardella, Mr
Neville, Ms
Noonan, Mr
Pakula, Mr
Pallas, Mr
Pearson, Mr
Perera, Mr
Richardson, Mr
Scott, Mr
Spence, Ms
Staikos, Mr
Suleyman, Ms
Thomas, Ms
Ward, Ms
Williams, Ms
Wynne, Mr

Motion defeated.

**SCRUTINY OF ACTS AND REGULATIONS
COMMITTEE**

Alert Digest No. 7

Mr J. BULL (Sunbury) presented *Alert Digest No. 7 of 2018 on:*

Electoral Legislation Amendment Bill 2018

Justice Legislation Amendment (Access to Justice) Bill 2018

Justice Legislation Amendment (Terrorism) Bill 2018

National Redress Scheme for Institutional Child Sexual Abuse (Commonwealth Powers) Bill 2018

Serious Offenders Bill 2018

State Taxation Acts Amendment Bill 2018

together with appendices.

Tabled.**Ordered to be published.****DOCUMENTS****Tabled by Acting Clerk:**

Interpretation of Legislation Act 1984 — Notices under s 32(3)(a)(iii) in relation to:

Code of Practice for the Keeping of Racing Greyhounds
(*Gazette G19, 10 May 2018*)

Statutory Rule 38 (*Gazette G19, 10 May 2018*)

Land Acquisition and Compensation Act 1986 — Certificate under s 7

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

Glen Eira — GC83

Kingston — GC83

Stonnington — C274

Victoria Planning Provisions — VC143, VC146

Statutory Rule under the *Seafood Safety Act 2003* — SR 51

Subordinate Legislation Act 1994:

Documents under s 15 in relation to — *Occupational Health and Safety Act 2004*:

Ministers orders approving:

Compliance code: Demolition

Compliance code: Excavation

Documents under s 15 in relation to — Statutory Rule 51

Documents under s 16B in relation to:

Education and Training Reform Act 2006 — Ministerial Order No 1125

Housing Act 1983 — Director of Housing determinations under s 142E

Victorian Electoral Commission — Report on the Northcote District by-election held on 18 November 2017.

The following proclamations fixing operative dates were tabled by the Acting Clerk in accordance with an order of the house dated 24 February 2015:

Bail Amendment (Stage One) Act 2017 — Whole Act (except ss 11 and 14(10)) — 21 May 2018 (*Gazette S218, 15 May 2018*)

Bail Amendment (Stage Two) Act 2018 — Remaining provisions — 1 July 2018 (*Gazette S218, 15 May 2018*)

Crimes Legislation Amendment (Protection of Emergency Workers and Others) Act 2017 — Sections 21 and 22 — 21 May 2018 (*Gazette S218, 15 May 2018*)

Firearms Amendment Act 2018 — Remaining provisions — 9 May 2018 (*Gazette S209, 8 May 2018*)

Gambling Legislation Amendment Act 2018 — Sections 6 to 9, 11 and 18 — 9 May 2018 (*Gazette S209, 8 May 2018*).

OFFSHORE PETROLEUM AND GREENHOUSE GAS STORAGE AMENDMENT BILL 2017

Council's amendments

Returned from Council with message relating to amendments.

Ordered to be considered later this day.

PRIMARY INDUSTRIES LEGISLATION AMENDMENT BILL 2017

Council's amendments

Returned from Council with message relating to amendments.

Ordered to be considered later this day.

ROYAL ASSENT

Message read advising royal assent on 15 May to:

Long Service Leave Bill 2017

Major Events Legislation Amendment (Ticket Scalping and Other Matters) Bill 2017

Service Victoria Bill 2017.

APPROPRIATION MESSAGES

Messages read recommending appropriations for:

Electoral Legislation Amendment Bill 2018

Justice Legislation Amendment (Terrorism) Bill 2018

National Redress Scheme for Institutional Child Sexual Abuse (Commonwealth Powers) Bill 2018

Serious Offenders Bill 2018.

BUSINESS OF THE HOUSE

Program

Ms ALLAN (Minister for Public Transport) (13:12) — 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 5.00 p.m. on Thursday, 24 May 2018:

State Taxation Acts Amendment Bill 2018

Serious Offenders Bill 2018

National Redress Scheme for Institutional Child Sexual Abuse (Commonwealth Powers) Bill 2018

Electoral Legislation Amendment Bill 2018.

In making a few comments on the government business program motion, I again repeat with optimism that this is a program that should attract the unanimous support of colleagues in the chamber. As you will see from the program, the State Taxation Acts Amendment Bill 2018 kicks us off today, and that is obviously a budget-related bill. It is a particularly important budget-related bill because it provides for that all-important payroll tax cut for country businesses. Over two budgets the Treasurer has done a fantastic job in slashing the payroll rate for regional businesses by 50 per cent. If this bill passes through the Parliament, we will have the lowest payroll tax of anywhere in the country, and that will give us a great business and economic advantage in regional Victoria. I would hope that we will also receive unanimous support for that, particularly from other regional members of Parliament.

While I am on matters related to the budget, I would also like to indicate to the house that the government will be starting proceedings with a take-note motion to continue debate on the budget, even though the bill formally passed this place during the last sitting week, in line with the desire to allow all members who wish to speak on the budget to be able to do so over coming weeks.

There are a number of other important bills on the program for this week. I would like to draw to the attention of the house the National Redress Scheme for Institutional Child Sexual Abuse (Commonwealth Powers) Bill 2018. There has been a lot of work done over successive governments on this important matter. I indicate to the house that there is every likelihood that there will be a lot of interest from members of the public on this bill, and they may be either physically watching in the chamber or watching the streamed coverage of the Parliament's proceedings. I am sure we are always on

our best behaviour, but I think particularly when we are considering that bill we should be respectful and mindful of the broader audience that will be taking a great interest in the debate.

Also, for completeness of the record, on the Offshore Petroleum and Greenhouse Gas Storage Amendment Bill 2017, a message has come from the upper house. In discussions with the manager of opposition business there is an agreement to have the Serious Offenders Bill 2018 as an item of business tomorrow in order to enable opposition members to gather their thoughts for their contributions on that bill which has been amended in the upper house. They are fairly straightforward amendments.

With those few comments, as I said before, I optimistically commend the motion to the house for universal support of what is another very strong government business program from the Andrews Labor government.

Mr CLARK (Box Hill) (13:15) — This business program has a number of significant bills on it. In saying 'significant' I do not necessarily imply whether they are beneficial or adverse in terms of their substance, but they are certainly bills that have very considerable implications for the community and which will require careful consideration by this house. The Electoral Legislation Amendment Bill 2018 proposes far-reaching changes to the way in which political parties, citizens and community groups can operate and participate in the electoral process, and the implications of that bill need very careful attention.

As referred to by the Leader of the House, the National Redress Scheme for Institutional Child Sexual Abuse (Commonwealth Powers) Bill 2018 seeks to give further effect to a direction in terms of responding to the issue of institutional child sexual abuse that has been underway under successive governments for a number of years. In particular in Victoria this scheme arises from the recommendations of the Betrayal of Trust inquiry that was undertaken by a committee of this Parliament. Again without pre-empting the content of the bill, it seeks to address an important aspect of providing redress for victims of child sexual abuse. It will be important that we make sure that the detail of that bill is correct and that it will operate effectively.

The Serious Offenders Bill 2018 is a bill on another important topic — that of the adequacy of the sentencing regime and post-sentence provisions to properly protect the community. It is a very large bill, and again it is one that will need careful attention and consideration both as to the adequacy and effectiveness

of the measures that are in the bill and as to other issues that may not be in the bill. Finally, there is the State Taxation Acts Amendment Bill 2018, which seeks to give effect to some of the budget-related taxation measures that have been announced by the government.

On top of that, as the Leader of the House referred to, there are two bills for which amendments have been referred back to this place from the other place. The Leader of the House has indicated that at least one of those will be dealt with this week, and I presume she intends to deal with the other one this week as well.

The key issue that is not on this government business program is this house dealing with the issue of roting and abuse allegations against a large number of members on the Labor side of this house. There has for a long time been outstanding the issue of the very serious allegations that led to the resignations of the former Speaker and former Deputy Speaker, and those have not been dealt with by this house. Then in more recent times we have had the culmination of the Ombudsman's investigation into the red shirts roting, which made adverse findings in relation to a number of Labor members of this house.

This house ought to deal with those matters. I have made this point time and time again. It is a responsibility of this house to uphold the standards of this house and uphold our standing in the community, and it is disgraceful that the government repeatedly refuses to do so. They rightly, when in opposition, called for action to address the allegations and the findings of the Ombudsman in relation to the former member for Frankston. That is something that the government of the day also considered needed to be dealt with. The house referred the issue to the Privileges Committee. That committee reported. This house considered that report and imposed sanctions on the member. This is exactly the same process that should be followed in relation to the allegations against the members for Tarneit and Melton and the adverse findings of the Ombudsman in relation to a large number of Labor MPs.

It is disgraceful that the Labor Party is continuing to use its numbers in this house to block any such investigation and to cover up the conduct of their members, and for that reason we oppose this government business program.

Mr CARBINES (Ivanhoe) (13:20) — I wish to commend and support the contribution from the Leader of the House in relation to the government business program. Given the work that was outlined by the member for Bendigo East, we had better get down to it.

It is disappointing that while there is an acknowledgement from those opposite that there is a substantial program of legislation this week, they are content to seek to disrupt and oppose the government business program, which is in the interests of Victorians.

The bills put forward by the government this week are the Electoral Legislation Amendment Bill 2018, the National Redress Scheme for Institutional Child Sexual Abuse (Commonwealth Powers) Bill 2018, the Serious Offenders Bill 2018 and the State Taxation Acts Amendment Bill 2018, which of course, as the Leader of the House outlined in particular, provides an opportunity for the house to debate and discuss and make changes to the various state taxation acts. This will allow the government to pursue its budget initiative, which is very significant and warmly welcomed in regional and country Victoria, to seek payroll tax cuts of 50 per cent, the lowest in Australia, with that indication put out there in the bill of this mechanism that will allow that as part of the government's legislative agenda this week. Again it is making sure that the community clearly understands that our government continues to prioritise the needs of regional and rural Victorians, particularly those economic drivers in the business communities.

With those few words and given it is a busy agenda that we need to get through, I continue to commend the business program to the house and look forward to getting down to business, despite the efforts of those opposite to delay those opportunities to progress these vital changes, particularly in relation to the payroll tax cuts for regional and country businesses across Victoria.

Mr HIBBINS (Pahran) (13:22) — I rise to speak on the government business program. We have four bills on it this week, and it is good to see the Electoral Legislation Amendment Bill 2018 coming up — it is good to see donations reform coming up; the Greens have been pushing for that for a very long time. It is good to see that the government is making good on the promises it made at the Northcote by-election, or at least some of those promises — we have still got renters rights and the plastic bag ban to go. Time is running out, so I look forward to seeing those bills being introduced into this place with enough time given for them to pass this Parliament.

We have opposed the government business program for quite some time now because we have not seen the referral of the members for Melton and Tarneit to the Privileges Committee, and we have also now got the failure to take any further action regarding the Ombudsman's report. These scandals — this misuse of public money — have been one issue, but then it has

been the failure of this chamber to follow up and take appropriate action that has been almost an even greater issue and has really cast a shadow over this place, so we have not supported the government business program because of that.

It is worth pointing out too that the government business program is essentially the legislative guillotine. If the government business program were not to pass — and I believe in previous parliaments when the numbers changed, the government business program was not passed — it would simply mean that bills would go through in the normal process and we could go through the normal process. It would not necessarily mean that things would be delayed. It would just mean that people would be free to speak, and then of course the government —

Mr Pearson — Nothing would get done. Do you want the lazy lounge, where nothing gets passed?

Mr HIBBINS — What absolute nonsense! If this Parliament were to not pass the government business program, we would proceed with bills, people would speak and the government or anyone would have the right to then put the question.

Mr Pearson — Nothing would happen.

Mr HIBBINS — The member for Essendon speaks a lot, but I tell you what — he does not say much. I mean, really! I do not think he actually knows what he is talking about here. I would suggest to the house that it is entirely fine for them not to pass the government business program, and in fact I would suggest to this government and to any future government that it might do well to do away with the government business program altogether.

Mr PEARSON (Essendon) (13:25) — I am delighted to support the Leader of the House's motion, and what absolute rubbish from the member for Prahran. Is it any wonder why legislation is locked up in the lazy lounge — otherwise known as the Legislative Council, the other place — because of the fact that nothing can get done? That is what the member for Prahran is saying in his comments in his contribution just then.

We have got a government business program, and it has been the custom and practice of this place for 25-odd years that the government of the day has the ability to pass those bills it thinks are important. If the member for Prahran had his way, nothing would happen. The bills would just sit on the notice paper, debate would go on and on and on, and then the member for Prahran would be saying, 'Why haven't you gone off and

passed this bill — why haven't you passed this legislation?'. Maybe if those in the other place did what they were sent there to do and actually passed bills rather than just block, delay and obfuscate, then maybe we would not be in this position. That is the reality of the situation.

We are not going to be like those opposite, where they had the opportunity to govern this state for four years and did nothing. We will not be like the Greens political party that will use every step, every measure in their arsenal, to prevent an elected Labor government from delivering progressive government to this state. We are holders of a proud tradition. We are the proud beneficiaries of the Bracks-Brumby governments.

The Roman poet Virgil wrote about Aeneas in the poem *The Aeneid*, in which the Trojan Aeneas fled Troy and founded the Roman republic. In the same way as Aeneas did in terms of founding the Roman Republic, this government is doing the same thing by continuing the great tradition of progressive administrations that started under Cain and Kirner and continued under Bracks and Brumby. We are not going to be lectured to by people like the member for Prahran — these blow-ins and dilettantes who do not deserve to be at the table of progressive government administration. All the member for Prahran does every time he can is to line up with the member for Box Hill and frustrate the agenda of the most progressive administration in the state of Victoria.

I am proud to stand up and support the Leader of the House's motion. I am proud of the bills that are on this government business program. I am proud that we are a government that does the things we say we are going to do. We came to the party. We came to the Parliament with a clear legislative agenda, and we are going to implement it and will not be frustrated and delayed by people like the member for Prahran. I commend the government business program.

Mr CRISP (Mildura) (13:28) — I would like to speak on behalf of the National Party in coalition on the government business program. We will be opposing the program. We will be opposing the program for very much the same reasons as the manager of opposition business has laid out — that we have had rotting by members and the actions that have been taken have not passed that most important of tests, which is the pub test. Similarly, the red shirts issue that the Ombudsman has investigated and about which she has made adverse findings — we all know that the responsibility for that ends in this house. That too is not passing the pub test. People are looking to this institution, the Parliament, to take action on these

matters and to hold people to account so they can be satisfied and confident that the democratic process is doing what it should. If no-one else will regulate or discipline us, we must do it ourselves.

The program this week has a number of bills on it. The State Taxation Acts Amendment Bill 2018 is an extension instrument of the budget, and there are a couple of things in there that are of interest, in particular the exemption for duty payable in respect of first-time purchasers of farmland by farmers under 35 years of age. This aspect I think lines up with the first home buyers type of duty, something which is important as we move forward and as agriculture again reasserts itself as a major contributor to the Victorian economy. This too will help us as we move through the generational change that is necessary in farming.

The Serious Offenders Bill 2018 brings into line sentences for some of our violent offences with those for serious sex offences in a state where crime is now very much on people's minds. Certainly for those who perpetrate serious violent offences we do need to make certain that they are not an unacceptable risk to our community. Everybody out there is now worried about crime. Even in country Victoria there is a concern about the crime that is out there. People should be able to go to bed at night not having to worry about what is likely to happen while they are sleeping or worry about what will happen to their friends and loved ones out in the street. This is not acceptable, and particularly these extremely serious violent offenders need to be treated with the harshest possible sanctions from the law.

The national redress scheme for institutional child abuse is another chapter in what has been a very, very difficult process for those who went through the institutional child abuse royal commission. This will bring Victoria into line with the commonwealth over a redress scheme. The Electoral Legislation Amendment Bill 2018 reforms the electoral process.

It will be a busy program, particularly as there are still a large number of people who are yet to make a contribution on the budget. All Nationals members have spoken on the budget and delivered those findings back to our electorates. This is a program that is about government business but is lacking those important components, as stated by the member for Box Hill, so that we have unfinished business in this house. We will continue to oppose the business program until this house does what it must, and it must discipline and sanction itself.

House divided on motion:

Ayes, 43

Allan, Ms	Knight, Ms
Andrews, Mr	Languiller, Mr
Bull, Mr J.	Lim, Mr
Carbines, Mr	McGuire, Mr
Carroll, Mr	Merlino, Mr
Couzens, Ms	Nardella, Mr
D'Ambrosio, Ms	Neville, Ms
Dimopoulos, Mr	Noonan, Mr
Donnellan, Mr	Pakula, Mr
Edbrooke, Mr	Pallas, Mr
Edwards, Ms	Pearson, Mr
Eren, Mr	Perera, Mr
Foley, Mr	Richardson, Mr
Garrett, Ms	Scott, Mr
Graley, Ms	Spence, Ms
Green, Ms	Staikos, Mr
Halfpenny, Ms	Suleyman, Ms
Hennessy, Ms	Thomas, Ms
Howard, Mr	Ward, Ms
Hutchins, Ms	Williams, Ms
Kairouz, Ms	Wynne, Mr
Kilkenny, Ms	

Noes, 40

Angus, Mr	O'Brien, Mr M.
Asher, Ms	Paynter, Mr
Battin, Mr	Pesutto, Mr
Blackwood, Mr	Riordan, Mr
Britnell, Ms	Ryall, Ms
Bull, Mr T.	Ryan, Ms
Burgess, Mr	Sandell, Ms
Clark, Mr	Sheed, Ms
Crisp, Mr	Smith, Mr R.
Fyffe, Mrs	Smith, Mr T.
Gidley, Mr	Southwick, Mr
Guy, Mr	Staley, Ms
Hibbins, Mr	Thompson, Mr
Hodgett, Mr	Thorpe, Ms
Katos, Mr	Tilley, Mr
Kealy, Ms	Victoria, Ms
McCurdy, Mr	Wakeling, Mr
Morris, Mr	Walsh, Mr
Northe, Mr	Watt, Mr
O'Brien, Mr D.	Wells, Mr

Motion agreed to.

MEMBERS STATEMENTS

Beyond Perception: Seeing the Unseen

Mr NOONAN (Williamstown) (13:38) — Earlier this month I had the pleasure of representing the Minister for Creative Industries to open a new permanent exhibition at Scienceworks in Spotswood. *Beyond Perception: Seeing the Unseen* allows teenagers to step away from the theories they learn in the classroom and immerse themselves in an environment where they can experiment with the fundamental forces of nature. The exhibition is designed to deepen the interest of a whole new generation in science,

technology, engineering and mathematics (STEM). STEM education will be one of the keys to our state's future prosperity.

Scienceworks is at the frontline of engaging young people in these subjects outside the classroom, with record attendances year on year. Starting with under-5s in the new *Ground Up* exhibition, Scienceworks is helping future generations develop foundation skills for STEM. Thanks go to the leadership of the Scienceworks general manager, Nurin Veis, and the CEO of Museums Victoria, Lynley Marshall. Support from the Andrews Labor government includes a \$17.3 million funding boost to Museums Victoria's operating budget over the next four years. I am also proud of Labor's \$6 million contribution to develop both the *Ground Up* and *Beyond Perception* exhibitions.

Thanks must go to Jonathan Shearer, acting general manager at Scienceworks, and to the scientists and engineers from Monash University, RMIT, Deakin University, the Australian Synchrotron and Museums Victoria who collaborated on the *Beyond Perception* exhibition — and especially to the 37 local high school students from Hobsons Bay who provided their insights through the youth advisory committee, JBoard.

Harry Dean

Mr MORRIS (Mornington) (13:39) — I rise today to mark the passing of Harold Leslie Dean, known to all as Harry, on 4 May this year. I had the great privilege and pleasure of knowing Harry for over 20 years. I first made his acquaintance when I was treasurer of the Mornington branch of the Liberal Party, while Harry was in charge of the area of finance. But we got to know one other much better during the GST election of 1998.

By then I was the campaign treasurer for Dunkley, a seat with a slim margin and one that was going to be very difficult to hold. Under the circumstances the approach to campaigning had to be fluid, and the allocation of resources, particularly money, similarly so. For everything to work as it needed to, the man in charge of the money had to be prepared to back his judgement, and he did. We held Dunkley in 1998. We had a hardworking candidate and a hardworking team, and Harry was a very important part of that victory.

Harry was much more than a great servant of the Liberal Party and a good bloke to work with. When we first met he was long retired and focusing on his passion for golf. He had largely worked in Asia, running the local operations of Fortune 500 companies and their thousands — tens of thousands — of

employees. His business expertise and experience was second to none.

I count myself as exceptionally fortunate not only to have met Harry but to have had the privilege of working with him closely for a number of years. Harry, you had a long and successful business career, and in retirement you used your skills and judgement for the benefit of your community. Your support and enthusiasm will be greatly missed. I extend my condolences to Harry's family and particularly to Margaret. Margaret, yours was truly a wonderful partnership. Vale, Harry Dean.

Junior Triple Zero Hero Awards

Ms SPENCE (Yuroke) (13:41) — I rise today to congratulate two of my outstanding young constituents in Michael Moore from Attwood and Aahana Chapade from Roxburgh Park, who were recently recognised at the 14th annual Emergency Services Telecommunications Authority's Junior Triple Zero Hero Awards. Aahana called 000 after her mother had a stroke in the school carpark, while Michael called 000 after he discovered a body while on a ride with his friends. Michael and Aahana have set a great example for other young people in helping to remind them of the importance of knowing what to do in an emergency. They should both be very proud of their conduct, and I am pleased they have been recognised with this award.

Keith and Mary Herring

Ms SPENCE — In keeping with the theme of saving people's lives in an emergency, it gives me great pleasure to acknowledge the late Keith Herring, ASM, and Mary Herring. I was delighted to hear that both Keith and Mary were recently acknowledged for their tireless work in the formation of the first-ever community emergency response team (CERT) in Craigieburn and their service with the Craigieburn and District Ambulance Committee, or CADAC. The Craigieburn CERT recently announced that the award presented to the best new recruit member will be renamed the Keith and Mary Herring Achievement Award. Mary will be asked to present this award each year at the team's annual dinner dance. Sadly, Keith passed away in May 2016. Keith and Mary's daughter, Kath, as well as their grandchildren and other members of the family were present for this announcement as well as other emergency service dignitaries. This is well-deserved recognition for two incredible and tireless workers in the Yuroke community.

David Treasure

Mr T. BULL (Gippsland East) (13:42) — I rise to pay tribute to former member for Gippsland East David Treasure, who sadly passed away on Saturday. David was a highly respected member of the National Party for 30 years and served two terms in this Parliament from 1992 to 1999. While in this place he was a member of the Library Committee and the Economic Development Committee. He was a member of the Mountain Cattlemen's Association of Victoria and served a term as president of that organisation. He was also an Avon shire councillor.

In his early years David attended primary school at Dargo and Lindenow South and secondary school at Bairnsdale Technical School before becoming a grazier. The Treasure family is one of the most prominent names in Victoria's High Country. The Treasures have had a presence in East Gippsland since 1878, when George and Emily Treasure moved their young family there on packhorses from Victoria's north-east. It is not surprising therefore that David had a close relationship with the land. Like many cattlemen of his generation, David was the beneficiary of the knowledge and skills of his forebears.

David was an honest and down-to-earth man, a true country gentleman and a man who had time for everybody. He will be remembered as a passionate defender of the bush and as a true custodian of the mountain cattlemen's culture and heritage. I extend my condolences to his wife, Jennifer; children, Mandy and Carl; and grandchildren, Sarah, Luke and Spencer. David will be greatly missed by all who knew him. Vale, David Treasure.

National Volunteer Week

Ms KILKENNY (Carrum) (13:44) — This week is National Volunteer Week, when we officially celebrate and acknowledge the incredible work of thousands and thousands of volunteers across our communities. I want to thank all the volunteers in my electorate of Carrum — those unsung heroes — for without them our clubs and community groups would just not exist and our local community would not be the vibrant, engaging and inclusive place we are privileged to be part of. I would like to encourage my local community and community groups to nominate a local volunteer for the 2018 Victorian Premier's Volunteer Champions Awards. Nominations close on Monday, 28 May.

Carrum Surf Life Saving Club

Ms KILKENNY — I was delighted to acknowledge some wonderful volunteers from the Carrum Surf Life Saving Club at their recent awards dinner. The number of patrol hours some of these volunteer lifesavers put in is absolutely staggering, and the work the dedicated age managers are doing with our young nippers is commendable. There are also the volunteers behind the scenes — the ones who do so much for this wonderful club to help keep it ticking over.

I would like to specifically single out Kay Hasell. Kay together with husband David does just about everything at the club that is not to do with the water, from hiring out the club to running the kiosk. This is a crucial role for the club, with hiring bringing in about one-third of the club's revenue. Kay and David are there to greet people at the club and help set up, and they are there afterwards to clean up and pack away. They do not even have kids at the club anymore, but their involvement and contribution is absolutely invaluable and they do it with such genuine joy and pride. Kay and David have had a profound impact in giving their time to the Carrum Surf Life Saving Club. I thank them for their generosity and for their care and commitment to this wonderful club and the people in our local community.

National Volunteer Week

Ms McLEISH (Eildon) (13:45) — National Volunteer Week provides everyone with the opportunity to pause, consider and then celebrate the great work our volunteers do in our communities, whether it be on a large or small basis, whether they are out there front and centre or whether they are working away quietly behind the scenes. There are around 6 million Australians who give their time in the service of others. I want to thank all those volunteers who willingly contribute to making our society and their community a great place to live, particularly in my electorate of Eildon.

It is hard to think of any sector in the community that is not touched by volunteering or to which volunteers do not make a vital contribution. Volunteers provide support and care for the elderly. The latest Australian Bureau of Statistics figures demonstrate that more than 160 000 volunteers actively participate within Victorian health organisations. Through our Landcare groups volunteers look after our beautiful natural environment and even tackle invasive weeds. Our sporting clubs could not survive without volunteers, nor could community radio stations.

There are many other community organisations and church groups that volunteer in so many different ways. We have volunteers in schools through formal programs, perhaps through an Ardoch program, or informally, with parents assisting with reading programs or working bees. And of course when our communities are at their most vulnerable our emergency services volunteers in the Country Fire Authority, the Victoria State Emergency Service (SES), Marine Search and Rescue, Alpine Search and Rescue, Life Saving Victoria, St John Ambulance Victoria and the Victorian Council of Churches are all there to protect and assist us. Tomorrow is Wear Orange Wednesday in support of our dedicated SES volunteers, and I encourage all members to wear at least a splash of orange.

All These Creatures

Mr PEARSON (Essendon) (13:47) — I rise today to congratulate writer and director Charles Williams on his short film *All These Creatures*, which won the Palme d'Or — short film at the Cannes film festival. *All These Creatures* is set in the 1990s and was filmed in Dandenong, as the member for Dandenong well knows. It is the story of a 13-year-old Ethiopian boy dealing with his destructive father and contemplating what sort of a man he will become. The film won this prestigious award among 3943 entries. Interestingly the film was originally written without a gender or nationality in mind, but it was after casting Yared Scott in the lead role that the film pivoted and sought the involvement of the local Ethiopian community. Yared Scott was born in Ethiopia and raised by his adoptive parents in Melbourne.

The success of this film is so important to our nation and to African-Australians because it recognises African-Australians as part of the Australian community and does so on the world stage. For far too long the stories of our community and of our nation have been seen through the lens of white male privilege. A film like this empowers the disempowered and gives a voice to those who have been silenced for far too long. While I am yet to view this short film, I look forward to doing so in the near future.

David Hutchinson

Mr PEARSON — An old friend of mine, David Hutchinson, has recently been ill. I first got to know David when I was running for Essendon in 2014. Since that time, David and his wife Judith have become very good friends of mine and of my office. David is a tireless worker for my community. He is focused, he is diligent and he cares about making our community a better place. Although David is temporarily out of

action, I am looking forward to seeing him back at the gym and making a significant contribution to our community in the very near future. David, rest up and look after yourself.

Monash University Clayton campus public transport

Mr GIDLEY (Mount Waverley) (13:48) — Today in the Parliament I rise to recognise the announcement of the commonwealth government to significantly improve public transport to and from Monash University, Clayton. I remember launching route 601 under the former Liberal government to significantly improve public transport to Monash Clayton. The previous Liberal government also provided funding to undertake a detailed study of heavy rail to Monash Clayton. The commonwealth government's \$475 million announcement of heavy rail to Monash Clayton is welcome and moves forward from the route 601 and rail study projects undertaken by the previous Liberal government. I again state my continuing campaign to improve public transport for Glen Waverley and Mount Waverley residents travelling through the Monash University corridor. The Liberals will continue to look at all the options for rail connections from Monash, including options such as extending towards Glen Waverley.

Mount Waverley electorate railway station car parking

Mr GIDLEY — Today in the Parliament I renew my campaign for the people of Glen Waverley and Mount Waverley to be provided with appropriate car parking facilities at local train stations. Between 2010 and 2014 the last state Liberal government invested heavily to improve car parking facilities, including the \$10.8 million upgrade to Syndal station, which also included construction of a multideck car park. Car parking at Glen Waverley, Mount Waverley and Jordanville stations was also improved. In contrast, there has not been a single car park improvement at Glen Waverley or Mount Waverley train stations since the Andrews Labor government was elected at the end of 2014. Even worse, car parking at our local train stations has gone backwards as demand has increased, meaning residents are forced to park miles away and walk to the station, often along poorly lit and isolated streets.

Banyule Community Health Service

Mr CARBINES (Ivanhoe) (13:50) — I rise to congratulate and to thank the newly inducted life members of what was in 1975 the West Heidelberg Community Health and Welfare Centre and today is the

Banyule Community Health Service: Sister Frances Baum of the Missionary Sisters of the Sacred Heart of Jesus — I want to congratulate her for her life membership of the Banyule Community Health Service; Jim Pasinis, the former and long-serving chief executive officer of the service; David McKenzie, the deputy chair of the board and also, since 1991, a member of the board of directors, who is a former member of the House of Representatives for Diamond Valley; and of course Peter Ogden, a board member since 1990 and previously a local business operator in West Heidelberg, who can often be found in the cafe at the community health service, keeping his finger on the pulse of all the comings and goings.

Can I say, on behalf of our community, we want to commend the CEO, Mick Geary, and the board chair, John Ferraro, and his team for making sure that this was a respectful and appropriate occasion to acknowledge decades of service from these people. It is a hard-earned right to be a life member of the Banyule Community Health Service. We are very thankful for their work. The community health service was rebuilt by the Bracks government in 2007 and continues to improve the health and wellbeing of our community. We are very thankful for the service and the work of everyone who works there.

Building cladding replacement

Mr HIBBINS (Pahran) (13:51) — I rise to call on the government to establish a fund to pay for the immediate replacement of dangerous cladding and other safety measures on apartment buildings found to have non-compliant, flammable cladding. Many residents in the Prahran electorate have raised this serious issue with me. Some have bought units in apartment buildings in good faith and are now being left in the lurch, faced with massive costs of tens of thousands of dollars to replace cladding, install safety measures or alternatively face eviction. What was for some people their dream home is now turning into a nightmare.

This has come about because of a failure of regulation, of compliance and of enforcement. I would point to the privatisation of building surveyors as one of the key causes. What was a public function, carried out in the public interest through local government, was privatised many years ago now, resulting in dodgy buildings being signed off on — yet another example of the failure of privatisation and the neo-liberal ideology that underpins it.

The government now needs to step up, step in and immediately fix these buildings and use its resources to

recover the funds from those responsible, not subject owners to a messy and complicated legal process. This will give peace of mind to home owners who otherwise face massive bills that they may or may not be able to afford, as well as to renters who could face eviction and uncertainty about the safety and security of their tenancy. I urge the government to act.

Sydney Road Community School

Ms GARRETT (Brunswick) (13:53) — I rise on behalf of my community to highlight the outstanding work that is being undertaken week in, week out by the Sydney Road Community School and also to highlight their deep concerns about their future, because they are being forced to relocate in the coming years. The Sydney Road Community School offers a comprehensive curriculum, including the Victorian certificate of education, vocational educational and training and the Victorian certificate of applied learning, to students with a wide range of backgrounds, abilities and aspirations. The school has been leasing buildings of a former Methodist Sunday school in Brunswick since 1972. However, that lease is set to expire in 2023. This will leave younger students vulnerable and without any idea as to where or how they will complete their studies at the school in the future.

It really is important to highlight the valuable contribution that this school is making to the lives of its students, their families and the wider community. They are working tirelessly to ensure that more students stay in school, and they remain firmly committed to opening up greater opportunities to a cohort of students that would otherwise be disengaged from mainstream educational settings. These include students who have past experiences of or are currently living with mental health issues, suicidal ideation or self-harm, or who have had involvement with the justice system. With numbers consistently rising and the school reaching its intake capacity at the current site in Brunswick, it is essential that a new and secure facility is found as soon as possible, and I commend that to the house.

Ringwood Saints Baseball Club

Ms RYALL (Ringwood) (13:54) — Congratulations to the Ringwood Saints Baseball Club on their 50th anniversary. Ringwood Saints is a fabulous family club, with baseball enjoyed by all ages in our community. This was well demonstrated at their recent birthday celebrations, with every age group present. The Saints have six senior teams and numerous junior sides, as well as T-ball, and they attract both women and men as well as boys and girls to their

exciting sport. I wish the club all the best for the next 50 years, and may it go from strength to strength.

Mountview Uniting Church

Ms RYALL — Congratulations to Mountview Uniting Church in Mitcham on its 50th anniversary. It was fabulous to join the congregation and Reverend Byrne on Sunday for their celebration service with the Maroondah Singers. I am grateful for the Mountview Uniting Church and their faithful Christian service to our local community.

Maroondah Singers

Ms RYALL — Congratulations to Maroondah Singers on their 50th anniversary celebrations. Maroondah Singers came together in the Mountview church building at the same time as the church was established 50 years ago. As a community choir the Maroondah Singers are going from strength to strength with their wonderful voices and performances. I wish them well for their next 50 years of performances.

Melbourne East Netball Association

Ms RYALL — Melbourne East Netball Association (MENA) held their annual MENA Pink Day this month. It was pink galore, with pink clothes, pink hair and pink socks. The wonderful volunteers at MENA put on a cupcake stall to raise just over \$1100 — an absolutely extraordinary result. Congratulations to all involved for supporting Breast Cancer Network Australia.

TAFE funding

Mr RICHARDSON (Mordialloc) (13:56) — TAFE is a vital part of our community. For thousands in our local community, it is their first step toward a job, their personal development, learning and supporting their families into the future. In 2014, as the Labor candidate for Mordialloc, I pledged to always support TAFE, to always fight for investments in skills and training and to get the very best outcomes for our local people. That is why this Labor government restored funding to TAFE. We reopened closed campuses and we got TAFE back on track, but the job was not done, and in this budget we made the incredible announcement that 30 priority TAFE courses would be free, which is an excellent outcome.

For 13 000 residents in my electorate TAFE was the start of their journey towards a job, and it has been a fundamental part of our learning, skills and development for so very long. When you accompany that with our procurement policies, where we provide 10 per cent of all places to apprentices on major

projects over \$20 million, we are giving Victorians their first opportunity on Victorian projects. So instead of facing a skill shortage and instead of trying to plug the labour shortfall with people from either interstate or overseas, we are making sure that young people and those transitioning to new skills can get the very best opportunities. With an infrastructure boom and with confidence up in Victoria, it is the least the government can do to support working people and people getting skills and training, and I commend such a wonderful policy for my electorate.

Lowan electorate roads

Ms KEALY (Lowan) (13:57) — Concerned road users in my electorate have again reported substandard roadworks which have failed after just weeks of being rebuilt. Unfortunately this is a situation which I have heard of many times before, particularly regarding road repairs in south-west Victoria. The supervision of roadworks under the Andrews Labor government has been appalling, with ongoing reports of poor workmanship. I have witnessed a shovel-load of bitumen being put into a pothole, stepped on and then, less than a minute later, a B-double log truck blowing out the repairs. Along the Dartmoor–Digby Road, we have currently got roadworks and, again, log trucks have blown out the works within a couple of weeks. It is simply not good enough. I ask the Minister for Roads and Road Safety to take responsibility for the poor standard of road repairs in western Victoria. I ask him to undertake an immediate inquiry into the standard of workmanship of road repairs to ensure we see an end to substandard road repairs and that taxpayer money is not being wasted on building roads that last only weeks and not the years that they should. Local people deserve to travel on safe roads. It is time we fix country roads and save country lives.

Western Victoria public transport

Ms KEALY — It was extremely disheartening to hear that public transport in western Victoria had been completely overlooked in the Andrews Labor government's recent budget. With no mention at all of a plan to bring back passenger rail to the region, review Labor's disastrous timetabling changes, which resulted in wait times of over 50 minutes for connecting services, or the vital link between Hamilton and Horsham, the people of western Victoria were left extremely disappointed. It is time to get western Victoria moving, but with no vision outside of Melbourne it is clear we will never see that under a Labor government.

Susan Little

Ms KEALY — Congratulations to Susan Little of the Hamilton fire brigade for her outstanding achievement, being the recipient of the Living the Values Award.

Cranbourne Food Truck

Ms WILLIAMS (Dandenong) (13:59) — As we have heard, this week is National Volunteer Week, an opportunity for us to celebrate the contribution of Australia's 6 million volunteers, 1.5 million of these right here in Victoria. The theme of this year's National Volunteer Week is 'Give a little. Change a lot', which is about celebrating the impact of our volunteer effort and the real and genuine difference it makes to all of us.

In the lead-up to this week I joined the member for Cranbourne and Pauline Richards on a visit to the Cranbourne Food Truck, which is operated by the Cranbourne Regional Uniting Church and many volunteers. The truck provides free food to the needy across the Cranbourne area, and the volunteers go to great lengths to ensure clients feel socially included and supported. This initiative has been operating since 2012, with the truck active four nights a week and providing hot meals, fruit, vegetables and non-perishable food parcels. I want to thank Christine Marsh, Roy Snook and Peter the soup maker extraordinaire for hosting our visit.

Greater Dandenong Volunteer Resource Service

Ms WILLIAMS — I also want to pay tribute to the hundreds, if not thousands, of volunteers across my local community and thank the South East Volunteers and more specifically the Greater Dandenong Volunteer Resource Service for all the wonderful work they do in supporting our community member and organisations. Volunteers really are the lifeblood of our communities, often sustaining activities and initiatives that many of us take for granted or could not do without. Volunteers build resilient and connected communities. They take significant pressure off the public purse, and they make an enormous contribution to community health and wellbeing. This is why I was thrilled to see in this year's budget the Andrews government commit specific funding for volunteer training and capacity building in addition to the support given to so many volunteer services and organisations. I would urge all members to say thank you to their local volunteers this week.

National Volunteer Week

Mrs FYFFE (Evelyn) (14:00) — In this volunteer week I thank the many, many wonderful volunteers in Evelyn. I know I run the risk of offending some by missing them out, and I apologise in advance. We have a wide range of amazing people who volunteer with disability services, such as the Melba Support Services and Caladenia Dementia Care, who care for frail aged. We have tireless and patient volunteers at Lilydale Assist, and I want to make a special mention of Lis Guldager-Nielsen and Sylvia Ramsden, who have given an amazing 30 years each volunteering and providing advice, advocacy and support to the community of Lilydale and surrounds through Lilydale Assist.

How can I thank volunteers without highlighting our Country Fire Authority men and women? They are the epitome of putting others before themselves. Despite the very difficult times they have been through, they are always there when we need them. With the Victoria State Emergency Service they do so much for us in fire, floods, storms and road accidents, and I thank them most sincerely.

Then of course there are the services clubs, such as Rotary, which are continually giving and working for the benefit of our community. Then there are the hundreds of quiet volunteers who look after neighbours, volunteers who sit alongside young learner drivers as they build up their mandatory number of driving hours and volunteers with community sports clubs and school councils. Thank you to each and every one. You are the backbone of this community. You are the unsung heroes.

Cranbourne Food Truck

Mr PERERA (Cranbourne) (14:02) — Last Friday I visited, along with the member for Dandenong and Parliamentary Secretary for Carers and Volunteers Cranbourne, the Regional Uniting Church to meet and greet the excellent volunteers who do great work as part of the Cranbourne Regional Uniting Church food truck team. This team was one of the three recognised in the 2017 Premier's Volunteer Champions Awards teamwork category. I congratulate the team, which included Graham Astfalck, Jillian Drysdale, Christine Marsh, Charica McCormack, Bob Neal, Helga Pitzer, Roy Snook, Sharon Start, Jacqui Symonds and Cath Taylor.

This operation commenced in January 2012 and provides free food, including hot meals, fruit, vegetables and non-perishable food parcels, to the homeless, poor and disadvantaged in the Cranbourne area four nights a

week, stationed in a set location for 2 hours. The core aim of the food truck is to make clients who are socially isolated feel included in their community and provide care and support for their needs. On a given night on average about 25 people turn up to socialise and have a cooked meal. This excellent team pool their combined skills of planning, cooking, hospitality, communications, fundraising and promotion, transport knowledge and administration in order to bring hope and dignity to those in the community who are hungry, lonely and often without shelter.

Michael O'Connor

Ms STALEY (Ripon) (14:03) — Michael Gerard O'Connor: 30 March 1951 to 15 May 2018. He is survived by his wife, Judy, their children, Damian, Rachel, Emma and Liam, and grandson Myles, to whom I extend my deepest condolences. Michael moved to the Pyrenees shire in January 2000 and lived at Waterloo, where he ran a small farm. He was a councillor of the Pyrenees shire from 2008. He represented the Beaufort ward and served as mayor many times. He was an active member of the Waterloo and Beaufort community. The list of his community involvement is long and diverse. Nothing was there to build his résumé. Michael was the real deal — at home making strategic decisions in a collegiate and ethical way yet also always ready to cook the barbecue and serve behind the counter at the school canteen.

He was one of my most valued advisers. When Michael O'Connor said his community held a view, I knew that was what the community's view was. When Michael O'Connor said something had community support, I knew that it did. He was a strong and determined advocate. There was never any room to be wishy-washy or flexible in an answer to Michael. He pushed until he got your position, then he tried to change it if it did not accord with his. The community of the Pyrenees shire is poorer for Michael's death, and I will miss his counsel. Michael O'Connor was a good man. Vale, Michael O'Connor.

Legally Blonde

Mr STAIKOS (Bentleigh) (14:05) — I recently had the pleasure of attending opening night of a joint production of *Legally Blonde* by Our Lady of the Sacred Heart College Bentleigh and De La Salle College in Malvern. The musical was the first to be held at the newly redeveloped Alexander Theatre at Monash University, funded in part by the Andrews Labor government. Congratulations to the wonderful cast: Keely Jamieson, Oliver Barr, Lauren Quintal, Josh Muldeary, Eli Te Moni, Sinead Fernandes, Laura

Martin, Isobelle Carmody, Paris Leveque, Charlotte Yanko, Angela Edgley, Ella Stutterd, Brooke Pereira, Tiana Genovese, Owen Clune, Heath McCullough and Lachlan Joseph.

Congratulations also to the chorus — unfortunately too many of them to name in a 90-second statement but they were fantastic. Congratulations to the band — Mr Josh Debreceni, Andre Mackie, Adam Carr, Maxwell Harvey, Nic Viscovic, Joel Thompson, Benjamin Gibson, Maya Blackman, Dominic Gehrig, Anthony Ryan, Joseph Hunter, Blair Hunter, Jordan Burns, Tom Pagonis, Adam Scandrett, Nathan Barrow, Ben Coonan, Jameson Clarke, Dylan Clarke, Fletcher Bird, Robert Ranzolin and Heidi Ching — and of course the crew, Arina Tarpey, Ella Louise Bourke, Kayla Neumann, Eliza Cappel, Nicole Duncan, Alby Innocente, Lucas Cozzi, Nathan Monagle-Linke, Harrison Attard, Benjamin Northeast, Blair Hopkins, Oliver John and Wes Cretella.

National Volunteer Week

Mr PAYNTER (Bass) (14:06) — National Volunteer Week gives us a wonderful opportunity to acknowledge and celebrate the wonderful contribution our volunteers make throughout Victoria and in particular in the electorate of Bass. Amongst others of course, we have the Country Fire Authority, the Victoria State Emergency Service, our Rotary clubs, our Lions clubs, our Red Cross branches, our surf lifesaving clubs, our Landcare groups, hospital auxiliaries, volunteer programs that are run through hospitals, organisations such as Outlook in Pakenham, the Country Women's Association of Victoria and our various sporting clubs and community groups. Without volunteers these clubs and organisations would not survive. They would simply not have the financial capacity to do so.

I acknowledge and applaud our volunteers and their commitment to these organisations. Not just in volunteer week of course — this just gives us the opportunity to highlight their wonderful commitment to these organisations — but every day is volunteer day. In fact I know today there would be thousands upon thousands of volunteers throughout the state of Victoria giving their life and their absolute commitment to these organisations, and I applaud them for doing it. They do not ask for thanks, but today I thank them for doing so and for their commitment to these wonderful community groups. They do it because it is in their blood. They do not do it for money. They do not do it for acknowledgement. They do not do it for reward. They do it because they were brought up as volunteers, and if you look at their family history, their mothers

and fathers and grandfathers and grandparents were also volunteers. I applaud them and thank them.

Michael O'Connor

Mr CARROLL (Minister for Industry and Employment) (14:08) — Can I follow the member for Ripon and offer my condolences to the Michael O'Connor family as well.

BUDGET PAPERS 2018–19

Mr SCOTT (Minister for Finance) (14:08) — I move:

That this house takes note of the 2018–19 budget papers.

Ms BRITNELL (South-West Coast) (14:08) — When preparing my contribution on this year's budget I looked back on my contribution from last year and, unsurprisingly, I could read it almost word for word and it would still be relevant. This is a traditional Labor budget. It focuses on the city. It looks after Labor's mates. It treats the taxpayer like a bottomless pit of cash to boost its revenues, and it increases state debts. Last year I spoke about the budget failing to take any real advantage of the enormous opportunity regional Victoria offers, particularly my electorate of South-West Coast, where there is opportunity for growth — opportunity to bolster the state's economy through increased productivity, not through increased taxes.

Well, the 2018–19 budget has done the same. It has squandered the extraordinary opportunity, because Labor is relying on unsustainable population growth in Melbourne and has absolutely no plan for decentralisation or for regional growth. The Great South Coast region is the most productive in the state — the Australian Bureau of Statistics data proves it. We punch well above our weight in terms of agricultural production, yet the government has failed to support anything to help that grow. In fact, the Great South Coast Food and Fibre Council are still waiting for money allocated to them in the last budget, and when the committee questions it they are given all sorts of excuses. But the reality is, this is typical of the process, bureaucracy and failure of this government to just deliver.

On decentralisation, we know that if we want people to move to the regions, we need to provide them with good schools, good health care, good recreational facilities and efficient transport links for road and rail in particular. We also need to provide industry with opportunities to grow. Instead we see increased taxes that will not only discourage people from setting up businesses in the South-West Coast but will discourage

them from setting up in Victoria. Over four years Premier Andrews and Labor have added 12 new taxes and increased charges — new taxes like the vacant home tax, annual property valuations, the Uber and taxi tax, the city access tax and the increased royalties on brown coal, to name a few — 12 new taxes, 12 broken promises, even though he said he would not increase or deliver any new taxes. That was a lie. Then of course there are the proposed increases to the fire services property levy that we will see from next year — of course, after the election — to pay for the sweetheart deals made with the United Firefighters Union, whatever they may entail, but we can be assured it will be exorbitant because the unions are involved.

Those on that side will now cry they cut payroll tax for regional businesses, but it is a paltry amount and a paltry attempt. There is so much more that could be done. Rather than a reward system, they are offering businesses no reward. They are not offering carrots to move to the region. Premier Andrews has made Victoria the most taxed state in Australia — a punishment system. There is not one dollar in the budget for the Warrnambool Base Hospital refurbishment — not one single dollar to upgrade the emergency department or to expand the operating theatres. The week before the budget was handed down health data showed that patients at Warrnambool wait the longest for elective surgery. The emergency department, built in the 1990s, was designed to handle 15 000 patients per year, but last year there were more than 25 000 presentations to the department.

How can we expect to continue to attract the wonderful health professionals that we actually do have in our part of the world if we do not have the facilities to be able to facilitate their needs? I know two general surgeons who are about to retire in Warrnambool in the next couple of years. I do not understand how we think we can attract general surgeons, who are very needed, to facilities where they probably will not be guaranteed theatre time. It is not going to work. We have got the job done, the master plan is done, the feasibility study is done and we are ready to build. It is time for this government to do it.

My community is bitterly disappointed there was no funding to get the hospital upgraded. The Labor government has had four years to get on with this job and match the Liberal Party's commitment to do what needs to be done, to do the job of governing. Instead they put their mate in the upper house, Mr Purcell, in charge of a committee and gave him \$7.5 million to get the project ready for inclusion in the state budget. In other words, they delayed. Labor have neglected to fund this project, but Mr Purcell in the other place

shares the blame for this neglect. He was the chair of the committee; he was the man charged with securing funding. He failed, and it is the people of South-West Coast that will continue to wait for treatment.

Mr Purcell's excuse is that the planning is not complete. How does he explain Ballarat Base Hospital receiving full funding when planning for that hospital is nowhere near as advanced as Warrnambool? The member for Buninyong said in this house in the last sitting week:

... this massive announcement of funding will see them being able to complete their master plan knowing that everything they put in their master plan can be reliably funded into the future.

Well, our master plan is complete. So is our feasibility study, responsibly done. Why does Ballarat Base Hospital not have to wait until its planning is completed? Why is it that this hospital is given special treatment? Why are the people of South-West Coast continually being told they have to wait when other projects are given full funding straight up? James Purcell, Premier Andrews and the newly minted Labor candidate for South-West Coast, Kylie Gaston, must answer these questions.

In an email sent to me the day prior to the budget being delivered, Mr Purcell said that the cost of this project was likely to blow out by \$50 million. So once again we see a key project that this government is running blowing out. But it still remains unclear if we will get anything extra for that \$50 million, or if it will be like the level crossing removals or the Metro Tunnel project — an extra cost but the same number of crossings removed and the same length of tunnel. I am not aware of what this extra cost will involve because Mr Purcell has failed to set up the promised briefing on the project. But I do know there has been plenty of planning done — a master plan was completed and forecasts and projections completed, and responsibly so. The only thing that needed to be done was the public consultation. Mr Purcell and Labor have done nothing but delay. Perhaps it is time for Mr Purcell to release publicly the work his committee has done so we can get some idea of why this project has failed to progress.

Mr Purcell also has some questions to answer about his failure to secure funding for the Reid Oval upgrade in Warrnambool — another project he was telling everyone who would listen he could get funding for. Reid Oval is supposed to be the region's premier sporting ground, but if anyone has seen the facilities, they would agree it is not the case. Bendigo certainly pointed that out at the interleague game just last Saturday, as seen publicly in today's paper. Change rooms built in the 1970s, inadequate match-day facilities to accommodate media and fans, a

substandard playing surface and a lack of lighting are keeping the oval in the dark ages. The facilities also pose an OH&S risk. The timekeeper's box is accessed by a ladder and a hatch in the floor. If someone was to have a medical episode up there, it would be near impossible for medical professionals to remove the person safely and in a quick fashion. The Liberal-Nationals got the project started, funding a new scoreboard, a female change room and upgrades to the netball courts. It is unfortunate though that Labor and James Purcell have not continued it. But then again it is not hard to see why this oval and the lighting upgrade at Hanlon Park in Portland were forgotten. I mean, they are not AFL-owned. They do not get handouts.

What an absolute insult for local clubs in my electorate, which mostly run on volunteer labour — volunteers who we are celebrating this week and who do an enormous amount of work right across the electorate in all areas, and volunteers who run our sporting clubs. They raise funds through fundraising, and then they are told that to upgrade their facilities they can apply for a loan that bears interest, while at the same time the AFL, a non-taxpaying organisation, gets a handout to upgrade its own facilities and a sweetheart deal to build a new headquarters. How anyone on that side of the house thinks this is okay is beyond me. They really have forgotten the little guys. As someone commented on my social media pages, 'If you do not invest in the grassroots, there will be no-one to play in the flash big stadiums in the future'.

I do note, however, that there are some unspecified buckets of cash in the budget for projects just like this, obviously put aside to tie these important projects to an election. I have no doubt, now that a Labor candidate has finally been announced for South-West Coast, that there will be a lot of ministers flying in to make these pledges. But the damage is done. Mr Purcell has been very active in telling people he will get them funding in the budget. The community is now bitterly disappointed and is seeing straight through Labor's games. The people of South-West Coast will not be hoodwinked; they know when they are being duded.

If these promises do come during the election campaign, how can the people of South-West Coast believe they will be delivered? James Purcell, with help from his mates on that side of the house, has been running around over the past four years saying, 'I'll get you this' and 'I'll get you that', but nothing has happened. The government has not delivered, so what will make it any different after the election? It just keeps moving the goalposts further out of reach.

On education funding, I see that the money for the Warrnambool Special Development School was included in the budget. Work is already underway on this project because my community and I shamed the government into action. I was proud to stand with the member for Kew in December last year and announce that if a Liberal government is elected, the school will be immediately funded. Obviously not wanting to look foolish, Labor fast-tracked the money almost instantly. I have no doubt that had I and my community not been so vocal nothing would have happened until now and work would not have started on the new school as it has.

There was some more money for school maintenance in this year's budget, which I am sure the principals are happy with. I am disappointed to hear though that schools in my electorate that received money in last year's budget are still working through the process. They are being told to put larger than normal contingencies in their budgets because of the price of tenders. This may explain why there is around \$4 million in expenditure remaining for the Warrnambool Special Development School. Why can't that \$4 million be used for an undercover outdoor area or playground? They were not included in the plans but they are very important for children with special needs and often compromised chests. That sort of area is very, very important for coping with our winter weather.

Rather than just accepting cost blowouts, Labor should be demanding this money be spent wisely and effectively, not just accepting exorbitant pricing and telling schools to make do. Last year one school was given \$2.6 million for improvements. They needed to replace the wooden windows with aluminium ones. They also needed to modernise the school and get the asbestos removed. They are being told, 'Don't expect the windows to be done; they are not able to be done'. They are asking, 'Can we at least be able to open a window in one classroom?'. That is disgusting. But as the process goes on they have had to alter their expectations.

There was so little in this budget to deal with the recycling crisis which is gripping the state other than giving handouts to councils, which actually does nothing to address the problem in the long term. It is a bandaid solution. I would have loved to see money for the industry to develop a waste-to-energy plant in our region, or grants for local companies to improve their equipment and processes so waste can be value-added and used here rather than being sent overseas. Councils are increasing the cost of their collection services, pushing up household bills and the cost of living because of this government and its inaction on this critical issue. The Minister for Energy, Environment

and Climate Change has handed out some cash and washed her hands of the problem. She will blame councils, she will blame the collection companies, she will blame anyone, but the fact is that her government has washed its hands of this. The cost of living is growing, and it is their fault.

There was also no money for the Lookout drug and alcohol residential rehabilitation centre, a much-needed service to fill a gaping hole in service delivery in the south-west. This is a project I am deeply passionate about, and I will continue to advocate strongly on this. It is too important to ignore, and I know the Minister for Mental Health recognises that, so I will continue talking to him until that money is announced.

I refer now to roads, because they are a key issue for my electorate. Granted the government is spending money, but when you break down the package you see the amount actually being spent on roads is a paltry 1.4 per cent increase on last year, hardly enough to cover CPI and the increased costs of materials. A good chunk of the package is being spent on setting up a new bureaucracy, which will apparently bring about more effective repairs for rural and regional roads. We have seen how this government is the fat cat's friend, so it is my fear that this body will just become another level of bureaucracy, swallowing up money for road repairs to cover wages.

There is around \$200 million to continue the rollout of wire rope barriers. This is money that needs to be spent actually fixing the roads first. Why rope people in when you have not even got a decent road to drive on? It is dangerous. There is nothing wrong with the concept, but fix the roads first, and do not rope us in.

I also want some assurances that these repairs will last longer than a few weeks, that there will be checks and balances put in place and some sort of plan. That is one of the biggest failings in road repairs, and it is time the minister and the government realised that. But of course this government is so accepting of cost blowouts on all its projects because they can spin it to say that they are spending record amounts on infrastructure, despite getting nothing extra to show for it. This is a typical Labor budget, just as we have seen for the past four years.

Mr SCOTT (Minister for Finance) (14:23) — It is a pleasure to rise to discuss this budget. I will touch upon both my electorate and my ministerial responsibilities. I do not think that any members of the Public Accounts and Estimates Committee (PAEC) are present, but we will enjoy the PAEC presentations. It is always an important part of the —

Honourable members interjecting.

Mr SCOTT — I see the member for Essendon here.

Mr Pearson interjected.

Mr SCOTT — It is a great honour to be on PAEC. I was on it for eight long years and, with the indulgence of the house, I remember the estimates process well. It is a very tiring and engaging process. I have to say with some empathy, particularly when in opposition, that the resources of government and ministers and the advice of the budget papers themselves have a different role to play. It is a very important role for accountability in the Parliament.

As a local member I am really pleased to see that this budget makes significant investments in my electorate. This is particularly true in terms of the provision of capital for schools. I would like to note the investment of over \$10 million for the new high school for Preston, building on the \$5 million provided in the previous budget. This is a really important investment for the community, which I both represent and in which I live, because it is the reopening of a school in 2019 that had closed under the previous government. But I would say that there were certain circumstances that caused it to close and I actually do not accord blame to the previous government in that particular circumstance. The school had a very long tradition as Preston Girls High School. It served many thousands of young women in my electorate and provided them with a wonderful educational opportunity.

It will be wonderful to see Preston High School open on that site, providing thousands more children over future years with an opportunity for a good public education. It is a wonderful facility. It is a very solid brick building, built prior to the Second World War. It has a wonderful history and a wonderful future, with the appointment of Sean Butler as principal and the investment of over \$15 million by our government to ensure the school not only reopens on the site but reopens with facilities that will do justice to the work that was done in the previous school and what will be done in the new school. I would like to pay tribute to the High School for Preston group and all the work they have done advocating on behalf of the community for the reopening of the school. They are tireless in their work and are true representatives of community activism at its best.

There is also a significant investment outlined in the budget of \$6.3 million for the Reservoir East Primary School, lead ably by its principal, James Cummings. It is another school that has a wonderful school

community which is very dedicated to the education of the children. The Reservoir East Primary School serves a very diverse community of different backgrounds, different ethnic groups and in fact different strata of the socioeconomic elements of our society. It does a wonderful job of bringing people together and providing a good start in education and primary school. Again, the \$6.3 million will provide facilities which do justice to the work that is undertaken by the teacher and parent group at that school.

There is also funding of \$9 million for the Northern College of the Arts and Technology, a school led by principal Raffaella Galati-Brown from the very dark days when it was closed under the Kennett government through to today. She has done an enormous amount of work to ensure that particularly vocational education is available there. It has got a very strong tradition of working with industry, ensuring that job opportunities are available for young children in the northern suburbs through the provision of appropriate technical education, particularly focused on the arts and technology. The \$9 million investment will give the school facilities worthy of the community it represents.

I will also touch upon the investment of \$2.2 million for the Northern School for Autism located in Reservoir. Again, this is a school where fantastic work is undertaken. The injection will provide facilities worthy of the school community and their work.

The community I represent will also benefit from the increased funding for neighbourhood houses, particularly the Reservoir Neighbourhood House and Preston Reservoir Adult Community Education, both of which are centres of community activity which ensure the provision of services to the broader sections of the community I am lucky enough to represent.

Turning now to my multicultural affairs portfolio, the budget includes \$43.6 million of additional funding for multicultural affairs. I do note that multicultural affairs has a very proud record here in Victoria. The multicultural nature of our state and its support for multiculturalism have rightly been recognised as a great strength. The non-partisan support — because it goes beyond bipartisan support for multicultural affairs, since parties beyond the opposition and government have a tradition of supporting multicultural affairs — is something that I would dearly like to see continue in this state. It is a very important part of what Victoria is in the 21st century — a diverse society where people come from around the world, bringing their skills, talents, cultures and work ethic and ensuring that Victoria is improved and is stronger for that diversity and the contribution that is made by so many migrants

who choose to make Victoria their home. The \$43.6 million in additional funding means that as a government we will be expending \$84.6 million in the multicultural affairs portfolio into the 2018–19 financial years. It is fair to say that that is a significant increase on previous investments in this area.

Some particular highlights in terms of investments in the multicultural affairs portfolio include \$17.1 million for the multicultural community infrastructure program. I think I should touch upon a couple of aspects of that investment. Firstly, within multicultural affairs, multicultural community centres and ethnic community organisations and facilities play a critical role in the success of multiculturalism across our state. I have visited facilities across Melbourne and across regional Victoria. Those facilities are places in which people gather and fulfil two very significant but important functions. One is to celebrate culture and to ensure the retention of culture within the diverse community, and the other is to share that culture with the broader society. Both aspects are necessary for the success of multiculturalism.

The second aspect I would like to highlight in relation to that infrastructure program is the \$6 million allocated in this budget for security for the Jewish and Muslim communities. Unfortunately in the world in which we live there are security risks attendant upon both the Jewish and Islamic communities. The Jewish community has the misfortune of being targeted by the extremes of politics and also those who are attracted to violent extremism in its various forms. The Muslim community also faces security risks.

When people are at their places of worship or at community centres, they should be in as secure an environment as possible. Support for security for these two communities will ensure a greater level of security. Unfortunately we cannot ensure 100 per cent secure facilities in the world we live in today, but providing this funding will improve security. I note the work that has been undertaken particularly by the Jewish community in doing audits and work themselves on their security needs. I know they are seeking funding from the federal government, and I wish them luck and urge the federal government to work with the Jewish community on the needs they have identified in terms of their security needs for both their religious and community facilities.

There is also \$8.6 million in the budget for the *Victorian African Communities Action Plan*. I note Acting Speaker Pearson has been deeply engaged in this process of working with the African ministerial working group on the issues that face the African

community. This has been a really intensive bottom-up process, where there has been work undertaken by members of African communities, and of course it is not just one community — Africa is a continent in itself, an enormously vibrant, diverse multicultural continent. The community here in Victoria from various African societies reflects that diversity. They have been working together with government to identify needs that exist in the community, including issues like employment. The Minister for Industry and Employment is here, and there has been a lot of work done both in terms of the social procurement framework, which I will touch upon later, and also the Jobs Victoria Employment Network to address the employment needs of African Victorians.

This \$8.6 million will assist in dealing with issues such as employment and education, amongst other issues that have been identified by the African communities themselves, working in partnership with government. There has been an implementation committee to ensure that bottom-up process continues, and I think it is a very important investment which will go a long way to ensuring the success and contribution to Victorian society by the African communities. There is so much talent there amongst African communities that can be unlocked to ensure not only the success of those communities but also that the broader society has the benefit of those talents being fully utilised.

There will also be \$1.7 million to support culturally diverse youth at risk and \$1.4 million to expand the multicultural festivals and events program. This is funding on top of the existing funding for multicultural festivals and events. Festivals and events play a very critical role in multiculturalism in Victoria. Multiculturalism is often misconstrued. People within society get an opportunity to experience other cultures, and one of the primary means of experiencing other cultures is through festivals and events. With festivals and events it is not just the food, music, celebration and dance; it is also about meeting people from different backgrounds to appreciate and understand both the differences and the cultures that persons have brought to this society. Really importantly, through that understanding of difference and appreciation of those different cultures, it is about gaining an understanding of the common humanity that underpins all human expression. In the research that we have undertaken within Victoria, festivals and events can be a very powerful communicative tool of the benefits of multiculturalism — one that we should be supporting. I am pleased to see the additional investments in multicultural festival and events.

There is also an investment of \$0.3 million for the multicultural safety ambassadors program. This program relates to safety in the workplace. It should be noted that often persons come here from societies where there is not as great an emphasis on occupational health and safety. With this program the intention is to work with business, with employers and with employees to ensure that all Victorians have an understanding of the requirements for a safe workplace and to establish good practices for workplace safety.

There is also an investment of over \$14 million to combat violent extremism. I have certainly briefed members of the opposition on action being undertaken in terms of programs to combat violent extremism. This is responding to the recommendations from the independent Expert Panel on Terrorism and Violent Extremism Prevention and Response Powers. This is important work. For obvious reasons the detail of such work is not necessarily something which should always be in the public domain, since combating violent extremism by its nature is not always best done with a full understanding of how that is being addressed by the government for those who may be violent extremists themselves or leaning towards violent extremism. There has always been an attempt by this government to use evidence, drawing upon international best practice and also expert opinion, to ensure that our responses to violent extremism maximise the safety of the Victorian community.

In terms of the finance portfolio, I will touch upon that briefly. There is additional funding being provided to the Essential Services Commission for that organisation to undertake enhanced regulatory activity. I touched upon, in terms of the African community, some of the issues around the social procurement framework. There is additional funding to provide support for procurement reform, and that reform will be driving social outcomes out of procurement, particularly in terms of economic participation by disadvantaged groups, whether they be disabled, disadvantaged migrants or other groups who have had difficulty accessing the labour market.

I turn briefly to the investments that have been made in terms of the 30 free TAFE courses and also the 18 preapprenticeship courses which also will be made cost free. I draw the attention of members to budget paper 2, pages 31 to 33, which identifies, firstly, the benefits of providing such education, because there is clear evidence that persons who have technical education are much more likely to be participating in the labour market and in that participation are much more likely to be employed. Also at page 33, if you look at where gaps exist within the labour market, there is a

mismatch. There is a group of persons who do not have appropriate educational qualifications in order to meet the needs of the labour market. So investments in TAFE will help both society and also those who are struggling to find employment. This is an excellent Labor initiative and an excellent Labor budget.

Mr WELLS (Rowville) (14:38) — I rise to join the debate on the take-note motion on the budget. I think I got halfway through my contribution on the budget last time the house sat, so I am thankful for the opportunity to be able to speak on it now.

The first thing that we have to do with regard to any budget that comes down is to make sure that the budget has credibility and integrity, because this is supposed to be a true and fair assessment of the state's financial position. It is a document that is available to every single Victorian and those outside Victoria to look at and get a snapshot and a good understanding of what the current financial position is and what it is going to be over the next four years. It is supposed to be fully authorised and supported by the Department of Treasury and Finance (DTF). In fact everything in the budget papers should have gone through the Department of Treasury and Finance to make sure that it is factual and based on evidence and that there is no political spin in there. Of course if the Department of Treasury and Finance is compromised and starts to play the role of supporting the government of the day in propaganda, then it has a true credibility problem.

There are a couple of points that I want to raise in regard to what the Treasurer said in his speech. The first point is that on page 10 he said:

In the past 19 years, 7000 additional police officers have been funded — all of them under Labor governments.

Having already committed to the biggest recruitment drive in the history of Victoria Police, this budget invests a further \$1.4 billion towards community safety measures.

This is an important point — the claim by the Labor government that all 7000 additional police have been funded by Labor governments. It is true that in 2010 the Labor government put aside in their election document, I think from memory, about \$600 million to fund about another 1966 frontline police. In 2010 the money was put aside, but it was then spread out over the forward estimates. The full cost of funding for those police over the next five years was there in the budget papers, but the reality is that after the Baillieu government was sworn in in December 2010, by February 2011 — so just two months later — it found that it had significant issues in regards to the finances left to it by the previous Labor government. Because what they said was in

those papers and the actual reality of what was in those papers were two entirely different things.

For example, when the Baillieu government came to power expenditure was growing at 7.3 per cent annually but revenue was just growing at 6.9 per cent. So from day one we were going backwards financially by 0.4 per cent. We were spending 7.3 per cent but revenue was only coming in at 6.9 per cent, so we had an unsustainable situation — a drastically unsustainable situation. With the global crisis of 2008, the federal Rudd Labor government pumped a lot of short-term stimulus money into the Brumby government, and of course when that stopped the expenditure continued to increase. So we had a significant financial problem.

As I said, in February 2011 we had a writedown of \$8.3 billion in GST and stamp duty, so any money that was put in the forward estimates by the previous Labor government was completely wiped out. If you are talking about a \$600 million commitment to fund police and you have a writedown of \$8.3 billion, then there was not one cent in those financial papers over the forward estimates to fund one police officer — not one cent.

The Liberal-National parties when running in 2010 promised more police and more protective services officers (PSOs). I remember — I think the member for Gippsland East might have been in the chamber at the time — when the member for Monbulk said that they were plastic police and that he had no time for PSOs. What an outstanding success PSOs have been. We thank every single PSO on railway stations along with those looking after Parliament House, Government House and the courts. They do an outstanding job. But the money we had to find to fund those police and PSOs was all money that was determined by the financial and economic decisions of the Baillieu-Napthine governments. There was no money whatsoever for funding police under the previous Labor government.

When it comes to credibility the next area of accuracy I want to challenge the Treasurer on is also on page 10 of the Treasurer's speech where he says:

... Victoria is the safest it's been for a decade ...

I have to admit I had to read this a couple of times, because if this is factually correct and DTF are able to tick that off, then so be it, but the previous Liberal-Nationals government set up the Crime Statistics Agency because we did not trust Labor with crime stats. We never trust Labor with crime stats. Remember what happened between 2006 and 2010? Even the Chief Commissioner of Police selectively

released crime stats, so we could not trust them. We could never trust Labor with crime stats.

In the run-up to the 2010 election when we had a look at some of the crime stats they were releasing we thought, 'This could not possibly be right', so we set up the Crime Statistics Agency to ensure there was an independent body that could actually release the documentation. So I was interested to see the Treasurer saying what a safe place Victoria is, yet I read a press release that our shadow Minister for Police put out on 1 May saying that murder is up by 1.72 per cent, attempted murder is up by 132 per cent, common assault is up by 36 per cent, aggravated robbery is up by nearly 30 per cent, aggravated burglary is up by 45 per cent, motor vehicle theft is up by 10.27 per cent and resist or hinder an officer is up by 147 per cent.

I ask the members for Ferntree Gully and Gippsland East, do you feel safer? There is no way known that government members could put their hands on their hearts and say that we are the safest we have ever been for 10 years, but that is what the Treasurer said in the budget speech. As I said, why the Department of Treasury and Finance have ticked that off without checking the facts with their own agency to see whether that is accurate just does not make any sense. It is just unbelievable. That is the mess we had to clean up when we came into government in 2010. It was very tough going, but we had to do what we had to do.

The other point I make note of is in regard to state taxation. We have got 14 new or increased taxes. I quote from Channel 7 news on the eve of the election, 28 November 2014:

Peter Mitchell: ... Daniel Andrews, all the polls say you will be Victoria's next Premier. If you are, do you promise Victorians here tonight that you will not increase taxes or introduce any new taxes?

Daniel Andrews: I make that promise, Peter, to every single Victorian ...

Mr Wakeling — How'd that go?

Mr WELLS — Well, I do not think what the Premier says and what he actually does are the same, so for me that would be, I think it is unparliamentary to say a blatant lie, but an untruth. It is just plain wrong. I think there have been between 12 and 14 new or increased taxes. It is absolutely disgraceful that the now Premier could look down the barrel of the Channel 7 camera and say that.

But it does not end there. The other situation that goes to the credibility and integrity of the government is the red shirts situation running into the 2014 election. Part

of this budget appropriation is to make sure that the government and the Parliament spend the money wisely. We have seen what happened with the red shirts and the report that the Ombudsman brought down. It is absolutely damning, the amount of money that members of Parliament have misused for campaigning.

What has happened in the electorate of Rowville? What did the good people of Rowville obtain from this budget? You will not believe it — yet another study into Rowville rail. Just what we need — another study. Member for Ferntree Gully, do you know what they promised? They promised a tram. I am not sure how that will get up the Wheelers Hill hill, but putting that aside, we are going to have a tram going from Caulfield to Monash University and then from Monash University to Rowville. I have had lots and lots of correspondence on this, but not one person — not even those people who you would say would be politically the far opposite to me — have written to me, come to me, emailed me or rung me and said, ‘This is a great idea — we want a tram’. They want an absolute commitment to have a train. Fortunately the federal government have stepped in and have said they are going to put in, I think it was, about \$460 million for heavy rail from Caulfield to Monash University. That will be a phenomenal start. All we would need is the state government matching that commitment to make sure that we have that first significant step to be able to go from Caulfield to Monash University. That would allow the opportunity for residents in my area of Rowville and those in the member for Ferntree Gully’s area to at least catch the bus to Monash University to get to the heavy rail.

I noted with great interest that in question time the Minister for Education was talking about the number of capital upgrades for schools right across the state, but we did not get down to the letter R for Rowville, because there are good schools in my area that received not one cent in capital works funding: Rowville Secondary College, Scoresby Secondary College, Heany Park Primary School, Carrington Primary School, Karoo Primary School, Park Ridge Primary School, Lysterfield Primary School — and the list goes on.

There was no money to upgrade any roads, so Ferntree Gully Road will remain congested — no funding for any roads whatsoever.

Then of course we have Scoresby Country Fire Authority (CFA) brigade, a fantastic volunteer-based CFA in my electorate. There is nothing for Scoresby CFA, and we know why. It is a volunteer-only CFA, so they will be dropped right down to the bottom of the list

because there are no United Firefighters Union members in the Scoresby volunteer firefighting organisation.

We have great concerns about this budget. Firstly, if you live in a Labor marginal seat, you will receive priority funding for education. It does not matter what sort of needs you have. We heard about Cobden special school today. You would have thought that the Minister for Education would have got up and said, ‘I will make sure that by the end of the day this will be fixed’. That is what we were expecting him to say. For him to say they were pulling the money because they are investing right across the state just does not make any sense to us. It would have been so much easier to say, ‘You’re right, and if we promised the money to that family for that boy who has Hunter syndrome, then we will make sure that something is done and we will not withdraw the money’. However, they have withdrawn the money. We hope in good faith that that is sorted out.

As I said, we have issues in regard to the credibility of this budget. Firstly, there is the issue about the mistake they made in saying only a Labor government funds police. There is the issue about them saying Victoria being the safest it has been in 10 years when it comes to crime. You can understand why we have such great concerns when it comes to credibility and integrity when you look at the Treasurer. I watched the Treasurer at the Public Accounts and Estimates Committee hearings, and it would have to be the worst performance I have seen from any Treasurer in 25 years. It was embarrassing.

Ms EDWARDS (Bendigo West) (14:53) — I am pleased to rise to speak on the take-note motion on the 2018 budget papers. I am very, very thrilled that Bendigo received what can only be described as the best building Bendigo budget ever. Bendigo West has certainly done very well with this year’s budget. It is no small feat when you have a Premier that is absolutely committed to the regions; when I have a colleague in the Minister for Public Transport who is committed to our region; and of course there is advocacy within our own communities to make sure that our community receives the very best.

I heard the Deputy Premier, who is also the Minister for Education, state this morning that over \$1.25 billion has been invested in education in this budget alone, which is more than the previous government, those opposite, spent in their four years in government. As part of that education funding I was very thrilled to announce that Castlemaine Secondary College would receive \$11.75 million to continue the works that will complete the building of that new school. They have been

waiting some time. This work started back in 2010, when the previous government funded the school for one stage, which took four years. We then were able to top up the funding in the 2014 budget by \$2.5 million to make sure they had the \$8 million that was needed for stages 2, 2.5 and 3. Now of course we have completed that commitment with \$11.75 million to complete that new school. The new school will include the development of the artisans precinct and the completion of the performers precinct. Of course, as I said, it is in addition to the \$2.5 million that was provided in the 2015–16 state budget and \$332 000 through Pick My Project funding in 2015–16.

Can I say how excited the people of Castlemaine were to hear that news, and of course it was on the front page of the local Castlemaine paper. The whole town was celebrating the announcement. The principal, Paul Frye, has worked extremely hard in advocating for this. Indeed the former principal, Mary McPherson, did a sterling job in getting this project off the ground in the first place. Principal Paul Frye told a packed auditorium of people who had assembled to hear the announcement:

What it means is that we can begin planning in coming months to finish building our school.

Building works will start next year and should be completed in a very short space of time.

It was interesting to hear comments by school council president Beth Mellick, who has also been a powerful advocate for this project. She described the funding announcement as ‘a tremendous boost for public education in the local community’, and local councillor Christine Anderson, who has previously worked as a teacher, including a stint at the Castlemaine college, described it as thrilling. She said:

I remember seeing the original concepts on paper and thinking how unlikely it is that it will ever happen, and here I am being proven beautifully wrong by this announcement.

And of course the students were also impressed to have the funding included in this year’s budget. That was a very well received announcement in my community in Castlemaine.

Other announcements in Bendigo relate to our pipeline of infrastructure builds that have continued since we came to government. Amongst that of course is the announcement of the GovHub in Bendigo. The GovHub will bring more than 1000 public sector jobs to the Bendigo CBD, which will revitalise the Bendigo CBD, and will also bring another 100 new jobs to Bendigo, boosting the number of people working in the centre of the city. Staff from the City of Greater

Bendigo, Regional Development Victoria and Parks Victoria will work at the GovHub, as well as staff from the Department of Environment, Land, Water and Planning and the Department of Economic Development, Jobs, Transport and Resources. Bringing all of these agencies together under the one roof will provide a one-stop shop for people seeking government services or advice. It is a big boost for local jobs, but it is also a big boost for Bendigo’s CBD. Having more workers working right in the heart of the city will rejuvenate our coffee shops, our retail sector and of course the Bendigo mall. As part of that GovHub there will be 70 construction jobs, and that project is due to be complete by late 2021.

In addition there was the announcement of \$20 million towards the purchase of a location for a new court in Bendigo. This is an important announcement because it means we will be able to get on with getting a new court in Bendigo, something that has been on the agenda in Bendigo for as long as I can remember. In fact I can remember 15 or 16 years ago, when I worked for the former member for Bendigo West, that a new courthouse was something that was talked about quite regularly amongst the legal fraternity, but more importantly it has been obvious more recently that it is not a built-for-purpose court anymore. It is a very old heritage building that lacks the facilities that are needed for a modern courtroom, particularly when it comes to security for victims of family violence, which we know is very important.

Of course the biggest announcement in Bendigo was the funding for our Bendigo TAFE of \$59.93 million. This is a significant investment, and it comes on top of over \$50 million that has already been provided to Bendigo TAFE over the last couple of years. This is a really important modernisation program for Bendigo TAFE. Stage 1 will deliver a mixed-use education, community arts and commercial precinct that will boost activity and vibrancy in Bendigo’s central business district and invest in the future of regional Victoria — and why is this important, Speaker? This is important because it means that Bendigo TAFE is back.

Bendigo TAFE was almost written off when those opposite cut its funding and forced a merger with Kangan in Broadmeadows, ending up with a huge deficit, a cut in staff numbers and students leaving left, right and centre. I cannot even remember the figure now, but over 100 staff left the TAFE. Of course a number of courses were cut as well; I believe more than 30 courses were cut at the time. It takes a long time to come back from that kind of damage. It has taken a long time to rebuild TAFE, almost from the ground up in the case of Bendigo TAFE because it was brought to

its knees by the previous government. There is no doubt about that; it has taken a long time.

Over the last couple of years our investment has included \$7.8 million for the food and fibre project, which we opened just recently. It expands agricultural training at the institute's Charleston Road campus. On top of that has been Back to Work funding of \$5.7 million; \$1.5 million in TAFE Boost funding; \$12 million in the Stronger TAFE Fund; \$3.92 million in Skills First; \$1.18 million for the Reconnect program; and the list goes on and on.

Importantly there is \$59.93 million to revitalise our TAFE and to rebuild that whole TAFE precinct. It is such an important part of attracting more students, more courses and more teachers to our wonderful Bendigo TAFE. Why is it important? It is important because we know, this government knows, that having access to a good TAFE, having access to skills and to the study of the subjects required to get a good job in the areas where we know skills are required for future jobs is so important. TAFE has been a central part of this budget, and Bendigo is a central part of that budget announcement as well. I am really, really proud to stand here today and say that I am part of a government that invests in our students at TAFE and in our TAFE sector.

On top of that there is the announcement of prioritising TAFE and preapprenticeship TAFE courses, including 30 free TAFE courses for students. This will attract so many students, particularly regional students. People forget that students who go to Bendigo TAFE have to travel a long way, often from as far afield as Swan Hill or even further north, such as Kerang et cetera. They travel to Bendigo to study, and that is a huge cost for them. It is a huge cost in petrol, transport and accommodation when they do get there, so these courses being free means that they will be able to access those courses, stay in Bendigo and not be out of pocket just from accessing the courses.

I am delighted to also say that the budget included additional funding for our neighbourhood houses. This is something that I know was campaigned for very hard by neighbourhood houses across Victoria, and no more so than by those in my region. I was very delighted to be able to go to Maldon Neighbourhood Centre to advise them that they had had an increase in their hours thanks to the increased investment in this budget. They were thrilled because that means that they can now go and deliver the programs that they were delivering but also add to them. Every week they hold a free community lunch — well, it is not free; it costs you \$5 — a close to free community lunch, and anybody is invited and can come to the community centre and have

lunch. The food is cooked by the inmates at the Tarrengower Prison, and it is a fantastic day where everybody gets together. When I went over to announce the additional hours for the Maldon Neighbourhood Centre there was great excitement in the room because that meant that that program could continue but also that it could possibly be expanded to include more community members to attend that community lunch, which is really exciting.

One of the other announcements in the budget that probably has not gained as much recognition as perhaps it could have is the Healthy Heart Victoria initiative, which has \$5 million to be invested in key prevention programs across the Loddon, Campaspe and Central Highlands regional partnerships. This is something that came directly out of our regional partnership events that we have been holding across the regions since we came to government, and this was highlighted as a major initiative for our regions. Healthy Heart focuses on preventive measures to prevent obesity, diabetes and other chronic illnesses that we know lead to heart problems. We have one of the highest rates of heart attacks in Victoria, so we know we can do more. This \$5 million will go a long way to addressing some of those issues and putting in place those preventive measures that we know are so important to prevent people from going on to have heart attacks.

The other announcement in the budget that probably did not get enough recognition either is the Industry Capability Network. This has \$5 million across the whole of regional Victoria and is about boosting jobs through better procurement. I was pleased to have the minister in Bendigo to make this announcement:

... \$5 million to support formal representation of the Industry Capability Network in Victoria's regions, to encourage more participation in government projects by regional businesses.

This ensures government investment creates more jobs in Victoria. Regional representation will be created ...

not just in Bendigo but also in Ballarat, Shepparton and Geelong. It is \$5 million across the whole of Victoria, which is a very significant investment.

I should also mention the Regional Health Infrastructure Fund, because the budget had an additional \$50 million towards that fund. This has been extremely well received by our regional hospitals across Victoria. Just before the budget I was pleased to announce \$700 000 to Castlemaine Health for the replacement of beds, which means 75 per cent of beds at Castlemaine Health will be replaced as a consequence of their success in the round of funding for the Regional Health Infrastructure Fund. This means

that all regional health services, regional community health services, regional publicly funded palliative care services and bush nursing centres can access that fund, which now has an additional \$50 million in the pool. That takes the total to \$250 million over this term of government, and that goes towards building rural and regional hospitals.

Last but not least is the additional funding for our regional roads, which is something that I know regional members on this side of the house have been advocating for for some time. As part of that investment there is \$19 million in the budget to improve safety along the Calder Highway, particularly between Bendigo and Mildura. I know the member for Mildura, who is not in the house at the moment, and I have often discussed that long, slow, very boring drive from Bendigo to Mildura — 4 hours in total. This will improve safety along that section of road with rest areas and overtaking lanes.

Mr WAKELING (Ferntree Gully) (15:09) — I rise to contribute to this take-note motion on the budget papers. You can always tell when you are following a member of the government because they talk about everything that was funded in their electorate in the budget. Funnily enough, when it is a member of the opposition speaking we always talk about what we do not get funded, because that is the way this government operates: they worry about their own, but people who live in electorates that do not vote for the Labor Party get ignored. That is exactly what has happened in my electorate again under the Premier and this Labor government.

When you look at the budget and capital works and you turn to the back of the appendices, which lists the suburbs and identified locations of where capital works are happening under this government, for suburbs in my electorate — the suburbs of Wantirna, Wantirna South, Knoxfield, Boronia and Ferntree Gully — there is nothing. There is nothing listed in the budget that identifies one capital project afforded to my community.

When government members stand up and say they want to make Victoria the Education State, come out and tell parents in my community that for four years you have not funded one bit of major capital works at any one of the schools in my electorate. You come out and explain to my parents, my school councils, my school communities why it is that their children should be punished by this Premier.

When we go through the budget and look at roads and road infrastructure — we know that traffic congestion

is such an important issue — there is nothing in this budget which identifies any solutions to improving roads for my community.

Then there is sporting infrastructure, which is such an important part of the Knox community — nothing in this budget is identified as providing any support for clubs within my community. Yet we know this government is happy to give over \$200 million to the AFL —

Mr Katos — Two hundred and twenty-five.

Mr WAKELING — Two hundred and twenty-five, I stand corrected — \$225 million. But if my community want any money, they have to go cap in hand and ask for a loan. Well, I can tell you now: the AFL are not getting a loan, they are getting a cash injection. My community gets nothing. At best they get a loan, which they have to repay to this government.

When we look at public transport, there is nothing in this budget to upgrade or provide improvements for the Ferntree Gully station.

When I talk about education, I talk about schools in my electorate — important secondary schools like Fairhills High School or Scoresby Secondary College, which serves both the member for Rowville's electorate and mine. We know how important it is to invest in secondary school education, but under this government both of those schools have been ignored. Parents have been told, 'If you send your children to a secondary school, Fairhills or Scoresby, don't expect to receive one cent of funding from this government'. That is the repeated message year after year from this government.

When you contrast that to the previous four years, I was very proud to be part of a government that got on with the job of actually trying to finally invest in schools in my community, including Ferntree Gully North Primary School, Wattleview Primary School, Mountain Gate Primary School, Fairhills Primary School and finishing the Eastern Ranges autism school, projects that were important to service the educational needs of children in my community.

There were significant oval upgrades at many of the sporting facilities across Knox that fell within my electorate. We provided support to environmental works that were being undertaken by the Friends of Koolunga and the Friends of Blind Creek.

We duplicated High Street Road between Stud Road and Burwood Highway, and we put protective services officers (PSOs) at Ferntree Gully station, something that those opposite opposed, something that those

opposite said would not work, something that those opposite called ‘plastic police’. Well, let me tell you, those hardworking PSOs, those hardworking members of Victoria Police, do a fantastic job. Unlike those opposite I will not criticise them; I will support them. I will back them because I know they have done a fantastic job in supporting the Victorian community.

As I said, under this government, what have we had? We have had more taxes. We have had new taxes. Remember that the Premier stood out on the steps of this Parliament on the eve of the election and gave a cast-iron guarantee to Peter Mitchell from Channel 7 saying that, hand on heart, under a government he leads, there will be no new taxes. What do we know? We know that is a lie, but it is unparliamentary to say that.

We know that, like so many things, this government says one thing in opposition and does another. There is no starker example of this than for those people in my community who wanted to see the construction of the east–west link. This government said the contract was not worth the paper it was written on. It said we would not be up for one cent of compensation when they ripped up that contract. Over \$1 billion later, we have paid out money to not build a road, a road that my community and the residents of the eastern suburbs of Melbourne know has to be built and will have to be built into the future. It is stark. There is only one side of politics that will build that road, and it is not this government. The very clear message to my community is that if you live in the eastern suburbs and you want the construction of the east–west link, do not rely on the Labor Party, because the Labor Party are only concerned about the residents of the inner city and the inner north. They are not concerned about the needs of people who live in the eastern suburbs of Melbourne. It is very stark where we stand as an opposition compared to where this government stands.

This government is all talk but no action. Look at the talk we had about the north–east link. Here is a government that said, ‘We’re going to get on with the north–east link’. Well, embarrassingly the Treasurer of this state actually confirmed that for this road project that he said is the most important thing he wants to get on with and build, he has not allocated one cent. So how can anyone possibly believe this government when they say, ‘We’re going to get on with it. We’re going to build this road. It’s the most important road project that we are going to get on with and build’, when they go on and allocate not one cent of funding?

We all know that under this government it is all about the spin. It is not about the substance. They will say one

thing, but when you scratch the surface, when you scratch the veneer and you get below and actually have a look at what it is they have done, what it is they have allocated, we know that this is a government that has done nothing to fund the projects they themselves say are the most important to this state.

I know and residents who live in my community know that this government has delivered nothing over four years. When you look at the capital works program over the past four years, you see that no major road projects, no major school projects, no major public transport projects have been delivered by this government that service the needs of my community.

A member for Eastern Metropolitan Region in the other place attacked me and the member for Bayswater — who is also here — for being churlish in our commentary on the budget. He highlighted to us that in fact my community did receive funding. We received funding for a footpath. I do not begrudge the footpath. Footpaths are important. Transport links like that are important for people for walking and riding their bicycles. That is not a problem at all. In fact a footpath upgrade is important from an educational perspective. He said, ‘I don’t know what you’re talking about. Heathmont Secondary College got funding’. He forgot to mention that Heathmont is actually not in the City of Knox. He could not find a secondary school in the City of Knox that got any funding. This is a municipality with 160 000 residents and he could not find one secondary school that received one cent of capital funding. The nearest he could find is a secondary school in another municipality. Manna from heaven. I mean, seriously.

It just demonstrates how out of touch this government is when it takes for granted the needs of residents who live in the outer east and it says to the people of Knox, ‘Don’t be churlish. Be happy with the knowledge that a school in another municipality is going to service residents who live in the city of Knox’. That was the message from this government. That was the message from an upper house member whose electorate office is within the city of Knox, but who, as a local member, could not see fit to actually lobby to get any funding for a secondary school in the entire municipality in which his electorate office resides. I think that just demonstrates the lack of interest and the lack of focus that this government has when it comes to residents in my community.

I would like to just highlight an issue within the environment portfolio. This is an issue which demonstrates the way in which this government operates when it comes to supporting local business and

local communities. The Cape Otway Lightstation has, for 21 years, operated under a lease by the Bowker family. They are people who have run their own family business, invested their own money and employed upwards of 40 people to work at that facility and they are now currently going through an expression of interest (EOI) process because their lease is coming to an end. There is nothing wrong with conducting an expression of interest process and nothing wrong with allowing other businesses to equally put in a submission for a tender process. That is fair and reasonable. Just last week the company that operates this facility received a letter from Parks Victoria acknowledging the fact that they are now part of the process of going to stage 2, but in the middle of the process, after this company and other companies have spent their time and energy and money to prepare submissions for the next 21-year lease to operate the lighthouse, and with no explanation, Premier Andrews and his government have decided to scrap the expression of interest process — no explanation, no understanding and has just said, ‘We are in the middle of an EOI process. Thank you for participating in the process, but, by the way, we are scrapping it’. What is the explanation? Well, the explanation is, and I quote:

The decision to withdraw the Cape Otway lightstation EOI is based on a change in direction ...

Seriously, a change in direction? There are upwards of 600 leases around this state, many of them operated by small family businesses that are now being told by this government that if you run a small business, if you are investing your own time and money and if you are employing your own staff, under this government as soon as you come to the end of your lease you are gone. That is exactly what the message is from this government to not only this company but to the many other family businesses around the state. It just highlights the way in which this government operates. It is more focused on ideology. It is not focused on community, it is not focused on business and it is certainly not focused on regional jobs. This government should hang its head in shame because again they are sinking their boots in to local communities.

Mr WYNNE (Minister for Planning) (15:24) — I am delighted to get up today to make a contribution to the take-note motion of the 2018–19 budget. In doing so, the Victorian budget will deliver on three fundamentals: new skills and good jobs, more schools and indeed better roads for every Victorian. It is a budget that has been framed in a way that ensures all parts of the state get a decent share of the budget for 2018–19. I am of course also reminded of the excellent forward estimates that the Treasurer has placed in the

budget which speak so eloquently of the real strength of the Victorian economy going forward. I just want to commend the work of the Treasurer and the Minister for Finance and of course the Premier for the leadership that he has shown in framing what is, by any measure, a really excellent outcome for the Victorian community.

But I want to particular focus my contribution today, not surprisingly, on my own electorate of Richmond. Families in Richmond will have good schools close to their homes, with a share of the \$1.3 billion for school allocations across the state. This year’s budget includes \$500 000 to design a new senior campus for Collingwood College and Fitzroy High School on the Fitzroy Gasworks site. I do not need to remind colleagues in the house of the history of Fitzroy High School, except to indicate the Fitzroy High School was in fact the only high school closed by the Kennett government that actually reopened. Can I say it is going absolutely gangbusters in what is a unique relationship of twinning between Collingwood College and Fitzroy High School where there is a shared curriculum between the two schools.

It is a unique partnership and one that will be further consolidated by the opportunities that are going to be presented at the Fitzroy Gasworks site where \$500 000 will be going to the planning of a senior high school. That will be conducted, as you would expect, through broad community consultation and conversation between the school communities as to what the framing of that senior high school might look like. It may be a senior high school that has year 10, 11 and 12, it may be a year 10, 11, 12 and 13 school or it may be a specialist school. That is yet to be determined, but it is a fantastic commitment by the government.

There is an extraordinary budget commitment of \$8.28 million to upgrade facilities at Abbotsford Primary School. For those who know Abbotsford Primary School, it is a lovely little school tucked just off Victoria Street, and the beauty of this public school is that it is in fact a bilingual school. It teaches children in Chinese and Vietnamese as well so that when a child goes through that school from prep to grade 6, by the time they get to grade 6 they will be completely fluent in a second language. What a power to have. What a unique asset these children will have, being able to be not only bilingual in Chinese and/or Vietnamese but also to have a pathway through to extend their Chinese language skills at Richmond High School. I will come to Richmond High School in a couple of minutes. They will be able to transition right through from prep to year 12. Imagine the power that is going to be available to those young people coming out of secondary school and being able to look to the north — to our major

trading partner in China — and to negotiate their way there. It is just an extraordinary opportunity in my electorate.

The budget also includes \$200 000 for upgrades at Richmond Primary School, a whopping \$1.08 million for landscaping works at the great Richmond West Primary School and \$550 000 to upgrade and modernise facilities at Spensley Street Primary School. I was at Spensley Street Primary School on Sunday when they were having their harvest fete, and I have to say the —

Ms Victoria — Did you buy some jam?

Mr WYNNE — I did. I actually bought some very, very nice apricot jam — homemade — which I had some of yesterday and also a very lovely —

Ms Victoria — Chutney?

Mr WYNNE — No, not chutney — some tomato sauce that will see its way clear very soon. But again, it is a great public school. They are so pleased to have that \$500 000, which will assist them with further classroom space as part of a specialist science program for the students there. I know that that amount of money is really going to have a fantastic impact on that school. We have also provided funds to purchase land to extend Clifton Hill Primary School, making sure that that great school can keep meeting the needs of a growing population.

I had the pleasure of being with the Minister for Education only yesterday at Richmond High School — a \$44 million investment in a senior secondary school for boys and girls in Richmond — where in fact we celebrated what is called the ‘topping out’ of the school. The major construction of the school is complete, and now it will be clad and obviously all of the internals will be done. They are well on schedule with this, and the beautiful thing was that the first intake of grade 7 students, who are temporarily opposite in the sports facilities, came over with us to go for the first time up onto the roof of this spectacular four-storey facility and actually see the bones of what their school is going to be like. They were absolutely beside themselves. They were so excited to be the first group of school leaders to come and see what their school is going to be like. I have got to say that when you are up there on the fourth floor of that school it is unbelievably spectacular. It has views to the city that you cannot imagine — views to the MCG, to Collingwood and down to Richmond. I am just thrilled with the commitment that our government has made. It is an enormous amount of money — \$44 million — but is there any better

investment a government can make than in public education? So this has been a fantastic outcome.

I am delighted that the Minister for Housing, Disability and Ageing has provided \$22.4 million to fund the installation of smoke detectors, sprinklers and smoke separation barriers in the common areas of all of our public housing high-rise estates. As members would know, we have got 47 of the very high 20-plus storey public housing towers. Members will of course also be aware that there was in fact a small fire in the Napier Street towers in Fitzroy. Thankfully —

Mr Edbrooke interjected.

Mr WYNNE — I am looking at my colleague the member for Frankston. What the fire brigade did there was absolutely extraordinary. They were running into this fire early in the morning and just did a magnificent job. But we have learned the lesson of what we need to do in terms of ensuring not only that all of the flats themselves are sprinklered — the apartments — but that the common areas, the balconies and the congregating areas on the ground floor are sprinklered as well. That is a great initiative by Minister Foley. I know I can say, on behalf of my residents, just how grateful they are for that extra bit of security in the event of, God forbid, a fire occurring.

Mr Edbrooke interjected.

Mr WYNNE — Yes, it is absolutely life saving, as the member for Frankston indicates.

In relation to the Yarra River, this has been groundbreaking legislation. The landmark Yarra River Protection (Wilip-gin Birrarung murrong) Act 2017 has obviously now passed the Parliament. We all remember what a great day that was when the Wurundjeri elders came in when we introduced the bill into the house and when they spoke in their own language. They were so pleased that the government were in fact listening to them and were respectful of their ambitions for the sacred Yarra River. In that context the act does enshrine a new statutory body, the Birrarung Council, to act as an independent voice for the river, and it enables the declaration of parklands and open space along the river as Greater Yarra Urban Parklands.

This is groundbreaking legislation. It is certainly the first in Australia and possibly one of the first in the world, and I am delighted that we have had the opportunity as a Parliament to ventilate these issues and to get bipartisan support for the protection of the Yarra River, acknowledging the voice of the Wurundjeri people who speak for the Yarra River. There is \$1.25 million that has been put into the budget for the

Yarra River Action Plan going forward, and there will be successive commitments over the out years as well.

Community sport did not miss out, certainly not from this government: \$3 million for Ryans Reserve to upgrade four ageing courts and the old pavilion, \$3 million for Yarra Bend Park to provide a pavilion to allow for netball courts and \$2 million to upgrade facilities for women's football at the spiritual home of the Magpies, Victoria Park, which is just fantastic. I know for women's sport, having been down at Victoria Park only very recently for some local football and talking to the women who play down there, their facilities are a disgrace. Their change facilities are in fact the umpires room. It is just not acceptable, and I know just how important that investment has been, particularly for women's football at Victoria Park.

There are so many places I could go here, but I just wanted to touch upon the record investment of \$705 million that the Minister for Mental Health got in the budget to address mental illness and addiction. This is really a landmark commitment by the Andrews government. It includes six dedicated crisis hubs in emergency departments, including of course at St Vincent's Hospital. I had the pleasure of being at St Vincent's Hospital only a little over a week ago with the Minister for Mental Health, when we announced the mental health hub that will be part of the casualty ward at St Vincent's Hospital. The reason for that of course is when you have got people who are coming in in severe crisis with psychiatric or drug and alcohol issues, you have to manage them differently to other casualty ward patients, so a whole area will be dedicated to ensuring that these people are in fact triaged in a way that addresses their needs but does not disrupt other patients who of course would be serviced in the casualty ward.

I will just conclude, can I say, with the extraordinary commitment to people, training and jobs: \$172 million to make priority TAFE courses free, giving more residents — and indeed my residents — a chance to be able to train at TAFE and get the right skills they need for a good job. Thirty priority TAFE courses and 18 preapprenticeship courses will be made free — it is fantastic — with more than 30 000 new TAFE places to be funded right across the state.

This budget, I think, speaks to what is at the core of why we are the Australian Labor Party, because it talks to all the fundamentals that are important to our community, whether it is in education, whether it is in jobs, whether it is in training or whether it is in those crucial social safety nets, such as the funding that is being provided for mental health. These are the reasons why I am so passionate about this budget and so passionate about the

fact that the budget strikes the right note: strong economic growth for the state, very strong surpluses going forward, net debt to gross state product very satisfactory and I think from our point of view a budget that is actually shared — shared in regional Victoria, in your part of the world, Deputy Speaker, as much as it is shared across metropolitan Melbourne. We know that this is a government that actually governs for the entire state, whether it is in the massive investments that are being made in public transport as well that link our communities together. I am so proud to be a part of a government that truly does govern for all Victorians.

Debate adjourned on motion of Ms VICTORIA (Bayswater).

Debate adjourned until later this day.

STATE TAXATION ACTS AMENDMENT BILL 2018

Second reading

**Debate resumed from 8 May; motion of
Mr PALLAS (Treasurer).**

Mr M. O'BRIEN (Malvern) (15:40) — I am pleased to rise to speak on the State Taxation Acts Amendment Bill 2018. I think this is the fifth or sixth such bill in the 58th Parliament. We normally only have one of these a year, but of course Labor have had so many tax increases over their term in office that we average much more than one a year. This budget is slightly different. We see significant tax increases coming through in this budget. When you have a tax increase of 35 per cent since the election, it really does give you pause for thought about where this money is going and, more importantly, where it is coming from.

We do have a government that genuinely believes that it knows how to spend Victorians' money better than they do, and that is why it feels no compunction at all about taking more and more of it out of their pockets. The government really believes it knows best. It takes more out of the pockets of families, it takes more out of the pockets of workers, it takes more out of the pockets of individuals and it takes more out of the pockets of businesses, because it believes it has a grand vision. Of course when we see where that money goes, you do have to question it, you do have to protest and say, 'This government has got that balance wrong'.

Being the highest taxing government in the country, which the state of Victoria is under the Andrews Labor government, is not a badge of honour. That is a mark of shame. On any measure of state tax to gross state

product Victoria is now the highest taxing state in the country. We were not a few years ago. We were not at the election. At the election we were pretty much middle of the field, but under the 12 new and increased taxes we have seen under this Andrews Labor government, we have now vaulted to the front of the field. We are now clearly the gold medallist when it comes to taxation. Again, that is nothing to be proud of at all.

When we look at the measures in this State Taxation Acts Amendment Bill 2018 we do have to remember the history of what has come before it. We do have to remember the tripling of brown coal royalties, which was sprung as a budget surprise overnight in 2016. We do have to remember that directly led to the closure of Hazelwood power station, and the closure of Hazelwood disrupted Victoria's electricity market. The Australian Competition and Consumer Commission has found this was a major contributing factor toward the 85 per cent increase in wholesale power prices that Victoria has seen.

So Labor's taxes have got consequences, and not just for the poor old pay-as-you-go worker, who now pays higher taxes if they are able to save up and buy a new car because the Treasurer thought that higher taxes on new cars were a good idea. Every time you get your power bill in the mail, be it your electricity bill or your gas bill, it is much higher than it was four years ago, and the reason it is much higher is because of Labor's taxes.

We have seen the new vacant residential property tax. That was sort of sold as being some tax to pick up foreign land bankers who would buy property in Melbourne and keep it untenanted. This was seen by the government as a terrible thing, worthy of a punitive level of taxation. We asked the government, 'If that's the case, why don't you just apply it to non-Australian residents?' The answer was, 'Well, we don't want to just tax the foreigners; we want to tax everyone'. So the farmer who has got a little one-bedroom apartment in Melbourne that he and his spouse or she and her spouse stay in when they come to town — maybe for a doctor's appointment, maybe to see the grandkids in a school play, maybe to see a football match or maybe to go and see something at the art gallery — is treated as an absentee landlord. They are treated as people who are capitalist robber barons who are land banking, who should be forced to rent out their little one-bedroom apartment to anyone. This government says, 'We are going to tax you in a punitive way, and we are going to call it a vacant residential property tax'. But it is an extra 1 per cent. For example, if it is a \$400 000 apartment — these days, the way the property prices are, you do not have to be too flash to have a \$400 000 apartment in the

city — you pay an extra \$4000 a year. That is extra. That is on top of the land tax you already pay.

We have a government here that thinks that farmers who dare to have a little one-bedroom flat or apartment in Melbourne are filthy rich capitalists deserving to be taxed as though they are ripping off the poor. This is where you really see the ugly underside of this government's ideology because, as I said earlier, this government genuinely believes it knows how to spend money better than the people who earn it do. They genuinely believe their decisions are more important than anybody else's, and we see that writ large in their tax policy.

I have mentioned the increased stamp duty on new cars. Of course there is the increased fire services property levy, which is going up and up and up to pay off the United Firefighters Union and their members who had the sweetheart deals with the Premier because the union secretary, Mr Marshall, has got some sort of voodoo-like hold over the Premier.

Mr Donnellan — On a point of order, Deputy Speaker, just a factual correction: the fire services property levy does not fund firefighting services. Factually, it would be sensible if the shadow minister actually got his facts correct.

The DEPUTY SPEAKER — The member for Malvern to continue. There is no point of order.

Mr M. O'BRIEN — As the Treasurer actually introduced the fire services property levy, I am happy to correct the minister and advise him that yes, in fact the fire services property levy funds the operations of the Metropolitan Fire Brigade and the Country Fire Authority.

Mr Donnellan — It does not.

Mr Angus interjected.

Mr M. O'BRIEN — The minister has got no idea what he is talking about, but nobody should be surprised about that, should they, member for Forest Hill? We have seen the increase in the fire services property levy to pay off their union mates, we have seen the removal of the off-the-plan stamp duty concession for most classes of purchases. Of course that was, again, sold by the government as, 'We are going to remove these tax breaks for everyone except for owner-occupiers, and that is great because it means the owner-occupiers will get a free run'. Of course what happened, as anybody who understands the industry would know, is that for the investors, who are the people who are usually first to sign up for an off-the-plan project and who are the

cornerstone investors to get these projects off the ground to actually get them built, all of a sudden there was no incentive for them to get involved. A lot of these projects are not going ahead. A lot of these projects are being delayed in getting built. That means instead of getting 50 per cent of something they get 100 per cent of nothing. When their tax changes reduce supply in the housing market, they look surprised when prices go up. They have just absolutely no idea of how the economy works.

We have seen the new stamp duty on property transfers between spouses. I think this is a really nasty little tax this government has introduced. They have maintained it for a principal place of residence, but you could have a situation where you have a couple who meet, fall in love and get married later in life, and maybe because it is a bit later in life they have got a property each. Maybe one has got a property in town, maybe one has got a property down the beach, and they say, 'This is terrific. We are making our life together. We'd love to be able to put the property in joint names'. For the property in town, which might be the principal place of residence, that is okay; they can put it in joint names. But that property down the beach, 'That's a holiday house and you are clearly trying to avoid tax by daring to want to put the property in joint names, so we're going to sting you full fare on the stamp duty because you dare to want to put a property in the name of your spouse'. How on earth does this sort of thing do anything other than penalise people who enter into marriage or a domestic partnership and want to actually join their lives together? What most of us would call family life this government regards as a tax dodge, and they tax it.

Goodness me! What if you happen to be a small business person; you have been working for years for somebody else, and you decide to go out on your own? You want to make sure that not all of your family's assets — your house, maybe you might have a small investment flat, or you might have a holiday shack somewhere — are going to be put at risk if the business does not go as well you had hoped. So you might want to transfer that into your spouse's or your partner's name. Well, under this government you are regarded as being a dirty tax evader, and you are going to be hit with a punitive level of stamp duty.

Mr Angus — Punished.

Mr M. O'BRIEN — Punished because you dare to want to make a go of it as a small business person. Again, this is a government full of people who have never put their own money into a business in their lives. They have never taken a risk in their lives. They

have no respect at all for those people who set up a small business.

We can keep going down the list. There are the new Uber and taxi fare taxes, which will commence on 1 July this year, so happy new financial year to everyone who will be going home on 1 July. You will be paying higher taxi and Uber rates, thanks to this government. You have the new point of consumption betting tax, which interestingly should be in this bill, because it was announced about two weeks ago, but it is not. The government knew this tax was coming. The government actually announced in last year's budget that the point of consumption tax was going to be implemented. Literally one week later the government says, 'No, that tax we talked about last year is not in this year's budget, but we are going to have separate legislation'.

Mr Angus interjected.

Mr M. O'BRIEN — I have been trying to think of the reason for it. Were they just incompetent, member for Forest Hill, or is this another little bit of smoke and mirrors from this Treasurer, who said, 'I don't want my election year budget to be derailed by putting another tax into it, so we'll try and do that separately so I can pretend that it is a budget with no new taxes, even though we know that one week after the budget is handed down we will be announcing a new tax to take place in the 2018–19 financial year'?

There is the new city access tax on the West Gate tunnel. It is not enough for people coming in from the western parts of Victoria or Geelong to have to pay a toll to go in this West Gate tunnel. The government says, 'You know what? If you want to come to Melbourne between 7.00 a.m. and 9.00 a.m., Monday to Friday, you can pay a tax as well as a toll'. Aren't they generous people? They have so little regard for people from the west of Melbourne and the west of Victoria that not only do they get to pay a toll to travel into Melbourne, but they can pay a tax as well.

We have seen the new stamp duty surcharge subsequently increase for foreign purchasers and the new land tax surcharge subsequently increase for foreign owners. So that is 12 new and increased taxes and charges, and we are not even getting into a whole raft of other fees and levies that I could easily go through.

Turning to some of the specific measures in the bill, there are changes to the Payroll Tax Act 2007 to implement the budget measure to reduce the rate of payroll tax for certain types of regional businesses. I say 'certain types of regional businesses' advisedly

because not every regional business that pays payroll tax will benefit from this change. In fact the government advised at the bill briefing that there are approximately 4000 businesses in regional Victoria that pay payroll tax. But when I asked how many of those businesses meet the criteria for the lower tax rate, the answer was 'We don't know'.

So there are 4000 businesses in regional Victoria that pay payroll tax, but the government has no clue how many of those 4000 businesses are actually eligible for this payroll tax change. The government has taken a guess at what this payroll tax change is worth. They say it is worth around \$40 million a year. I make the point that since the election payroll tax collections under this government have gone up by \$1 billion a year. So they are giving back \$40 million a year, but they are taking \$1 billion a year extra out of Victorian businesses.

This Treasurer is like the fellow who walks into church and makes a big song and dance about pulling out his wallet while the collection plate is going around. He takes out a \$5 note and waves it around and puts it in the church plate while he slips \$100 out of the plate into his pocket.

Mr Angus — Treasurer Tim.

Mr M. O'BRIEN — Treasurer Tim. That is the way he deals with payroll tax. He makes a big song and dance about a \$40 million saving when he is taking \$1 billion extra out of Victorian businesses. Obviously we do not object to any reduction in payroll tax, but let us not kid ourselves, and importantly let us not let the Treasurer kid anybody that this is a significant change, given that the Treasurer himself does not know how many businesses will benefit. We know it will be fewer than 4000, and we know that he has been taking \$1 billion a year extra in payroll tax since the election.

There are changes here in relation to Australian Defence Force (ADF) personnel. Last year there were amendments regarding the requirements for a serving ADF member to reside in their principal place of residence to qualify for a first home owner grant, and those residence requirements were removed. That was appropriate, and that had our support. This amendment eliminates the same requirement in relation to serving ADF personnel to qualify for the first home buyers stamp duty exemption. This applies whether or not the ADF member has purchased the property on his or her own or with a partner or spouse.

What is interesting in this change is that a serving ADF member who owns a property in Melbourne which is unoccupied as a consequence of being posted interstate

or overseas can still be subject to Labor's vacant residential property tax. So the government is again making a big song and dance about how generous they are to serving ADF personnel, but let us say there is an unmarried soldier, sailor or air force person and they are posted overseas. It might be a 12-month posting, and they have a property that is in the inner or middle suburbs of Melbourne. This government treats that serving sailor, soldier or airman as being some sort of capitalist robber baron, and they are subject to the vacant residential property tax, because the government says, 'Do you know what? We know what to do with your property better than you do. We think that you should be forced to rent it out', notwithstanding that maybe a person has good reason for not wanting to rent it out. Maybe in fact they have not actually moved into it themselves and they would like to be the first person to move into their newly built home instead of renting it out to somebody else. But, no, this government thinks it knows better. So these brave soldiers, sailors and airmen posted overseas to serve their country will be treated by this government as being nasty little capitalist landlords, or non-landlords, who should be forced to rent out their properties or otherwise they are subject to a punitive rate of land tax.

The bill also brings the young farmers duty concession into line with the stamp duty concession threshold. Previously the young farmers duty concession kicked in at \$300 000. Now it has been moved up to \$600 000 at full rate and at a concession rate between \$600 001 and \$750 000. That brings some uniformity with the same thresholds that operate in relation to the first home buyers stamp duty concession.

There are also some administrative measures in the bill. We see that foreign purchaser additional duty (FPAD) provisions are amended. This clarifies that where foreign owners together own more than 50 per cent of the interest in land it will attract the FPAD, even if the owners are legally unrelated parties. This is undoubtedly going to lead to an increase in the number of properties that are classified as being foreign owned and will therefore lead to an increase in the amount of tax that is paid. The government did not have a particularly convincing explanation as to why this was being done, so I will read with interest the contributions of members of the government subsequently to determine if they actually have a good reason for doing this.

The bill also overturns the effect of the Court of Appeal decision in the matter of *Commissioner of State Revenue v. Danvest Pty Ltd & Anor*, which cast doubt on the State Revenue Office's treatment of the duty liabilities of partnerships dealing with property in certain circumstances. It is always interesting and

indeed probably worthy of caution where government steps in to overturn the legal effect of a court decision. The government believes that a failure to do so in this instance would open up a loophole, which would see property held by partnerships not taxed in the way in which it has been done for quite some time. To this extent, we take the State Revenue Office on trust that this is giving effect to the genuine legislative intent of the provisions. Obviously there may be others who have different views, but in my consultations there was not anything that was particularly raised with me.

There are a number of other technical changes in the bill, including amendments to allow the apportionment of certain duty exemptions, to extend who can provide equity release programs to entities regulated by the Australian Prudential Regulation Authority and to clarify that where the name of a spouse or domestic partner goes onto a title with their spouse or domestic partner on a principal place of residence, the sharing of a mortgage will not trigger stamp duty obligations as being a sale. Again, this would seem to be another one of those matters where there has been some lack of clarity and which needed to be fixed up as a result of the government introducing its legislation last year to impose this spousal stamp duty imposition on property transfers.

This government has got an appalling record when it comes to taxes. We had the then Leader of the Opposition, now Premier, standing on the steps of the Parliament the night before the election being interviewed by Peter Mitchell on Channel 7 news. He was asked very directly and very bluntly by Mr Mitchell whether or not he would give a commitment not to increase taxes if he was elected Premier. The then opposition leader looked down the barrel of the camera, straightened his shoulders, mustered up all the sincerity he could and said:

I make that promise, Peter, to every single Victorian.

Well, we know what happened to that promise.

Mr Angus — What a lie.

Mr M. O'BRIEN — As the member for Forest Hill says, it was a lie. Not once, not twice, but 12 times we have seen new taxes and increased taxes, which have hit Victorians in the hip pocket — a 35 per cent increase in taxes under this government, \$6.2 billion extra in taxes under this government, 12 broken promises and a status as the highest-taxed state in the country. This is not what Victorians voted for; it is the opposite of what they voted for. They voted for a politician who said, 'No new taxes and no increase in taxes'. The fact that this government has time and time

again broken that promise to Victorians, made them hurt, made them pay and made their lives more difficult all because it thinks it can spend taxpayers money better than the people who have actually earned it, is terrible.

We do not oppose this particular bill, but it does give every member of this house an opportunity to reflect on the taxation record of this government. It is a record which does it no credit. It is a record which Victorians will judge harshly on 24 November this year.

Ms GREEN (Yan Yean) (16:03) — I take great pleasure in joining the debate on the State Taxation Acts Amendment Bill 2018 before the house. In particular, as someone who grew up in regional Victoria and who is now the Parliamentary Secretary for Regional Victoria, I want to highlight what a benefit the measures contained in this bill and flagged in the budget are to job generation in this state. I know you, Acting Speaker Couzens, as a regional member as well, fully understand how the reduction in payroll tax last year and now its effective halving this year is going to make an enormous difference to some 4000 businesses in regional Victoria.

When most people think of a benefit like this they think about the larger cities like Geelong, Ballarat, Bendigo, maybe Warrnambool, maybe Latrobe, maybe Shepparton or maybe Wodonga, but this extends to every part of the state. I get to visit every municipality in the state, but parts of my electorate reside in the Shire of Mitchell. Beveridge and Wallan are actually in the Shire of Mitchell but are inside the urban growth boundary, so I am calling this the special economic zone because this area is not that far from the centre of town and the fact that taxes on employment have been reduced so close to Melbourne offers an enormous opportunity. I know it is an opportunity that the business sector is taking up rapidly and is queueing up to take advantage of.

It does not only mean that people can live and work locally. Often the criticism that is made about broadacre new housing estates in outer suburbs is that there is a dearth of employment, but this is one of the strongest ever measures by any government in this country to actually make a change to that. It means that every municipality, like the Shire of Mitchell and the Shire of Murrindindi — which are still struggling with the ravages after Black Saturday and have still got much less population and fewer rate notices than they did nine years ago — will have the advantage of being able to go out to the corporate sector and say, 'We are not very far from Melbourne. We have got good places like Kinglake, Flowerdale and Yea where you could come

and invest and pay half the payroll tax if 85 per cent of your employees are outside greater Melbourne'. So it not only means that people can live and work in country communities or work very close to where they live in outer suburban Melbourne but it also has the ability to make a significant difference in congestion for those of us who represent and/or live in the outer suburbs when we see the trail of red tail-lights going into town in the morning peak and then going out of town in the evening peak.

What this measure will do is enable significant-sized employers to establish themselves and offer employment just on the periphery of Melbourne in that ring of peri-urban municipalities that actually need the rate revenue. It will mean that people can head outwards: they can head west, they can head north, they can head east to go to work, effectively using the assets and infrastructure of the state — what the taxpayer invests in in roads and public transport. They can go in the opposite direction.

I know that particularly in the Shire of Mitchell they are really on the front foot with this. They have put out a prospectus to the market, pretty much saying, 'Come and invest in Mitchell, not only because it is a great place to live and work, but because it is a great place to invest because of the reduction in payroll tax'. Also those moving into that shire can have access to the regional first home owners grant: \$20 000 rather than \$10 000. They can have the benefit of stamp duty that is not payable on housing below \$600 000. We all know in greater Melbourne that it is pretty difficult to get a house under that figure these days, but it is still very possible and very probable in regional Victoria.

Other municipalities are likely to benefit from this. A lot of my relatives grew up in Lara. Lara and Little River are not that far from Melbourne, and there will be great opportunities, I think, for businesses to set up there. The many communities that are in the electorate of the Minister for Health, who is at the table, or in the Treasurer's electorate — those residing in Wyndham, in Caroline Springs — can go outwards to the Shire of Moorabool, to the Shire of Golden Plains on the outer edges of Melbourne or out into Gippsland. So this bill is going to make a huge difference. I also think for remote communities like the Shire of Buloke that actually struggles with its population when trying to maintain numbers in its schools and offer a full range of subjects at senior high school, being able to have businesses like Kooka's Country Cookies and also Australian Eatwell — that great vegetarian food manufacturer in Donald — means they can grow even more significantly and spend extra money on their plant

and invest in and offer more local jobs because they are paying a whole lot less tax.

I would like to rebut some of what the member for Malvern had to say in his contribution heading up the coalition's opposition to this bill. He made an outrageous claim — he quite regularly does exaggerate and make outrageous claims — when he said that Victoria is the highest taxing state. Well, that is in fact incorrect. For taxes and royalties, per capita we are actually behind New South Wales. On the fire services property levy, he made a claim that this had been increased in the bill before the house, and that this is somehow a payoff to those 'evil' union friends that we have on this side of the house. I say 'evil' because I do not think they are evil at all; I think they represent the workers and are out there trying to promote safety in workplaces.

What the member for Malvern said was completely incorrect about that levy because it has actually been frozen in this budget. There is no increase in this budget, and the formula for determining the level of this funding was set by the coalition when they introduced the bill in government, so the claim is completely untrue. He also made some claims in relation to payroll tax revenues, saying we had increased taxes. This is also demonstrably untrue. We have increased the threshold for all businesses across the state, and as I said, there is a significant change for regional businesses.

The reason why revenue is up is that 320 000 additional people have been employed in this state since this government came to office. That is probably something that the member for Malvern would find a little bit difficult to understand because there was no employment growth at all to support population growth on his watch. I think part of that would come down to the fact that the coalition built very little. They created very little employment by not initiating any investments in infrastructure, and that also reduced confidence in the private sector. We have completely turned that around so that 320 000 new Victorians are employed in this state.

Also, people's wages have gone up. When you have demand for labour, the cost of that labour can go up, and that is one of the biggest problems across Australia. The retail sector is certainly finding that, in that it has suppressed demand because there are many people in the economy whose wages have not been going up, so they have found it difficult. You have got a lot more working poor, with people finding it harder to make ends meet. But in Victoria we have more people that are actually being paid more because of the need for skills in this economy. I think that the State Taxation

Acts Amendment Bill has a very measured set of proposals, a very smart set of proposals that have come from the budget. The Victorian Chamber of Commerce and Industry quoted in its media release —

The ACTING SPEAKER (Ms Couzens) — The member's time has expired.

Mr D. O'BRIEN (Gippsland South) (16:13) — I am pleased to rise to speak on the State Taxation Acts Amendment Bill 2018. I follow my namesake before me in highlighting the issues this bill brings to the fore with respect to the current government and indeed this budget and the previous three budgets that we have seen, because this bill continues to highlight the 12 new and increased taxes that this government has introduced, despite the commitment given by the then opposition leader, now Premier, the night before the election that there would be no new or increased taxes.

Certainly there are some measures in this bill that on face value will be welcomed. The payroll tax reduction for regional businesses is indeed one that on the headline figure and information is a good one. I know that payroll tax is a pernicious tax: it is a tax on jobs, it is a tax many employers do not understand why they have to pay because it literally stops them from employing or reduces the incentive for them to employ people, which we very much need, particularly in the rural areas of our state. I know that many businesses in my electorate of Gippsland South have spoken to me about the need to reduce payroll tax, so a small reduction in this budget, as reflected in this bill, is by no means a problem.

But as the member for Malvern I think pointed out, the average value of this change that is reflected in this piece of legislation is \$40 million a year, in the context of payroll tax having increased under this government by \$1 billion a year. So this is the Labor government saying, 'Aren't we wonderful — here's \$40 million back in payroll tax relief', having recouped an additional billion dollars a year over the past four years. So this is a smoke-and-mirrors trick. It shows the government saying on the one hand, 'Aren't we wonderful, we're giving you back tax relief', without highlighting the fact that indeed there is a multibillion-dollar increase in tax receipts over the period that this government has been in office. That is something that I think those businesses that I talk about, including those in my electorate, will be concerned to know, because they would like to see a lot more of that delivered back.

There are changes to the Duties Act 2000 with respect to Australian Defence Force (ADF) personnel. We had

a change last year to ensure that serving ADF members could meet the requirements to reside in their principal place of residence to qualify for a first home owners grant. That was eliminated, given that our ADF personnel are of course regularly off on postings. This time we are making that same change with respect to the first home buyers stamp duty exemption, and again that is fair. As an aside, as the shadow Minister for Veterans, we need to do more at state level to support our veterans, particularly the more recent veterans who are returning to civilian life. We can do more to assist them not only through measures such as this but also more generally with help getting them into the workforce, getting them back into society and making sure that they have the support and the resources they need. So this is one area where I certainly support the government's proposal.

The young farmers stamp duty concession is being changed in this respect. This has always been at the forefront of my mind when it comes up. Many years ago I was chief of staff and media adviser for the then Leader of The Nationals, Peter Ryan, and I believe we were in a tent at the Speed field days. It was cold, rainy and horrible. A young bloke in a Driza-Bone walked in, and we got chatting about farming generally. He said, 'I'd like to get into farming, but stamp duty's a killer'. He said that the state government should do more by actually giving them encouragement — giving them a concession on stamp duty — to ensure that they could get into farming with a little bit more ease and were not burdened by state government taxes. At the time our shadow Minister for Agriculture was not around, so I took his name and number down on a sticky note. I remember his name because I kept it on my desk for a long time afterwards. His name was Andrew Broad, and he is now the federal member for Mallee.

In 2010, the first time The Nationals had been in government since that conversation, we actually introduced that stamp duty concession. I am not suggesting that it was either my or Andrew Broad's idea, but it was certainly one that he raised at that time — I think it was about 2003 — at the Speed field days. He was just a young bloke trying to make his way in the world; I was just an adviser. He is now the federal member for Mallee, and here I stand.

It is good to see that concession being made more attractive to try to encourage young people into the farming business. We certainly need more of them. I must say I do not share the pessimism that many have with respect to young people coming into farming. I know that in my own electorate there are many, many good young farmers who are doing well. Of course many struggle, as all farmers do from time to time with

the seasons or commodity prices, but there are plenty that are doing a great job and providing great innovation and verve in our farming area, particularly in Gippsland. So I certainly support that.

We have talked about the new taxes that have been introduced, and number one of those, from a Gippsland perspective that gets people in Gippsland and particularly the Latrobe Valley, is the tripling of the coal royalty. I can only speculate on how this came about, but it is almost too much of a coincidence that the \$252 million increase in the coal royalty almost exactly matches the so-called Latrobe Valley rescue package, which is about \$260 million. I wonder whether the government thought, 'We know that Hazelwood's going to close at some stage. Let's get in for our chop'. They got in for their chop, but what they did not count on is that that would be, I believe, one of the main reasons that Hazelwood power station closed earlier than anyone was expecting. We got five months notice. There was no doubt at the time —

Ms Thomas — Seriously? You are just making it up.

Mr D. O'BRIEN — The company operating Hazelwood, Engie, made it very clear that the \$20 million per annum hit to its bottom line would be a very big factor in its future, so I am not making it up when I talk about \$252 million in taxes. Those on that side think that you can just tax the bosses \$250 million and it will make no difference to the industry whatsoever. Explain that to the people of Latrobe Valley which lost Hazelwood. Every time I drive past that location I look across and think that should not have happened — the \$250 million increase in taxes that you guys thought you could put on the Latrobe Valley generators and it would have no impact. We absolutely saw the impact — the 1000 jobs that are now gone — and that hangs on the Premier's head for introducing that tax.

I will touch briefly on the 12 other taxes, which include the new vacant residential property tax; the new annual property variations to increase land tax; increased stamp duty on new cars; increased fire services property levy; removal of the off-the-plan stamp duty concession for investors; the new stamp duty on property transfers between spouses; the introduction of the new Uber and taxi fare taxes; the new city access tax for the West Gate tunnel, which did not go to the election; the new stamp duty surcharge; the new land tax surcharge; and, finally, the new point-of-consumption-betting tax, which I must question.

This is a strange one. Two weeks after the budget was handed down, this tax was announced, and yet it is not in the budget papers. I asked the Minister for Consumer Affairs, Gaming and Liquor Regulation on Friday why that was not the case, and she said that was a matter for the Treasurer, which is interesting given she was actually quoted in the press release with the Treasurer announcing this new tax. Why it was not in the budget I do not know. She said it was a matter for the Treasurer, but interestingly we had heard three days earlier from Treasury, and the secretary of Treasury told us that matters pertaining to ministerial portfolios were a matter for those portfolios, so I do not know who is right.

We have not got an answer on why this point-of-consumption betting tax has been set at 8 per cent when South Australia set theirs at 15 per cent and indeed other states, we understand, are also looking at a 15 per cent tax, but that is one for the government to explain as it faces the Victorian people later this year. Why did it break its promise not to increase or introduce new taxes and yet has done so 12 times?

Ms KNIGHT (Wendouree) (16:23) — The Andrews Labor government has done so much to get Victoria moving again with more funding for health, education and infrastructure programs. We have seen how a real government focuses on the interests of all Victorians, including regional Victorians, and on how we can get the Victorian economy going again and get real results. I rise today to contribute to the State Taxation Acts Amendment Bill 2018, and I will speak specifically about my electorate of Wendouree — the great people of Wendouree — and also across regional Victoria, because I think that people across regional Victoria will see what a great benefit the payroll tax reduction for regional areas is going to be. By cutting regional payroll tax by a third, this government is not only making sure that almost 40 000 regional businesses are better able to compete but also facilitating jobs growth across regional Victoria, which is really important.

When it comes to Ballarat we have got it all. We have got small shopping centres and big shopping centres. We have got healthcare clinics, car dealerships and a number of manufacturers that are all going from strength to strength. These businesses will feel the benefits of these changes and find it easier to invest and to grow local jobs. Their share of a \$167 million tax break will boost jobs in Ballarat. Some might dismiss this as tax reform, but we should not dismiss it because it helps businesses, creates jobs and puts food on the table for people.

There is an easy comparison to make here. In the past we have all seen our council rates go up and up. This is something we have all experienced. Some councils are better and some are worse, but in my electorate the local council has averaged an increase of 5.4 per cent every year for the last 20 years. In some years that growth in rates has even hit 7.2 per cent, which is just an extraordinary cash grab. They have not even hinted at an attempt to reduce the burden on families and businesses in Ballarat. This is a council that cried poor when the government tried to limit its rate increases to 2.5 per cent. Their own figures showed that their spending would cost ratepayers almost \$300 million over the next 10 years.

This payroll tax cut is the third tax reduction in three years. That is three years of tax relief. It stands up pretty well when compared to two decades of demands for more money from the Ballarat City Council, and when you link this with the work of the last Labor government, that is 10 payroll tax cuts delivered, each one helping to give Victoria the lowest payroll tax rate in the country. The Brumby government cut payroll tax to 4.9 per cent, the lowest it had been since 1975, and we have managed to get it down to 2.425 per cent in Victoria's regions. Every time Labor is in government it has reduced the load on Victorian businesses, helping to boost the Victorian economy and make Victoria a great place to invest and to build. Even the Victorian Chamber of Commerce and Industry has come out in support of this state budget, saying it will result in thousands of regional businesses paying substantially less tax; more livable communities, with support for Melbourne's high-growth corridors, which includes Ballarat; more young Victorians in work, and that is really, really important and a focus for us; and support that will spark investment in regional Victoria. I can tell you that Ballarat is ready, willing and waiting for that investment.

We have got Gekko, which designs, builds and exports specialist industrial machinery across the world, and which supports workers, engineers and a host of other jobs locally. We have got Mars, a Ballarat factory that makes amazing chocolate that I eat too much of. It is hardly an unknown name in chocolate. This tax cut will reduce their tax burden, which may lead to increased employment and more secure jobs. We are making it easier for them to invest more in regional Victoria. We have got the Ballarat West employment zone (BWEZ), which is opening up opportunities for new and growing businesses to build, put down roots and bring more employment to our city — for example, Broo, which is an environmentally friendly brewery looking to invest millions of dollars in our region, and they are building

in BWEZ. Last year they secured a contract to supply \$120 million worth of beer to Chinese markets.

We have got butchers, bakers, pubs, pools, factories and family businesses, and many of these businesses will breathe a little easier and pay a little less, thanks to this government. Families are finding it easier and cheaper to buy a house in regional Victoria because this government has increased the first home buyers grant and reduced stamp duty. Now they will find it easier to get a job or to build their own business, because this government has cut payroll tax. This builds on last year's increase in the payroll tax threshold. By lifting the threshold from \$550 000 to \$650 000, more than 36 000 businesses saw savings even before their tax rate was cut, and 2800 small businesses that used to pay payroll tax have paid no payroll tax at all this year — that is 2800 small businesses that suddenly have a very good reason to employ more people, to expand and innovate, and to build our economy. It is a great space for new businesses, for small businesses, to expand into. Come to regional Victoria if you want to build a business and build an industry. Come to regional Victoria to do it. It is a great result for jobs in this state.

The payroll tax threshold had not changed since 2002, and raising it was an important step to make sure Victorian business stays competitive. All of this is on top of record commitments to regional Victoria by this government in my electorate. We have seen a huge commitment to rebuild Ballarat Base Hospital — \$462 million to rebuild Ballarat Base Hospital, which is about 1300 construction jobs, then about 1000 ongoing medical jobs, nursing jobs, attendant jobs, cleaning jobs and maintenance jobs. It goes on. It is a fantastic investment for anyone in Victoria's west who might need a tertiary hospital closer than Melbourne. Also, of course there is the huge boost to our regional roads — the almost \$1 billion over four years to build and improve regional roads. So this is all money being invested and investing in the future of our regions — absolutely dedicated to the future of regional Victoria.

I also want to touch on changes in this bill for Australian Defence Force personnel. In my single days I knew a navy officer or two. Of course now that I am married I never look at a man in uniform but that was not always the case, and I was always keen on their housing situation.

Mr Noonan — Name them.

Ms KNIGHT — No, I will not name them. Thank you, member for Williamstown, I think you know their names. But I was really pleased to see this change for those very dedicated, very strong and muscular, very

dedicated defence force personnel because they are out there defending the country, they are out there representing their country. This is serious, and they should not be discriminated against because of that. They should have the same opportunities as anybody else to invest in Victoria if they are from Victoria and to be able to get a first home buyer grant.

Of course because of the nature of their work they are often unable to meet that criteria, so we have lifted that criteria for defence force personnel. I think that is a really important thing, and I hope that more young people will look towards that as a career and more young people in the defence forces from Victoria will take advantage of these changes to those discriminatory practices.

I think this is a terrific bill for regional Victorians. It is a terrific bill for defence force personnel, and clearly there is a great buzz in Ballarat over the changes to payroll tax. I acknowledge the member for Gippsland South at the table, who has also had business constituents in his electorate talking about the benefits that the reduction in payroll tax will have for regional Victorians. So I am really very proud of that. It will mean more jobs in regional Victoria. It will mean more investment in regional Victoria, and I think it will also mean that the jobs we have will be more secure. Particularly in regional Victoria that is an incredibly important thing, so I thank the Treasurer and the Minister for Finance for their work around this bill. I thank the Treasurer for the budget and particularly for the benefits it has brought to my electorate of Wendouree. I wish it a speedy passage.

Mr THOMPSON (Sandringham) (16:33) — I am pleased to make a contribution to the State Taxation Acts Amendment Bill 2018. The purpose of the bill is to amend the Duties Act 2000 in relation to foreign purchasers; partnerships; property vested in apparent purchasers; exemptions for transfers of property between spouses or domestic partners; exemptions for equity release programs; principal place of residence exemptions and concessions for first-time buyers who are members of the defence force; and exemption from duty payable in respect of first-time purchases of farmland by farmers under 35 years of age. It also amends the Payroll Tax Act 2007 to reduce the rate of payroll tax payable by regional employers and amends the Unclaimed Money Act 2008 in relation to executors and administrators.

It is said that a political lie can make a saint out of an atheist and a patriot out of a profligate, render foreign ministers with intelligence and make rise or fall the cred of the nation. The people of Victoria saw a political lie

uttered on the eve of the last state election when the then leader of the opposition made a comment that if elected there would be no new taxes for Victorians. What we have seen over the last three and a half years or so is that there have been more than 12 new increased taxes: the tripled brown coal royalties; the new vacant residual property tax; new annual property valuations to increase land tax; increased stamp duty on new cars; increased fire services property levy; removed off-the-plan stamp duty concession for investors; new stamp duty on property transfers between spouses, excluding the principal place of residence; Uber and taxi fare taxes, to commence from 1 July 2018; a new point-of-consumption betting tax; a new city access tax for the West Gate tunnel; a new stamp duty surcharge, subsequently increased, for foreign purchases; and a new land tax surcharge, subsequently increased, for foreign owners. So the people of Victoria will have a very clear choice as they move towards the election later in the year in terms of the statement by the now Premier before the election and the reality of what has happened.

I might add that the tripled brown coal royalties led to the closure of Hazelwood in the Latrobe Valley and the massive uplift in electricity prices for Victorians. People's pockets are being gouged by increased government charges and increased charges for utility costs. It may be that it does not affect everyone in the state of Victoria, but those people on fixed incomes are struggling under the burden of debt. In addition it has taken away the consumer spending power of Victorians to invest in other areas of economic activity rather than meeting their household budget obligations.

It might also be noted that the bill implements a budget measure to reduce the rate of payroll tax for certain types of regional businesses, being those located in a regional area and with an 85 per cent minimum of their employees located in regional areas. The reduction is from 3.65 per cent to 2.425 per cent from 1 July 2018. It is noteworthy that the value to the budget of this change is around \$40 million a year, but significantly there has been a massive hike in payroll tax revenue which has increased by \$1 billion a year since the 2014 election.

There is a very careful balance between maintaining a goose that laid the golden egg and killing the golden goose itself and losing the economic advantages of a low tax base environment. As a result of low energy prices the manufacturing sector in the southern region of Melbourne, between Sandringham and Dandenong, had one of the highest rates of manufacturing in the world. There were many suppliers in that precinct that provided componentry for the motor vehicle industry in the

country, and the reason why Ford and GM Holden came to Victoria in the first place was because of the guaranteed supply of brown coal from the Latrobe Valley. With the increased cost of energy the result will be a lack of competitiveness of the Victorian manufacturing industry, which will mean the loss of employment.

At one stage of my life I worked with an Australian company that had been going for almost 100 years. It competed in a market controlled by a few, but each time this particular company picked up an order for a job it meant jobs for Victorians as opposed to jobs for those working in Malaysia, the United States, Japan or Europe. With each new job came apprenticeship opportunities and opportunities for people to work in the canteen or the office, and to offshore those jobs, to the detriment of real jobs for Victorians, I think is a tragedy. Governments need to be cognisant of the impact of increasing costs and charges to the Victorian taxpayer.

One of the tragedies in this place is the lack of wider life experience of members in this arena — the experience of those people who have had to shoulder the burden of meeting payroll tax, those who have had to shoulder the burden of meeting the outgoings to run a business or those who have shouldered the burden of paying a range of other charges and costs and meeting employment costs. We have seen in the press recently instances of people who are in franchise businesses being in a position of earning less than those people they employ as a result of their wider constructive obligations.

It is important to understand that Victoria needs not to be competitive at a changing rate and accelerated rate but that we need to be more competitive than our competitors in other jurisdictions. It is important to govern and manage those input costs into business enterprises so that there is the prospect of Victorians having jobs in key economic sectors. We cannot just rely upon tertiary education and we cannot just rely upon tourism; there needs to be some heavy industries that can continue to provide jobs for young school leavers to develop skills and contribute to the wider workplace.

Ms THOMAS (Macedon) (16:40) — I am very pleased to rise today to speak on the State Taxation Acts Amendment Bill 2018. Before I commence I congratulate the Treasurer once again on a fantastic state budget. It is a fantastic budget for the people of Victoria and a budget that is really focused on creating jobs and opportunities across this great state. Might I also say that this bill, the State Taxation Acts Amendment Bill 2018, also does that, and that is why I am very pleased to be supporting it.

Everyone knows that Victoria is the economic powerhouse of the nation. Indeed here in Victoria growth in real gross state product is the fastest of any state in the nation. It has grown by 3.3 per cent over 2016–17, exceeding last year's budget forecast of 3 per cent. Of course the outcome is that here in Victoria we are above the national average. On this side of the house we believe in growing the economy with purpose, not to line our own pockets, not to look after mates and not to make the rich richer and the poor poorer as those on the other side do — managing the economy in the service of the community so that the human side of our booming economy is job creation. We believe that enabling the growth of secure jobs, jobs that are safe and fairly remunerated, is indeed the obligation of government. That is why we are here and that is what this bill is about. That is what our state budget is all about, because secure work, safe work — and work, as I said before, that is paid fairly — enables Victorians to make choices for themselves and for their families about the life they want to lead in order to meet the aspirations that they have for themselves and their children.

Economic security is also a precursor to being able to participate in the broader life of society and of the community, so I am very pleased that economic data indicates that we are having a jobs boom here in Victoria. There were 3 249 400 people employed in Victoria as at April 2018. Of these, 2 194 600 were employed full-time and 1 054 800 were employed part-time. Employment has increased by 322 900 people since the government came to office. That is an 11 per cent increase, the strongest growth of any state over that period in percentage terms and the second strongest in absolute terms. The Victorian unemployment rate was 5.3 per cent in April 2018. Let us not forget that when we came to this place, when we won government in November 2014, here in Victoria with that mob in charge we had the highest unemployment rate of any state on the mainland.

Acting Speaker, as you well know, those on the other side have never had a plan for jobs growth in this state. Indeed when they were in government they did not have a jobs plan. Their Treasurer, the member for Rowville, in his first budget speech failed to mention jobs. Can you believe that? I notice the member for Warrandyte briefly gracing us with his presence. Of course when he was Minister for Youth Affairs, could he recall the youth unemployment rate? No, he could not, because frankly he was not interested. We all know that the Liberal Party and the National Party have no interest in the wellbeing of working people. They never have had. They have never had a plan to grow the economy to create jobs for the families that those of us on this side of the house are very proud to represent.

The State Taxation Acts Amendment Bill, as I said, is all about creating jobs and opportunity. As the member for Macedon I am particularly pleased with the focus this bill has on growing opportunities in regional Victoria. The bill implements the following 2018–19 budget measures. Firstly, it reduces the payroll tax rate for regional businesses from 3.65 per cent to 2.425 per cent. Of course that will make it the lowest payroll tax rate in the nation. We are also providing exemptions from the residence requirement and concessions for first home buyers who are defence force personnel, as the member for Wendouree explained to us, and we are increasing the exemption threshold for the young farmer duty exemption from \$300 000 to \$600 000 to align with the exemption threshold for the first home buyer duty exemption, something I would expect the National Party would welcome with open arms. In fact I cannot understand why more of them are not in here to speak absolutely in favour of this bill and to thank the Treasurer for what he has done for farming communities in our state.

This bill will cut taxes for Victorians. There are no new or increased taxes in this bill. The bill also makes a number of other amendments to Victoria's taxation and revenue laws to ensure they continue to reflect the underlying policy intent and are easy to apply and understand by correcting drafting defects and closing loopholes.

I did want to speak about the regional payroll tax cuts and the amazing impact that the tax cuts we have already introduced are having, along with the promise of more to come with this bill. I have got to say that the impact in my electorate is quite profound. It was fantastic to have the Treasurer come up to Macedon to join me at Hardwicks Meatworks, the largest private sector employer in my electorate, only days after the budget to announce further payroll tax cuts. I have to tell you that the managing director of Hardwicks, Mr Luke Hardwick, was absolutely ecstatic about this news, because under the tax cuts that we have already implemented Hardwicks have been able to reinvest \$200 000 back into their business. That reinvestment is delivering more export opportunities for Australian-grown beef and lamb, it is creating more local jobs and it is a real boost for the township of Kyneton. This was great news, and of course the Treasurer was very, very warmly welcomed.

In April of this year I visited a company in Tylden just outside of Kyneton called PGL Campaspe Downs. PGL Campaspe Downs has campsites, and it creates camping experiences particularly for schools. It is an opportunity for young people to come and experience life in the bush. It is a business that is going from

strength to strength as well. They used the \$120 000 they saved to reinvest back into the business. Again, it is all about creating local jobs. PGL is an international company that has expanded into Australia. They have committed \$5 million in capital investment in regional Victoria over the next few years.

I wanted to tell members about PGL, about Hardwicks and also about Barker Trailers. The Premier came up to visit Barker Trailers in Woodend. They employ around 185 people and have 20 apprentices. It is very impressive that of those 185 people there are 20 apprentices. The Premier came up to celebrate the fact that this family-owned business had their 10 000th trailer come off the production line. That is fantastic.

They are just three examples of businesses in my electorate across the Macedon Ranges and the Hepburn shire that are paying less tax as a result of this government. There are 34 businesses in the Macedon Ranges shire and 14 businesses in the Hepburn shire that are eligible to participate. I look forward to each of these businesses continuing to take advantage of what this bill delivers in terms of opportunities to plough those savings back into their businesses to create opportunities and real jobs for young people, for people returning to work and for people moving to regional Victoria.

Those on the other side talk a lot about decentralisation. They use the word a lot, they throw it around a lot, but where is their plan for jobs in regional Victoria? I have got to tell you, Acting Speaker, there is no plan to grow jobs and opportunity in regional Victoria. They talk the talk, but talk is cheap. We all know that. This government is delivering on jobs in regional Victoria.

Mr ANGUS (Forest Hill) (16:50) — I am pleased to rise this afternoon to make a contribution in relation to the State Taxation Acts Amendment Bill 2018. I note at the outset that clause 1 of the bill deals with the purposes of the act. They are to amend the Duties Act 2000, the Payroll Tax Act 2007 and the Unclaimed Money Act 2008. It does that in a number of ways, which are noted within that particular clause.

I want to make some comments particularly in relation to the overall taxation status here in the state of Victoria. It is a fact that all Victorians are subject to a regime that has created record levels of taxation and record levels of spending. We are the highest taxing state in Australia, with record levels of taxes and charges that are hurting ordinary Victorians. As I go about talking to people in my electorate of Forest Hill I know that times are tough and that the value of a dollar

is very keenly realised out in my patch. The fact is that we are not seeing the wage growth that we once had, yet here we have a government that has come in and continued to ratchet up all kinds of taxes and charges on ordinary Victorians at unprecedented levels. Later on in my contribution I will outline the extent of that in some more detail.

It is interesting to note, as other contributors have mentioned, that Labor has introduced or increased 12 taxes since the election. We know that has been a clear broken promise from the Premier, who emphatically promised that that would not happen. I note, as I have before, what the Premier said on Channel 7 news, on the eve of the election, 28 November, 2014, when he was being interviewed live to air by Peter Mitchell. Peter Mitchell asked:

Daniel Andrews, all the polls say you will be Victoria's next Premier. If you are, do you promise Victorians here tonight that you will not increase taxes or introduce any new taxes?

And the Premier said, and I quote:

I make that promise, Peter, to every single Victorian.

So that was an absolute lie to all Victorians. It was deceitful. The Premier, as we now know, said one thing back then and has completely done another thing. In my contribution today I would like to remind Victorians of the 12 new or increased taxes that have been foisted upon them by this Premier. We can see that there has been a tripling of the brown coal royalties and that has had, as other members on our side have said, a direct result in higher utility prices, particularly with the almost immediate closure of the Hazelwood power station which took about 22 per cent of power out of the supply chain. Obviously with the economics of supply and demand, prices have gone up and that will continue to be the case.

The government introduced Uber and taxi fare taxes, and the land tax surcharge for foreign owners was introduced at 0.5 per cent and later increased to 1.5 per cent. A stamp duty surcharge for foreign purchases was introduced at 3 per cent and was later increased to 7 per cent. We have had the fire services property levy increased, we have had an increase in stamp duty on new cars, we have had the removal of off-the-plan stamp duty concessions for investors and we have had new stamp duties on property transfers between spouses. The member for Malvern, in his eloquent opening address earlier today, went into that in some considerable detail and explained how ordinary, perfectly legal transactions are now caught up in this new taxation regime of the current Premier. We have new annual property evaluations to increase land tax,

we have the vacant residential property tax, we have a new point-of-consumption gambling tax and we have a new city access tax for the West Gate tunnel.

So there are the 12 new or increased taxes which categorically refute the previous comment of the Premier about the fact that there would be no new or increased taxes. That was an absolute lie. I think it is very important for all Victorians to bear that in mind at the next election on 24 November this year. What is said between now and then and what the Premier says leading up to that needs to be looked at through the prism of the previous promises that he has made and that have completely and utterly not been kept for the Victorian people. The deception imposed on the Victorian community was extraordinary and I think it will be a case of Victorians being once bitten, twice shy.

I now want to turn to some of the numbers in terms of taxation revenue from the various sources. I refer to budget paper 5 of the Labor government's first budget — the 2015–16 budget — and will compare it with the 2018–19 budget. I have given some consideration to the current government by not even going back to the previous figures under the coalition. The discrepancies and the increases that I am about to talk about are considerably lower than they would be if we went back that extra period of time. Over those four years payroll tax has gone up by 15 per cent to \$6.1 billion, land tax has gone up by an unbelievable 75 per cent, land transfer duties are up by 41 per cent to over \$7 billion, insurance tax has gone up by 18 per cent, motor vehicle registration fees are up by 15 per cent and duty on vehicle registrations and transfers increased by 31 per cent. The total taxation revenue for the 2018–19 budget of \$24.081 billion is an overall increase of 27 per cent over those four years.

So we can see how and why all Victorians are really hurting as a result of the taxation policies and the lack of cost-of-living relief given by this government. But the scary thing to me, on top of all this, is the fact that we are going to continue to see these rampant increases on most of these categories I have just looked at. So if we turn to budget paper 5 for the 2018–19 budget we can see again that there is no relief. The thing that really bothers me about all of this — and I spoke about this at great length in my budget reply speech — is the fact that in the forward estimates of the Labor government's budgets we know that they bear no resemblance to reality. I cited specific samples in my budget reply speech that prove how wrong they were, in that they are basically an annual guesstimate. That is what bothers me particularly about the numbers that I am about to look at because this will be — and I can be absolutely sure that it will be — the best-case scenario. We have

got payroll tax going up by a further 17 per cent, land tax going up by a further 25 per cent, the fire services property levy going up by a further 15 per cent, land transfer duty going up by an additional 10 per cent, the growth area infrastructure contributions going up by 41 per cent, taxes on insurance going up by 21 per cent, vehicle registration fees going up by 17 per cent and duty on vehicle registrations and transfers going up by 11 per cent.

Overall taxation revenue from the 2018–19 budget across the forward estimates is estimated by the government to be going up by 14 per cent. History will show just how inaccurate that number is because, as I said before, I can be fairly certain that that will not bear any resemblance to reality. If we look at history, we can see what it reflects in relation to those extraordinary increases, and one of the things that we definitely know is that this government has an insatiable appetite for taxing ordinary Victorians.

The sad thing about it — and I am a Victorian taxpayer like you are, Acting Speaker Couzens — is that, unfortunately, a lot of the money is wasted. We can see that in the various overruns and the budget blowouts on projects that I have not got time to list in my contribution now —

An honourable member interjected.

Mr ANGUS — Well, I can start listing them if you want me to. In relation to the level crossing removals, we know the Auditor-General has said the low-hanging fruit has all been done. All the hard ones have not been done, and we are already at a 32 per cent blowout on the ones that have been done — they are already over budget. I have not got time to touch on all of those, but it augurs very badly for Victorians when we know that we are subject to the highest taxing, highest spending and most reckless government that this state has ever seen.

Mr DIMOPOULOS (Oakleigh) (17:00) — What a pleasure it is to speak on the State Taxation Acts Amendment Bill 2018. I might try and focus on the bill as opposed to hyperbole. Nonetheless, I am really pleased to speak on this bill because it is clear that the Labor Party — the Australian Labor Party — is the original and only party of the bush. In fact our great party started in the bush. It started in regional Queensland in 1891. So the pretenders on the other side, who pretend to care for the bush, have not come up with one. The member for Macedon was spot on. Where are they if not in the chamber today, in their full numbers, supporting something which is quite targeted at the bush, at farmers and at a whole range of other stakeholders, but predominantly at farmers and the

bush? The Australian Labor Party is the party that cares about Victorians throughout Victoria, not just in Melbourne, and we show that in spades. I will come back to that a bit later.

Naturally, we invest in regional and rural Victoria in a whole range of ways. Others have talked about this, and I will also mention it. What we are doing through this bill is we are incentivising young farmers to actually go out there and create something special, or to continue their parents' or their grandparents' work. We know that people are at their best when you remove obstacles and give them a helping hand: they go and do incredible things.

I made some comments in my inaugural speech in this chamber just after we were elected. I talked about entrepreneurship and how I would love to see the new crop of entrepreneurs coming from suburbs like Broadmeadows, Clayton and Werribee as much as from Toorak, South Yarra and Balwyn. Similarly, we want to see entrepreneurship — whether it be agricultural or horticultural entrepreneurship, or anything in relation to food and fibre — come from new, young entrepreneurs on the land in Victoria, and part of what we are doing here today is incentivising that and letting those people get on and create something special.

While the bill covers a lot of ground, my focus is on the regional tax concessions. Specifically what we are doing is we are seeking to reduce the payroll tax for regional businesses from 3.65 per cent to 2.425 per cent, and we are seeking to increase the exemption threshold for the young farmer duty exemption from \$300 000 to \$600 000 — so we are doubling it — to align with the exemption threshold for the first home buyer duty exemption. Those are the principal things I want to focus on in this bill, while the bill does a whole bunch of other stuff as well.

I am very excited about the young farmer exemption and concession changes. The young farmer duty exemption or concession provides an exemption or concession from duty where a young farmer, defined as somebody under 35 years of age, purchases their first farmland property. The exemption or concession is designed to encourage young farmers or incentivise them or their farming entity to stay in their rural community and enter the farming business for the first time and to encourage other young people to become farmers. We are seeking, as I said, to double the threshold from \$300 000 to \$600 000, and as a result, the maximum duty benefit available to young farmers will increase from \$13 070 to \$31 070. A concessional

amount of duty is also available beyond the \$600 000 threshold, up to a maximum of \$750 000.

The other element of significant benefit to regional businesses and communities is a payroll tax rate reduction. The government is seeking to further reduce the payroll tax rate applicable to qualifying regional businesses from 3.65 per cent, as I said, to 2.425 per cent. While this rate was reduced in our last budget, of 2017–18, from 4.85 per cent to 3.65 per cent, where we are now, this further reduction would mean that regional employers would be paying half the standard non-regional payroll tax, and this would make the payroll tax for regional Victoria the lowest payroll tax in the entire country. Who will do this? A Labor government, that is who.

That is why I say that the others can go on in their manifest inadequacy, with their manifest untruths about the aggregate tax take — that we are the highest taxing government — but we are focused on actually making a difference where it counts. We are not treating the entire Victorian community the same. We are recognising natural disadvantage — geographic disadvantage — and addressing it at the source by going to regional Victoria, finding out what the obstacles are for economic growth and for business confidence and addressing those quite specifically.

I am extremely proud of this bill, particularly these elements of it. This initiative, as the Treasurer said, will reduce the payroll tax liability for regional businesses by \$167 million over the budget and forward estimates. It is expected to slash costs for around 4000 businesses and create jobs, of course, and encourage people to either move to regional Victoria or expand their businesses in regional Victoria. This bill would bring our total business tax cut relief to \$742 million. That is \$742 million of relief to businesses. That is three times more than that provided by our predecessors.

Perhaps the chief spokesperson for business in Victoria, Mark Stone from the Victorian Chamber of Commerce and Industry, has said that his organisation ‘welcomes the major investments in infrastructure, training and regional tax relief contained in the 2018–19 state budget’. That is quite an endorsement.

I just want to give an example of incentivising young farmers. There was an article — and while it refers to a New South Wales farmer it could quite easily refer to a Victorian farmer — in the *Australian* on the weekend, and it is titled, ‘A new crop of young farmers is on the rise’. Sue Neales is the journalist, and she says:

Byron Birch knows he is a lucky man to have good mates prepared to help him take the next big step in running his own farm.

In a thoroughly modern way, Birch, 31, of Moree in northern NSW, last year called on his old university friends to crowdfund the farming leaseback of a large parcel of black soil cropping country at Bellata, north of Gunnedah, that had been bought recently by US agricultural land investment company Westchester.

Fundamentally these people in New South Wales are resorting to crowdfunding because they do not have a government that actually cares enough about regional New South Wales — in fact regional Victoria in our case — to create a tax framework that actually allows young farmers to not have to go into a crowdfunding arrangement but to actually invest in a farm, either their parents’ farm or a new farm, and create new businesses. I would say to Byron Birch: come to Victoria. Forget New South Wales; come to Victoria because the Victorian government is not only proposing to make your tax load easier as a young farmer or as a business generally in regional Victoria but it is also, I found out recently, through the state budget and through the Connecting Regional Communities program making certain key allocations in terms of a new way of doing business in regional and farming communities. We have made an allocation of \$12 million for four projects to support the adoption of internet-enabled on-farm technologies in the north-west, the Macalister irrigation district, the Murray-Goulburn and the Serpentine region.

We have also invested \$11 million in mobile blackspots funding, and we have invested, as other speakers have said, in hospitals, schools and roads in regional Victoria. This is not something those on the other side would have either the courage or the imagination to deliver for their supposed stakeholder group. Those people in regional Victoria are valued by the Australian Labor Party because we are a party not just of the city but absolutely of the bush. We were born in the bush and we recognise this advantage. We recognise opportunities to empower regional communities in an economic sense and to create jobs. That is why they cannot stand that we are offering the lowest tax rate in the country in regional Victoria, because they wish they had thought of it or had the courage to do it. I commend this bill. I commend the Treasurer’s work and the Minister for Regional Development, and I wish the bill a speedy passage.

Mr McCURDY (Ovens Valley) (17:10) — I am delighted to see that that contribution is finished. I will rise and make a contribution on the State Taxation Acts Amendment Bill 2018, which, as you have heard from other speakers, amends the Duties Act 2000, the Payroll Tax Act 2007 and the Unclaimed Money Act 2008.

Some of the provisions in this bill include, as we know, some of the 12 new taxes and charges that the Premier for Melbourne on the eve of the 2014 election promised he was not going to deliver to Victorians. He has certainly done a backflip — ‘I make that promise’. We all remember when he was asked about that and those hollow promises that he was not going to introduce new taxes. Anyway, we now see this as just another broken promise — another mistruth that we have come to expect from the Premier of Melbourne.

With that in mind, we certainly know some of the major changes in this bill around payroll tax. Anyone who has been in small business — small, medium or large business — knows payroll tax is a very distasteful tax. It is a tax on jobs and it is an impost on small businesses particularly, who battle along. Each day comes and goes, and certainly payroll tax is just an impost that they could well do without.

In the Ovens Valley businesses continue to tell me that they are taxed merely for employing local people, which to some extent is correct. It is just an awful tax, whether it is car dealerships, whether it is milk processors or whether it is fruit packers that are value-adding to our primary production or our raw materials that we send to the supermarkets around all of Victoria and Australia and certainly internationally. It adds to that cost of production and certainly reduces our competitiveness when we are in the international market competing against other countries with lower costs of living or lower employment rates or employment costs. That is where we have become uncompetitive. That goes right back to the farm gate, and the farm gate ends up taking a lower price because of these taxes that are added along the way.

Although we have heard that the bill does give small relief to regional businesses, the \$40 million reduction to regional businesses will certainly pale into insignificance when you see the \$1 billion that this payroll tax will rake in across small, medium and large businesses throughout Victoria. We have been told the benefits for regional Victoria are only for regional businesses that have 85 per cent of their employees located in regional Victoria. The Department of Treasury and Finance tell us that there are 4000 businesses who pay payroll tax in regional Victoria, but they still cannot tell us how many will be eligible for these benefits. I suspect this could be another of the sleights of hand that we have come to expect from the Premier for Melbourne.

This bill will also add to improvements made last year whereby serving Australian Defence Force (ADF) members — I am a big supporter of supporting ADF

members wherever possible — are not required to reside in their principal place of residence to qualify for the first home owners grant. I see that as a very commonsense approach. Whether ADF personnel are serving overseas or training elsewhere in Australia, it is very difficult to live in your own home and get that benefit. That improvement was made last year, and this bill goes further to eliminate the same requirement in relation to serving ADF personnel qualifying for the first home buyers stamp duty exemption. This applies whether or not the ADF member has purchased the property in his or her own name or with a partner or spouse. Again I think that is a significant step forward, a further improvement. As I say, we could always do more for our serving members.

This bill also modifies the young farmers duty concession. The measure increases the stamp duty exemption for young farmers — that is, for those who are under 35. This is for land worth up to \$600 000. It previously was \$300 000; it is now up to \$600 000 — an improvement. The concessional rate is for land valued between \$600 000 and \$750 000. This change brings the young farmer duty concession in line with the valuation range for the first home buyers stamp duty concession.

I grew up in and have lived in regional Victoria all my life. We must look after our young primary producers, our young farmers. Battling mother nature is a difficult task at the best of times. You never know what she is going to throw up, and you need to deal with what you have got on a daily basis. Whether it is feeding stock or watering and irrigating fruit trees, it is about surviving in business through the good times and the bad, and when things are bad you have got to cut corners or cut costs wherever you possibly can. We have just got to be really careful about and mindful of how we look after our young farmers, because our regional centres and our small country towns will die if we do not continue to look after those farming communities. I think the average age of farmers in Victoria is still around the late 60s or early 70s, so we have got to do what we can to support young farmers.

As with all government bills, we need to look for the devil in the detail to find out where the concerns are. Certainly the tax take has jumped since this government was elected in 2014. There has been a \$6.2 billion increase in tax take. That is a 35 per cent increase. Again, that is on the back of us hearing that there would be no new taxes or increases in taxes under this government. It makes it worse for people in regional Victoria when that money is then reinvested primarily in metropolitan Melbourne. If it does go to regional Victoria, it goes to Geelong, Ballarat and Bendigo, and

we hear that all the time. We need to concentrate on some of our other regional centres and certainly smaller towns.

Victoria has now become the highest taxing state in Australia. That is a concern and a trend we need to be very mindful of. We know also that the tripling of the brown coal royalties has resulted in concerns about our energy and the costs that we have now. The cost of living, if you go around my electorate — and many others, I suspect — is one of the biggest issues that people have throughout the communities. They are doing what they can to reduce those costs wherever they can, with energy being the main cost. Certainly the tripling of the brown coal royalties by this government has contributed to the position we find ourselves in.

Other changes in this bill include the new vacant residential property tax, new annual property valuations to increase land tax and increased stamp duty on new cars. I know most of the dealerships in Ovens Valley, but there are a couple in particular that continue to ask me, ‘Why does this government always make new cars an easy touch by increasing stamp duty on new cars?’. I think they have a fair point there too, because we need to be encouraging people to buy newer, safer cars rather than some of the old bombs that are driven around our highways. I think we should be encouraging people to purchase newer vehicles rather than slapping a new tax on them.

There will be an increase in the fire services property levy and also a removal of the off-the-plan stamp duty concession for investors. I think this will have major implications, certainly for first home buyers and for first-time investors — people like a young couple who might have their own first home but are investing in a second, off-the-plan property. This extra tax will be difficult and will change the landscape for off-the-plan purchases. That is another cost. When you are saving for that first investment you want to make the initial deposit or contribution as low as possible and then make payments once you have got a tenant in or the property has been built. It just makes it very difficult for younger people in Victoria.

There is a new stamp duty on property transfers between spouses, obviously not if it is a principal place of residence, and I understand some of the modifications in that. But the cost of living is high enough as it is in Victoria, and we should be trying to assist here and not hinder. There is the introduction of the Uber and taxi fare taxes commencing in July 2018, the new point-of-consumption betting tax that is going to be introduced and of course the new city access tax for the West Gate tunnel.

Other taxes and charges include a new stamp duty surcharge for foreign purchasers. Again, we need to encourage foreigners to come and invest in our country. If not, they will go elsewhere. We do not want to make life too difficult. Of course we want our fair share, and they have to pay their fair share, but we have to be very careful. There are plenty of opportunities around the world. They do not have to invest in Australia or Victoria, so we need to be mindful that we do not make it so difficult that they choose to go elsewhere. As always the government says one thing and does a backflip and does another. So 24 November will be the next test of this government’s failings, and we will wait to see what happens on that day.

Mr CARBINES (Ivanhoe) (17:20) — I am pleased to contribute to the State Taxation Acts Amendment Bill 2018. A key highlight for those people in regional and rural Victoria is the reduction in the payroll tax rate for regional businesses from 3.65 per cent to 2.425 per cent. Of course that is going to lead to Victoria having the lowest payroll tax rate in Australia. That goes straight to the heart of our government’s understanding of the key drivers for economic productivity and performance in rural and regional Victoria. It is a far cry from those opposite, who of course referred to the regions as the toenails of Victoria. We are never going to forget those comments from then Premier Jeff Kennett at the time when he referred to regional Victoria as the toenails of Victoria.

It is a Labor government that represents all communities, but in particular our very strong representation across Ballarat, Bendigo and Geelong in this chamber is a demonstration of the commitment and the support that we have for local communities.

We have introduced in the state budget, which these amendments give effect to, an exemption to residency requirements for the first home buyer duty concession for defence force personnel. We have also increased the exemption threshold for the young farmer duty exemption from \$300 000 to \$600 000 to align with the exemption threshold of the first home buyer duty exemption.

The bill will cut taxes for Victorians. There are no new or increased taxes in this bill. Can I just pick up on some of the comments that have been made, in particular by the Treasurer, who is the member for Tarneit. He said that for the third year in a row we have reduced the tax burden in regional Victoria, sharing our economic success with every corner of our state. This will help small businesses expand, see new businesses start and most importantly create more local jobs.

I am someone who has had employment in regional Victoria, as a former resident of Geelong and a former employee of the *Geelong Advertiser*. I also worked for a former member for Geelong, Ian Trezise, when he made the point in this place under the Kennett regime that Geelong does not start and end at the waterfront. It was Steve Bracks and the Labor government when it came to office in 1999 that made it very clear that it had a very broad commitment to investment in the Geelong community. It talked about jobs in the regions, investment in manufacturing and investment in Deakin University, and in the work that was done to redevelop the Grace McKellar Centre to bring radiotherapy services to the Geelong hospital.

They are just some of the examples in Geelong alone of the work that we have been prepared to do to invest in local communities in regional Victoria, let alone our investments at the time in regional rail. It might not have been as fast as some might have liked, but there have been changes and improvements to rolling stock, additional services and improvements that have been an absolute boon for regional Victoria to make sure that as transport hubs they provide opportunities for people to not only live and make a life in regional Victoria but also to make a contribution to the workforce here in Melbourne, and they do that by living, bringing up their families and investing in regional communities.

Can I say also that, as the State Taxation Acts Amendment Bill 2018 notes and gives effect to, in last year's budget we also announced increases to the payroll tax-free threshold, saving businesses an extra \$48 million.

Some of the comments that I found quite amusing in relation to these initiatives in the budget include those from the member for Malvern when he said that the government's budget is basically propped up by population growth and the property taxes that come with that — that it is almost like a Ponzi scheme. I do understand that those opposite might like to turn back the tide, but here in Victoria we are not ones for turning back the boats on the Murray River. We do not turn back the boats internationally either. If people want to come here to Victoria because opportunities are not available to them in Sydney or they are not available to them in Adelaide or they are not available to them in Brisbane, if they want to seek jobs, prosperity and opportunities for their families, the Andrews Labor government is not going to stand in their way. We will welcome people with open arms.

What you need to understand is that when people are driven to be here and be part of our community and to contribute to the economic development and the

cultural diversity and also the community vibrancy of Victoria, then you need to invest in and cater for that. The people that move to Victoria, that want to be part of our story and our history, also pay for that privilege through their taxes and the contributions they make to the workforce and the contributions they make in their communities.

So to make such a statement, to indicate that somehow our economic prosperity is propped up by population growth, is an absurd notion that does nothing to outline what the alternative would be — to expel people or send them away or block them from coming to Victoria. Where exactly are the comments from the member for Malvern taking us when he makes these sorts of bland statements that do not actually go to the heart of the matter, which is that if people are coming to Victoria for jobs and economic prosperity, then that is for a reason? They obviously feel that they have been failed by other states and that Victoria provides opportunities for them.

There are always going to be pressures and difficulties in accommodating an increased population, but part of that also means that we need to be adept at making sure we invest in our community. That is why we are doing Melbourne Metro 2, that is why we are investing in our schools and in our health services. It is why we are investing in our road network. You cannot cater for an increased population by cutting the public service. You cannot do that when you are cutting public utilities and public services. We do not have a great extrapolation from the shadow Treasurer as to how he plans to deal with population growth in Victoria — population growth that is sustaining economic development, economic prosperity and job growth right across Victoria, as well as investment.

He also claims that the government has raised taxes and created new charges despite promising that it would not do so. I reject those claims from the member for Malvern, and I point out again that we have not had a plan from those opposite as to how they will deal with the economic development question when it comes to the pressures that are applied across Victoria and metropolitan Melbourne from an increasing population — those who seek to make Victoria and Melbourne and our regional cities their number one destination for where they want to call home, where they want to invest their time and their labours for the future of their families.

Can I say also that it has been from Labor governments, whether under Steve Bracks, John Brumby or the member for Mulgrave, that we have seen investment in regional cities, whether it is in their transport network

or whether it is in bringing radiotherapy and extra health services to the regional hospitals in our cities, from Gippsland right across to Ballarat, Bendigo and Geelong. That has provided the opportunity for people to understand that they can settle in those places, where there are job opportunities, where there are health services, education services and the disaggregation and expansion of our university and higher education services and duplication of the road network, whether it is on the Calder Highway or the Princes Highway to Gippsland. It is providing opportunities for people to make choices about where they choose to live and whether they work in those regional cities or they seek to travel and make their working contribution with their labour in our capital city.

Those opposite do not have an answer to those questions, and they seek to criticise the pressures that are applied across our community. They should understand the planning pressures across metropolitan Melbourne. As someone who represents an electorate that is inner suburban or just outside the city centre limits, I understand that there are great economic and planning pressures on communities where the value of land is very significant. More and more people want to live in those places, and we need to maintain our neighbourhood character to make sure we protect the reason that people invest to live in those communities. What has made them attractive are the important changes that we have made to structure plans, height limits and density limits under the member for Richmond, the Minister for Planning, that have ensured that we can manage some of those pressures on development in the inner city and in inner suburban electorates such as Ivanhoe.

I commend these changes in the State Taxation Acts Amendment Bill. They provide great opportunities for regional and rural Victoria with payroll tax cuts, which will continue to drive economic development in those regional centres. We have a very strong track record of delivering for communities and providing opportunities, so wherever you live in Victoria you can contribute to Victoria.

Ms McLEISH (Eildon) (17:30) — We have before us yet another taxation bill introduced by the Labor government, this time the State Taxation Acts Amendment Bill 2018. I listened with interest to the member for Ivanhoe where in his contribution he started with the word ‘taxation’ and ended with it but barely talked about anything to do with taxation. He did stray quite widely.

The purpose of the bill is threefold. There are three acts that are being amended: the Duties Act 2000, the

Payroll Tax Act 2007 and the Unclaimed Money Act 2008. We know now that Victoria has the badge of dishonour, I suppose you would call it, of being the highest taxing state in the country. Since the election of the Andrews Labor government in 2014 we have had 12 new or increased taxes introduced. This tax take has really bumped up the coffers by \$6.2 billion, or 35 per cent, certainly breaking what we have heard many times in this chamber about the clear promise that was made by the now Premier prior to being elected that he would be introducing no new or increased taxes. So this is a government that certainly does not stick to its word. We have had an enormous number of taxes introduced. But I do want to look at the taxes that are here today. The Treasurer believes these will deliver benefits to regional Victoria, and I will say the measures that are being introduced are not controversial. They are changes that have possibly been forgotten about with earlier amendments to tax bills that we have had before us.

I will start with the amendments to the Payroll Tax Act 2007. This bill implements the budget measure to reduce the rate of payroll tax for certain types of regional businesses. I understand that to be eligible for this tax those located in a regional area must have a minimum of 85 per cent of their employees located in those areas. The change in the tax here is from 3.65 per cent to 2.425 per cent from 1 July this year. It is interesting to note that there are probably 4000 businesses in regional Victoria that pay payroll tax, but when you have a look at the criteria of those having the minimum 85 per cent of their employees located in regional Victoria, the Department of Treasury and Finance were unable to provide us with the figures of exactly what that meant and how many, if any, were certainly eligible.

You can understand how businesses have set up their structures. People may have had offices elsewhere or they may be located in other states, but they may also be located in regional Victoria. So it is going to be interesting to see how that one pans out. With this payroll tax it is interesting that — as with many, the tax revenues have increased — the payroll tax revenue has increased by \$1 billion a year, an extra \$1 billion in the coffers since the 2014 election. With the previous reductions in payroll tax in country areas it has actually really only netted \$40 million a year, which is a very low figure in comparison to the \$1 billion extra that the government is pulling in additional tax.

I want to move now to the Duties Act 2000. This affects the Australian Defence Force (ADF) personnel — I am always a strong supporter of those that have served; I meet people constantly who are still

serving, and I know many, many veterans — in particular those that are still serving or have been away on a couple of tours, to come back and have breaks that might make it easier for them to get into the housing market. Previously, in 2017–18, the requirement for a serving ADF member to reside in their principal place of residence to qualify for a first home owners grant was eliminated. This goes one step further. It has that same requirement for the ADF personnel to qualify for the first home buyers stamp duty exemption, so this will apply whether or not the ADF member has purchased the property himself or herself, or with a partner or spouse.

As I said, I will always be looking at supporting measures that help ADF people to establish themselves more solidly, because often with the lifestyle they lead they move around a lot — if they are on tours, they go overseas a lot — and getting them into the housing market, something that can help them become settled when they are home and perhaps help improve their mental health, is certainly a positive step. Interestingly, though, if they have a Melbourne property and it is unoccupied as a result of being posted interstate or overseas, they could still be subject to Labor's vacant residential property tax. It looks as though Labor might be giving with one hand, saying, 'You have your stamp duty exemption. You are eligible for a first home owners grant. You have a stamp duty exemption, but if you are not there because you are located interstate or overseas at the time, we may slug you for that vacant residential property tax'.

The next one I want to talk about is the Duties Act 2000 and the young farmers duty concession. This is an interesting one. It increases the stamp duty exemptions for young farmers, so for people under 35, for agricultural land worth up to \$600 000 — previously this was \$300 000 — and at a concessional rate for land valued between \$600 000 and \$750 000. I am not sure how much the members opposite, members of the government, actually understand what you get for \$600 000. I know in the area that I live, in and around Yea or the Murrindindi shire, for \$500 000 you might only get 100 acres. For 100 acres there is not a lot of good profitable farming that you are actually going to be able to reap from that land. I know that 10 acre blocks in Mansfield might be \$350 000, but when you have a look at 100 acres up there it might be \$700 000. In the areas in and around where I live this exception is really not going to help young farmers, particularly because it is very difficult to make a profit and be able to exist on 100 acres. I am not sure whether members across the chamber really understand the value of land in country Victoria.

Obviously it is not all the same. If you move down to the Yarra Valley, the farmland down there is worth nearly \$7000 an acre. That gets quite high. In fact 52 acres at Dixons Creek will cost you \$1 million. How much this is going to be able to assist young farmers is quite interesting. But then if you have a look further north and west of the state, somewhere around Charlton, for example, you might get a couple of hundred acres for \$250 000. That may help but, again, that is typically broadacre cropping or sheep farming, and it may be a little difficult, as I said, to make a good income from that. I would say you would need to be supplementing your income with other work or maybe being part of your parents' property.

I will go back to where I began: Victoria is now the highest taxing state in Australia. We have had 12 new or increased taxes. This tax jump, as I have said, has jumped by \$6.2 billion, 35 per cent, under the Andrews Labor government. We have seen taxes introduced or increased. The brown coal tax royalties have tripled. We have had that vacant residential property tax, the new one that I just talked about that the ADF personnel could be slugged with. We now have annual valuations on properties, which aims to increase the land tax grab so that the properties can increase every year rather than every second year. There is increased stamp duty on new cars. We have got an increased fire services property levy. They have removed off-the-plan stamp duty concessions for investors. There is a new stamp duty on property taxes for transfers between spouses.

There is a tax for taxis and Uber. There is a new point-of-consumption betting tax. There is a new city access tax for the West Gate tunnel. There are new stamp duty surcharges for foreign purchasers, and there are new land tax surcharges, which have been increased as well, for foreign ownership. So when the then Leader of the Opposition, now Premier, before the 2014 election stood up and said that there would be no new taxes, he clearly had no intention of being true to his comments, and I find that extremely disappointing. The people of Victoria certainly did not know what they were in for. Not only have they found that the cost of living is through the roof but also they are the highest slugged, with increased taxation left, right and centre.

Mr PEARSON (Essendon) (17:40) — I am delighted to make a contribution on the State Taxation Acts Amendment Bill 2018. This is a regular occurrence: a bill like this comes before the house to give effect to various revenue initiatives that have come about as a result of the appropriation bill.

I note at the outset that I am firmly of the belief that taxes civilise society and that there is an even

requirement to make sure that individuals, trusts and corporations pay a fair and reasonable level of taxation in order to create a civilised society. If you take the view that we are going to absolve ourselves of that responsibility and that we are not going to try and address weaknesses or changes or legal decisions in relation to the way in which we tax and levy taxes, duties and charges, then effectively you will have a declining revenue base. When you have a declining revenue base you have to either cut services or look at trying to fund those services via debt, even though in so doing you recognise that you do not have the capacity to service that debt and those obligations. As a consequence of that, there is a need to introduce a bill like this to the house to ensure the integrity of the taxation system here in Victoria.

Around 47 per cent of our revenue is provided by the federal government through either GST payments or direct transfer payments for specific services, and the balance is levied through taxation. Payroll tax is the single largest tax that is levied by the State Revenue Office (SRO), but there are a myriad of other taxes as well. There was an analysis done, I think in budget paper 5, that showed what the rate of taxation in a pure market would be versus the rate of taxation that is collected by the State Revenue Office. For example, a case in point is if you were you to levy land tax against a principal place of residence, the land tax would be significantly higher than what we currently collect. It is a useful table to give you some sense of the way in which as a Parliament and as a government — and as previous governments have done — we look at making those changes to reflect the modern requirements of our society.

Melbourne at the moment is growing at 147 000 people per annum; that is how much we grew last year. We are adding a city the size of Canberra to our borders every three years. With that level of population growth there is a need to make these sorts of investments in new police stations, new police officers, new schools and new hospitals. It is an exercise which I think Ross Gittins has referred to as 'capital widening', and it is a necessary expense that we must bear in order to cater for the growing population base. The reality is that people are choosing to move to Victoria, and they are choosing to move to Melbourne.

The federal government has got a very aggressive population target. I think the immigration target is well over 200 000 people per annum. I think the long-term average has been around about 100 000 people per annum. So you have got that level of imposition that is being placed upon the state economy because of the fact that the federal government is bringing in more and

more migrants to Australia. You have got interstate workflow so as the mining boom came off the boil, more people came back to Victoria to work. You have got intrastate movement with people from regional areas coming to Melbourne to seek work, and then you have got a natural increase. That is just the reality of what we are dealing with.

As a government you can turn around and say, 'Well, we're growing at 147 000 people per year but we're not going to look at making any further provision for that population increase — we're not going to invest in roads, we're not going to invest in schools, we're not going to invest in hospitals and we're not going to invest in police stations'. If you took that position as the government, you would be shown very quickly the folly of your ways. Therefore we need to make sure we have got the tools in our arsenal to deal with and confront these challenges.

The reality is taxes civilise society. If we want to create a great society and if we want to be the great, progressive state of the nation, then we need to make sure we have got the ability to pay for our promises and pay for our commitments and to deliver that sort of administration. In economics there is a theory called clustering, which is, for example, that one workplace with 2000 workers will be far more productive than 10 workplaces with 200 workers. Globally we are seeing more and more of that —

Ms Graley — Conglomeration.

Mr PEARSON — Yes, conglomeration, as the member for Narre Warren South indicated. What we are trying to do with the changes to payroll tax in terms of regional Victoria is to find a way in which we can encourage those businesses that are in a regional setting to continue to thrive and prosper. By reducing payroll tax by 2.425 per cent, we are ensuring that in terms of regional Victoria we have got the lowest rate of payroll tax in the country.

It is also important to note that we need to try and move with the times and respond to challenges as they arise. You could not have foreseen the recent decision in the Danvest case, which the Court of Appeal recently handed down — *Commissioner of State Revenue v. Danvest Pty Ltd* [2017] VSCA 382. It overturned a longstanding principle that if you had a partnership which was sold or was taken over and land formed part of that partnership, you paid a duty on that land. The court found that was no longer the case, and therefore if you sold a partnership and there was land that was vested within that transaction, you no longer paid duty on that land. The reality is that if we do not respond to

that particular challenge, then Victoria will be out of alignment with other jurisdictions, and I think that would not be desirable. It is about making sure that we find a way through to address some of these issues, so the bill looks at trying to ensure that there is a more consistent approach to taxation in relation to certain partnership transactions.

The bill also makes some changes to foreign partnerships and looks at the levying of duty payable by foreign investors. The sum total of the foreign investors is calculated as a whole, even though you have got instances where those foreign investors might not be known to each other. So there would be instances where you might have a number of foreign investors who are offshore who participate in a syndicate and who have got different shareholdings. They look at purchasing an asset, and for the purpose of the foreign duty calculations the value of those shareholdings is added together in order to work out the level of duty that is payable by the total number of foreign investors. Again I think it is recognising the fact that we do have a large proportion of capital inflows coming to Australia at the moment — a lot of it coming from parts of Asia. That is just the reality of where we find ourselves. It has been said that Australia could become the Switzerland of Asia, a repository of foreign funds and capital inflows. The SRO and the government have made a determination that it is fair and reasonable that those foreign investors be liable for the duty payable, so making sure that the legislation reflects the fact that we have got those consortia coming in is important.

The bill also puts in place a buyer exemption for members of the Australian Defence Force. I think this is desirable and commendable. It is important that we try and do all we can for our returned service men and women, and encouraging them to come to Victoria is desirable.

It would be remiss of me not to refer to the statute law revision made by clause 25 of the bill. In relation to section 46ID of the Land Tax Act 2005, 'Land tax for beneficiary/trustees', subsection 5(a), 'A = B' is being replaced by '(A × B)'. This relates to ensuring that you do not have double taxation for the second and additional trusts. It is a very good formula on page 92 of the act. I commend the bill to the house.

Ms BRITNELL (South-West Coast) (17:50) — I rise to speak on this bill, which implements a range of budget measures and changes to the state taxation and revenue laws. I note that in the second-reading speech the Treasurer said:

This bill delivers budget initiatives that will continue the ... government's commitment to delivering greater benefits to regional Victoria.

And:

The government is a strong supporter of the ... agricultural sector.

I will focus most of my contribution on those two points, because having read that I believe the Treasurer and those on that side of the house might need a bit of an education on regional Victoria.

I am sure those opposite will be quick to point to the payroll tax cut as if it is some sort of Hail Mary that will drive growth in regional Victoria. But you cannot just lower one tax and expect people to start employing. The average value of this change is around \$40 million a year, while payroll tax has increased by \$1 billion a year since the election in 2014. Once again what we are seeing is smoke and mirrors, or hoodwinking. The example I heard before to describe this was it was like putting \$5 in the collection plate at church and making a big show of it, but taking out \$100 with a swift action that nobody sees. That is precisely the analogy that explains how ridiculous this is. The Department of Treasury and Finance cannot even say how many regional businesses will actually meet the criteria for a lower rate of payroll tax. We know that 4000 businesses pay payroll tax, but if you have not done the analysis to work out how the regions will benefit, you are talking the talk but not really understanding the effect of what you are doing, so you are nowhere near being able to walk the walk.

The Andrews Labor government has made Victoria the highest taxing state in the country, introducing 13 new taxes and charges since the last election, despite the Premier saying that he would not introduce new taxes. He has driven the cost-of-living pressures on households through the roof. That is the direct result of raising taxes. You have affected mothers, fathers, families, businesses and workers. How could this be purported to be supportive? Again it is smoke and mirrors; it is not reality. They have affected the cost of living drastically. Why would one tax cut — which is minimal, and we have no idea how many people it affects anyway — encourage businesses to set up in regional Victoria when there is a lack of adequate infrastructure in the regions? In South-West Coast our roads are falling apart, our rail service is abysmal and in large parts of the electorate we have antiquated energy infrastructure, which limits the ability of businesses to grow and employ.

I will explain what I mean by antiquated energy infrastructure. In Tyrendarra we have a very productive region; we have businesses like engineering firms and we have dairy businesses milking 1000-plus cows. But the businesses within the region have to work together to understand what each is doing, because if they all fire up at the same time, they actually cannot run their businesses — they cannot milk the cows or turn on all the machines in the engineering firm, which is the case for a neighbour of one business I am referring to. How can that be the most productive way forward for those businesses? It is not.

A business run and owned by Bruce Knowles has actually invested in its own diesel generators because getting three-phase power is just not possible for him. The government needs to grow the state's economy and understand the benefits that my area in particular brings to the state through revenue, but clearly they do not understand that if they do not understand that we need basic three-phase power, which you see in most or all countries of the world — even Third World countries have much more power reliability than we are seeing in south-west Victoria.

Labor has absolutely no understanding of regional Victoria and what makes it tick. They cannot see past Geelong, Ballarat or Bendigo. Places like Warrnambool and Portland are forgotten about, as is the enormous potential we have for growth in south-west Victoria to ease the pressure on the city and evenly spread the population across this state. It is a squandered opportunity.

South-western Victoria is the most productive agricultural region in Victoria and the second most productive in the nation, and that is Australian Bureau of Statistics qualified data. That is not me making anything up — those are actual facts, and we know it. We are working hard under very extreme circumstances that reduce our productivity. We have farms, food processors and manufacturing plants. Agriculture provides 60 per cent of the region's income and one in five jobs. We have a broad spectrum of agricultural industries, such as red meat — beef and sheep — abalone, wool, forestry and dairy manufacturing as well. We also have niche food industries and strong links to the food and tourism sector, so it is a really innovative part of the state as well. My region does punch well above its weight in terms of its contribution to the state economy, yet it is forgotten about by this Labor government.

Increasing the duty exemption threshold for young farmers is one way — and just one way — to encourage young people into the agricultural industry.

During my time representing farmers in my role as vice-president of the United Dairyfarmers of Victoria and in my roles with the Victorian Farmers Federation and Australian Dairy Farmers I spoke a lot about how it needs to be at least in line with the first home owner grant. The first home buyer duty exemption is good, but as the member for Eildon pointed out, you cannot buy a farm and make a living for \$750 000. It is all relative. Whether, as the member said, you are out in the west where land is cheaper or where you can carry more DSE, or dry sheep equivalent, per hectare, which measures how many animals or whatever you can grow per acre — it is just a term we use in agriculture — it is all relative to the cost of the land, and \$750 000 is not going to buy a young farmer a productive piece of land to make a living on. He is going to be off farm working, she is going to be off farm working, and the family are not going to be able to survive on agriculture alone at that level.

That is my point about understanding regional Victoria. There is so much more that can be done to unlock billions of dollars of untapped productivity for existing and well-established farmers. The Great South Coast *Food and Fibre Strategy and Action Plan* was endorsed by the Labor government last year in the budget with a \$500 000 rollout to this comprehensive plan, which I spent a number of years prior to coming to this place helping to build it. It aims to lift the image of the food and fibre sector, encourage young people to take up a job in the sector and unlock the issues that are holding back the region. It was a regional approach to finding regional solutions to really get the benefit from them. They have not received the money yet, so they have been paying an executive officer for 12 months. They have worked on the power business case that I have been talking about. They have also been working on the water issue.

They have done all the economic modelling to show that we can unlock water without any environmental effects and without any challenges to the environment. We have been caught up in the Murray-Darling Basin challenge, but we have got underground water there that is already allocated — hydrological reports that show it is not overused — and it is not actually used. We have sleeper licences, as they are called, for people who do not actually use the water. If we unlock even 10 per cent of that, which would have no environmental effect — there is none, and it is actually a benefit — we would get a \$55 million boost to the regional economy just by being able to pull that water out of the ground that is already allowed to be pulled out, put it onto pasture and turn it into fodder to produce more milk per hectare.

The only thing standing in the way is the bureaucracy. The legislation even allows it; it is the department that is really just not playing ball. The committee has met with the minister over and over again, who has led them up a garden path. Here is this opportunity; they have got \$500 000 they cannot get access to, they are paying a CEO that they have no money to pay for because the promised money has not been delivered, and they are not able to do the work they need to do, yet the opportunity abounds. Remember this is a government that says it is a strong supporter of the agriculture industry, yet when push comes to shove it does nothing that will actually support farmers and help drive economic activity.

I will not sit here and listen to the Labor government tell me how they are champions for regional Victoria, because it is not true. In the eyes of those opposite, regional Victoria is Geelong, Ballarat and Bendigo. They have zero understanding or respect for the enormous economic contribution our agriculture sector makes to the state's economy, but they are more than happy to take the proceeds and spend them on projects to make life in the city easier. If you are serious about regional Victoria, start addressing the lack of infrastructure, start listening to the people who know what they are talking about and make sensible changes to rules.

Mr J. BULL (Sunbury) (18:00) — I am pleased to have the opportunity to speak on the State Taxation Acts Amendment Bill 2018. This of course goes to the heart of the budget, and for the past three years those on this side of the house have been focused on better schools, new and improved roads, higher quality and more accessible health care, better public transport, more jobs and a fairer, stronger Victoria.

What we know, Acting Speaker Kilkenny, and I listened closely to your contribution, is that we are a fast-growing state. We know that Victoria's population was 6.36 million people in September 2017 and the population of Greater Melbourne at the same time was 4.7 million people. We know of course that we are growing quickly, with an additional 150 000 people calling Victoria home from September 2016 to September 2017. This of course represents a growth rate of 2.4 per cent, which is the highest of all states and territories, and we know that what comes with this is a drive and demand for new jobs, new roads and new schools, and we know that with 100 000 new Victorians each and every year we need to invest in the infrastructure that is able to support that.

We know as a government that much of this growth occurs in our growth corridors, those in the north, those

in the west and those in the east, but we also want to ensure that new Victorians are moving into our wonderful regions and rural towns right across Victoria. I have had the opportunity as chair of the Environment, Natural Resources and Regional Development Committee to spend time in a number of these regions across Victoria. What has been very clear is that the people in these areas, people in regions and in country Victoria, are warm-hearted people who work hard, love their local communities and are very engaged. These are some of our best Victorians. But what is crucial and critical is that the government creates those policy settings that encourage and help our regions and towns to thrive and to grow, and I am certainly very pleased that this bill implements the 2018–19 budget measure of reducing the payroll tax for regional businesses from 3.65 per cent to 2.425 per cent, the benefits of which I will discuss further later in my contribution.

What is very clear when you do spend time in these great parts of Victoria right across the state — we as a committee spent quite a lot of time in shires like Buloke and Latrobe city, which is of course more regional than rural — is that these are terrific areas. As I mentioned earlier, these are areas where people work hard and support one another, and these areas need to be supported by the Andrews Labor government. Over the journey thus far we have made significant investments in regional Victoria, with \$4.3 billion of investments right across the state: in education \$181 million for new and upgraded schools in regional Victoria; and in health \$462 million to upgrade the Ballarat Health Service, \$115 million for the Wonthaggi Hospital and a further \$50 million for regional health infrastructure.

One area that was highlighted in the committee hearings and an area I know many rural and regional Victorians are very passionate about is local roads. I know that road infrastructure funding is critically important. These are of course areas that the government is focused on. We know that 41 000 jobs have been created in regional Victoria. The bill goes on to implement a number of other budget commitments, providing an exemption from duty for first home buyers and an exemption from residency requirements for defence force personnel. I know that a number of members have spoken at length about those changes in the bill. The bill also increases the exemption threshold for the young farmer duty exemption from \$300 000 to \$600 000 to align with the exemption threshold for the first home buyer duty exemption.

The bill makes a number of other amendments to Victoria's taxation and revenue laws to ensure that they continue to reflect the underlying policy intent and work hard to close quite a number of those loopholes.

This measure in the bill — the payroll tax cut — comes on top of the payroll tax cut for our regions that was provided last year. We are cutting it again to ensure that businesses are able to grow and thrive. The initiative will reduce the payroll tax liability for regional businesses by \$167 million over the budget and the forward estimates period, and it is expected to slash costs for around 4000 businesses to create jobs and encourage people to move to regional Victoria. This goes to many of the points that I raised earlier about ensuring that as a state we are providing for each and every Victorian, each and every person who wants the opportunity to work hard, to look after their family, to have the opportunity to buy a home and to do all of those things that people wish to do.

It is critically important that we have the policy settings that are able to do this. This is the third year in a row that the government has eased the payroll tax burden. This is an important step that levels the playing field and supports hardworking Victorians to make the best of themselves and their businesses.

On defence force personnel, in the time that I have remaining, the men and women of the Australian Defence Force (ADF) serve our nation proudly and uphold and protect the freedoms that we hold dearly. We want to make sure that every Victorian has a chance to buy their first home, and that includes those working so very hard to keep Australia safe.

From 1 July 2018 Australian Defence Force personnel applying for a first home buyer duty exemption or concession will no longer need to meet the residency requirements. This in turn means that the ADF personnel will not lose their entitlement to the first home buyer duty exemption or the concession if they are unable to use their home as their principal place of residence for a continuous period of 12 months after purchase. This will allow ADF personnel to fulfil their deployment obligations, which can of course arise at short notice at any given point in time, without it impacting on their stamp duty exemption or concession eligibility. This is another important step and something that is contained in the bill that I fully support.

In the last couple of minutes I just want to talk about young farmers. The bill will also double the stamp duty free threshold for young farmers — who work so very hard to make the best of what is in front of them to support their local communities and in turn support the state — from \$300 000 to \$600 000, helping more young Victorians looking to buy their first farm. Of course, as I have mentioned, this is so important for our rural communities.

The increase will mean that those farmers under the age of 35 who are buying their first farm property will receive a full stamp duty exemption on purchases up to \$600 000. Those purchasing farms between \$600 000 and \$750 000 will receive a tapered discount. This, combined with a number of the other measures, is the Andrews Labor government putting young farmers on a level playing field with first home buyers by aligning the young farmer land transfer duty exemption and concession with the first home buyer duty exemption and concession.

Those on this side of the house support fairness in every single community right across the state. Whether you are in Hume city, where I am in Sunbury, or whether you are in Buloke, every single Victorian should have the opportunity to live in a fair state, should have the opportunity to better themselves and should have the chance to be supported by policy settings that look after each and every Victorian. Those on this side of the house are part of a government that gets things done, and we stand for giving every Victorian the best chances and the best opportunities. We continue to get things done and we continue to make things fair. A good government's work is never done; we will continue to work and we will continue to fight. I commend the bill to the house.

Mr WATT (Burwood) (18:10) — I rise to speak on the State Taxation Acts Amendment Bill 2018. Before I get into the substance of the bill I just want to revisit the day before the election in 2014. I have mentioned this a couple of times in the chamber before, but there was an interview on Channel 7 with Peter Mitchell asking the now Premier a very, very clear question, one that could not have been misunderstood, one to which the answer could not have been misunderstood or misinterpreted. Peter Mitchell said:

Daniel Andrews, all the polls say you will be Victoria's next Premier. If you are, do you promise Victorians here tonight that you will not increase taxes or introduce any new taxes?

The now Premier made a very clear and solemn promise:

I make that promise, Peter, to every single Victorian.

That is a promise that he made and a promise that he has broken to every single Victorian. He made that promise and has broken that promise on at least 12 occasions, and I would like to run through some of those occasions when he clearly lied to the people of Victoria.

The first would be when he tripled the brown coal royalties. Now, it is not just the tripling of the brown

coal royalties, because that has flow-on effects. Tripling the brown coal royalties then put Hazelwood out of business, which then increased the price of electricity through Victoria, thereby having a very deep and meaningful impact on the hip pockets of all Victorians. When you triple the brown coal royalties it is not just about sticking it to the big companies, it is not just about sticking it to coal, it is about sticking it to every single Victorian when you promised them you would not increase taxes.

There is the new vacant residential property tax that he introduced. He said, 'We will not introduce any new taxes or increase taxes', but there is one where he did. There are the new annual valuations to increase land tax. New annual valuations increase costs. House prices are going up; therefore you have annual valuations and you are actually taking more in taxes. There is another broken promise. There is increased stamp duty on new cars. There is another lie; there is another broken promise. There is the increased fire services property levy — there is a change in a tax, there is an increase in a tax and there is a broken promise.

There is the removal of off-the-plan stamp duty concessions for investors. If you remove off-the-plan stamp duty concessions for investors, you thereby introduce a tax where otherwise there would not have been a tax, or you tax people who otherwise would not have been taxed. Investors invest in property for the purpose of rental, and if you increase taxes you increase rents. So it is not just sticking it to some person who can afford to buy a rental property; it is sticking it to renters. That is what this Premier did, that is what this Treasurer did and that is what this Labor government did when they broke yet another promise and increased taxes by removing off-the-plan stamp duty concessions for investors.

There was the new stamp duty on property transfers between spouses. Once again somebody is being charged a tax that previously they were not charged, so there is a broken promise. He said there would be no new taxes and no increase in taxes, but there we go, there is another one.

There is the Uber and taxi fare tax. That is very clearly a new tax. No-one can deny it. It is a very clear broken promise. He said he would not do it before the election, yet here we go again. There is another broken promise; there is another tax.

There is a new point-of-consumption betting tax, which is an interesting one. After saying there would be no new taxes, this is clearly a new tax. Whether or not people think that taxing online betting is a good thing,

whether or not you have actually consulted with the Victorian Responsible Gambling Foundation, whether or not the Victorian Responsible Gambling Foundation is happy with that particular new tax, whether or not they think it should be higher or lower or exist or not exist, it is still a broken promise. You said you would not do it, and here you are introducing a new tax — an 8 per cent tax on betting. That is clearly a broken promise and another clear lie from the Premier when he said, as the Leader of the Opposition, that he would not introduce new taxes —

The ACTING SPEAKER (Mr Pearson) — Order! Member for Burwood, you are not to impugn members of this place by using the word 'lie'.

Mr WATT — Thank you. There is a new city access tax for the West Gate tunnel. He said he would not increase taxes, he said he would not introduce new taxes but here we go: there is a new city access tax for the West Gate tunnel. There is a new stamp duty surcharge on foreign purchases. It was increased again, so while I said twice, they introduced a new tax, then they increased it, so that is actually 13. If we go to the new land tax surcharge on foreign owners, they introduced it and then they increased it. That is 14 times that the Premier has told an untruth; 14 times where he has done something when he very clearly said he would not.

The thing about these taxes — this new stamp duty surcharge for foreign purchases and this new land tax surcharge for foreign owners — is that once again it is not sticking it to foreign purchases or foreign owners. Many foreign owners actually rent property out to people, so it is your average renter who is now paying more in rent, because this government did not know how to tell the truth. This government did not know how to stick to their solemn promise. This Premier did not know how to actually not introduce a new tax when he said he would not — sorry, I am just remembering the fact that I am not allowed to say he is a liar or that he lied. That is why I stumbled —

The ACTING SPEAKER (Mr Pearson) — Order! Member for Burwood —

Mr WATT — I am just explaining why I stumbled in my speech. I realise I am not allowed to call people liars —

The ACTING SPEAKER (Mr Pearson) — Order! I made it very clear earlier, member for Burwood, that you are not to use unparliamentary language.

Mr WATT — No, you said I was not allowed to impugn somebody, and I was stating that I was not

impugning somebody. I simply stumbled during my speech and I was explaining why I had stumbled, which was because I had to think of another word other than 'lie'. I never said that he was a liar after your ruling. I never said that.

The ACTING SPEAKER (Mr Pearson) — Order! Member for Burwood, I was really clear —

Mr WATT — I am not impugning.

The ACTING SPEAKER (Mr Pearson) — Member for Burwood, I was very clear that you are not to impugn a member or to use unparliamentary language. I was very clear about that, and you are defying my ruling. I ask you to come back to the bill and desist from using unparliamentary language and attempting to impugn another member of this place.

Mr WATT — I am not trying to impugn another member. I did take on board what you said, which is why I stumbled over what I was saying.

Taxes have increased by \$6.2 billion or 35 per cent. Taxes are now up to \$24.081 billion. Taxes have increased. The Premier, who was opposition leader at the time, very clearly said, 'No new taxes; no increase in taxes'. A 35 per cent increase in taxes clearly shows that what he said at the time does not add up to what has happened now. You can take from that what you will about whether a person might or might not have told the truth. It is very clear now that when he said, 'No new taxes', he did not mean no new taxes; when he said, 'No increase in taxes', he could not possibly have meant no increase in taxes, because I do not see that circumstances have changed such that he had to introduce all of these new taxes or increase all of these taxes. There has been no significant change in circumstances which has led the Premier to do this. There has been no significant change in circumstances that meant the Treasurer had to come here and say, 'We've done what we said we wouldn't do, and this is why'.

I have yet to hear any person from the other side acknowledge or admit that they actually did not do what they said they would do before the election. I have not seen anybody on that side stand up to try to provide any explanation as to why the government has had to increase taxes by 35 per cent. They stand there and talk about payroll taxes going down by \$40 million. If payroll tax goes up by \$1 billion, I am sorry, I do not give you credit for the crumbs that you give back. I do not give credit for the \$40 million when payroll tax has gone up by \$1 billion. This is a massive increase in taxes. The government of the day said before the

election that they would not do this. There was a solemn promise: 'I promise this to every single Victorian'. Every single Victorian has the right to stand here and be very disappointed in the fact that the Premier did not tell the truth. The Premier said before the election, at a time when he was opposition leader, that he would not increase taxes and he would not introduce any new taxes. It is very clear that he lied about that. He did not tell the truth and he should not be able to get away with it, because the truth —

The ACTING SPEAKER (Mr Pearson) — Member for Burwood, I have been very clear that you are not to use unparliamentary language.

Ms COUZENS (Geelong) (18:20) — Thank goodness that has finished. I am pleased to rise to speak on the State Taxation Acts Amendment Bill 2018. The bill implements the following 2018–19 budget measures: it reduces the payroll tax rate for regional businesses, provides an exemption for the first home buyers duty concession/exemption residency requirement for defence force personnel and increases the exemption threshold for young farmers from \$300 000 to \$600 000 to align with the exemption threshold for the first home buyer's duty exemption.

I have to say that these cuts have been warmly received in Geelong. There is a great confidence in Geelong. It is these sorts of measures that have been taken by the Andrews government that have attracted business and investment to my electorate of Geelong. More and more people are moving to Geelong because of the housing affordability —

Mr Wynne — Cranes in the sky.

Ms COUZENS — There are cranes in the sky everywhere. The Geelong Chamber of Commerce is very, very pleased with the payroll tax cuts that we have just implemented. It very much appreciates the recent Victorian budget announcement that we will cut payroll tax. The Geelong Chamber of Commerce, with its 900 members, has been a very strong advocate for these cuts that assist small and medium operators. It is very happy that those cuts have now been implemented. Those opposite did not do that. It was an Andrews Labor government that did that for the benefit of businesses in my community, businesses that want to grow. Whether they be a cafe, a tourist operator, a bookstore or a manufacturer, the benefits are significant for them.

As I said, Geelong is booming at the moment. People are full of confidence. All the changes that we have implemented are making people feel more confident in

business. For a lot of those small businesses in particular, the small and medium businesses, they will be able to employ more people. There will be those that cannot, and it will help them in other ways, but many of those businesses are now saying, 'Yes, we will employ more people'.

Mr Wynne — How good was it down there last week?

Ms COUZENS — That is exactly right; Geelong is booming. There is a lot of activity. People are feeling more and more confident.

Mr Wynne — Fantastic.

Ms COUZENS — It is fantastic, thank you, Minister. The Geelong Chamber of Commerce said that it is pleased to see the payroll tax threshold raised from \$625 000 to \$650 000, effective from 1 July 2018. They also welcome the Victorian government's budget commitment to further reduce the payroll tax rate from 3.65 per cent to 2.45 per cent for regional businesses. This commitment is expected to provide relief for around 4000 businesses in regional Victoria. As we have heard from other regional members, such as the members for Bendigo West and Buninyong, these are significant changes for businesses in our local communities.

In the Geelong region we have many, many businesses, whether they be small, medium or large businesses. We know that jobs are growing in Geelong and that is fantastic. But we want more jobs and it is the Andrews Labor government that is actually making this happen. Our commitment to TAFE is not only providing more training courses for people to attend, but is also working with business and industry to work out where those jobs need to be. So we are growing those jobs, but we are growing them in the right way. We are growing them in the industries and areas that skills and training are required. Industry has been talking about that for a long time, so we are meeting the demand from industry. With our tech school, we are doing the same thing. Once our tech school opens, which is due at the start of the school year next year, they will be —

Mr Wynne — Where is that located?

Ms COUZENS — That is located at Gordon TAFE, our great institution in Geelong, which also contributes significantly to not only jobs, but to those people that need those skills and training. Those skills and training lead to the jobs that are needed in our great city of Geelong. With the reduction of heavy manufacturing in Geelong by companies like Ford and Alcoa, Geelong has undergone a significant transition from its

traditional base of manufacturing. However, manufacturing is still strong in Geelong and I want to make that point. With that transition there is a new focus on services, health, government enterprises, start-ups, entrepreneurs and high-tech advanced manufacturing. People are attracted to regional centres like Geelong because of the very tax cuts that we are talking about today.

Geelong is also a mecca for tourism, with a visitor economy now a significant economic driver for the region, assisted by plans to expand Geelong's Avalon Airport to include international flights. It is all happening in Geelong. We recently announced the accessible cities funding, and the accessible cities project that aims to see more people with disabilities employed, particularly in the tourism sector, but also makes Geelong more accessible for people with disabilities. Last week when we made the announcements, a number of businesses said, 'Well, those tax cuts will enable us to employ more people', and they will look at employing disabled people in their businesses, which is just exceptional.

The cityscape of Geelong is also undergoing an innovative revitalisation, with the green spine, the Laneways Project and many creative new businesses blending in seamlessly with a number of new commercial building developments that are changing the city skyline. Again, these things are creating jobs, but they are also enabling small and medium businesses who are getting the benefits of that revitalisation of Geelong to look at employing more people. Whilst respecting its industrial heritage, Geelong is in the midst of a change that heralds a new era as the capital city of our region. It is an important hub for commerce and industry, and incentives that attract business and investment to the region such as payroll tax are critical enablers that help drive the region's economy and stimulate jobs growth.

In addition to the payroll tax cut we are making other major investments in regional Victoria such as, from the 2018–19 budget, a record \$4.3 billion of investments across regional Victoria. In education the budget invests \$181 million for new and upgraded schools in regional Victoria. Geelong is seeing the benefit of this announcement. The budget invests \$462 million to upgrade Ballarat Health Services and \$115 million to upgrade Wonthaggi hospital, and provides a further \$50 million for regional health infrastructure. We are investing in our roads: \$941 million in our regional roads to better maintain and upgrade them. This includes funding to establish Regional Roads Victoria, a dedicated body for regional

roads, again creating jobs in areas like Geelong and encouraging those businesses to employ more people.

We are investing \$704 million to give regional Victorians more efficient and reliable public transport, and in Geelong we have a huge focus on improving our public transport, particularly our rail. Unlike the opposition we are investing over half of the \$2.077 billion in proceeds from the sale of our share of the Snowy Hydro in regional Victoria. We have created over 41 000 jobs in regional Victoria, many of them in Geelong. Geelong's employment growth is going up. We are not losing jobs, we are actually growing jobs. We need to be focused on ensuring that whatever decisions we make in this place, particularly around budget time, they are focused on growing jobs. That is exactly what the Andrews government is doing. I commend the bill to the house.

Ms GRALEY (Narre Warren South) (18:30) — It is a pleasure to rise this afternoon and speak on the State Taxation Acts Amendment Bill 2018. As previous speakers have said this comes on top of the delivery of the 2018–19 budget and the appropriation bill.

Mr Wynne — How did that go?

Ms GRALEY — How did that budget go? Well, minister at the table, it was a sensational budget. It was a big budget and delivered on the basis of three previous budgets by the Treasurer that had all been fiscally responsible, delivered budget surpluses, preserved our AAA credit rating and low debt, as well as the biggest infrastructure investment in Victoria's history. We are building a big Victoria by investing \$75.9 billion — investing in roads, rail, schools and hospitals.

Really importantly I heard the contribution from the member for Rowville very early in this piece. I recall his first budget speech in this house. One of the things I remember from that budget speech was that when we did a word search on it, not once did the then Treasurer of Victoria mention the word 'jobs'. What a contrast it is with this budget that we had delivered into this house only a few weeks ago, where we see a strong emphasis on job creation. Indeed one in every 10 jobs in our economy today has been created over the past three and a half years, whilst we have been in government. That is 334 000 new jobs since the election, and that is more than anywhere else in the nation. It is a tremendous record. You can talk about records and the achievement of the Treasurer and his team in putting such a budget together, but really the winners from this budget are the people of Victoria — right across Victoria — because we do know that by providing the correct climate and a

good economy jobs will be created. And everybody likes to have a job.

Whilst the speakers from the opposite benches have run out, I have noticed in listening to many of them that nothing makes the neoliberals — or the archconservatives or the Trumpites — get more hot under the collar than talk of that three letter word, T-A-X.

Mr Watt interjected.

Ms GRALEY — Tax. And look, you set him off like a firecracker. You say the word and then he comes in, because it really gets them excited. The reason why they get so excited about this word 'tax' is because they always love to talk about red tape and the bogeymen and women that are over there in the bureaucracy and those individual people that have been taxed and are not being given a fair go because of the government.

I am a bit like the member for Essendon, I have got to say. I am going to make the case — as a small part of my contribution — that tax is something that promotes good things for people in life. It is a sign of a civilised society. In fact I think it was Oliver Wendell Holmes Jr who said, 'Taxes are the price we pay for a civilised society'. On this side of the house, I have watched the last couple of decades of neoliberal economics. We have seen the trickle-down tax theory such that the rich have got really rich — disgustingly rich, I have got to say, extravagantly rich. Even at the banking royal commission we have had the head of the National Australia Bank actually saying that salaries for bank executives are way out of touch. In fact customers have been left behind or overlooked while big fat bankers have been stashing money in their accounts. I think that what we have seen in these last couple of decades is a widening gap between the rich and the poor, so to be talking about tax is actually a good thing because a progressive taxation system is one way that we can redistribute wealth and recreate a better society for everyone.

I suspect those opposite are not really interested in what Ross Gittins has to say — I imagine Judith Sloan or Terry McCrann would be more to their liking — but I draw their attention to an article where he actually quotes a very esteemed Melbourne businessman, Harold Mitchell.

An honourable member interjected.

Ms GRALEY — A self-made man. He actually went on to say, 'I'm Australian and I pay tax for the good of the country'. That is exactly what these sorts of

bills are about. They are about introducing taxes, expanding taxes, making tax more equitable —

Mr Watt interjected.

Ms GRALEY — Absolutely. It is about making sure that there is a tax cut in regional Victoria. One of the things that I have found very interesting in listening to this debate is what apologists those people opposite are for those people — the foreign investors — who are coming in and buying up our property. Actually, you have been making excuses for them, whereas if you go out and talk to people in the community you will hear the average Australian saying that it is a good thing to tax Chinese investors on property. That is a good thing. People support that. I do not understand why those opposite are looking for excuses.

I do want to talk about some parts of the bill that would be very important for the regional areas. We know that this government is very committed to regional and rural Victoria, and I know that those people opposite are talking about decentralisation and a population plan. It is all a bit of talk. There is no plan — and certainly no plan for increasing jobs in regional Victoria. One of the things the Treasurer did do in the last budget was cut regional payroll tax, and he has gone ahead and done more this time. We are actually slashing regional payroll tax to 2.425 per cent. This initiative will reduce the payroll tax liability for regional businesses by \$167 million. That is a lot of money that can go out there into the economy over the budget and forward estimates period. I know that there were contributions from the other side of the house where they said, ‘We do not know how many businesses are going to benefit from that’. I would suggest that you go back and read the Treasurer’s speech, where he actually said it is expected to slash costs for around 4000 businesses, create jobs, encourage people to move to regional Victoria and ensure every region shares in the benefits of our economic growth.

I say it again: this is the third year in a row this government has eased the payroll tax burden — the third year in a row. This is very, very important for attracting people to regional Victoria. We are very committed to making sure that people get the opportunity to start businesses in regional Victoria, employ people and get on with living and working in the regions. This government is very committed, and I think the regional payroll tax cut is a tremendous example of this level of commitment.

I do notice that the Victorian Chamber of Commerce and Industry chief executive, Mark Stone, said that the organisation:

... today welcomes the major investments in infrastructure —
yes, a record —

... training —

the commitment to TAFE and expanding TAFE —

... and regional tax relief contained in the 2018–19 State Budget.

Your pals at the Victorian Chamber of Commerce and Industry are right behind this tax cut.

I do also just want to finish by saying it has been commendable from those opposite, when they have not been interjecting, that they have actually supported the opportunity to give defence force personnel some tax relief when they are buying their first home. It is a commendable, worthy and desirable action on behalf of the Treasurer. I commend the Treasurer and his team. These are sensible steps in making sure that we deliver on our budget. It is about creating jobs and building a big Victoria whilst at the same time delivering very fiscally responsible, economically viable budgets.

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

Debate adjourned until later this day.

BUDGET PAPERS 2018–19

Debate resumed from earlier this day; motion of Mr SCOTT (Minister for Finance):

That this house takes note of the 2018–19 budget papers.

Ms McLEISH (Eildon) (18:41) — I rise to make my contribution to the take-note motion on the Appropriation (2018–2019) Bill 2018, which was handed down a few weeks ago by the Treasurer. We have a similar budget to usual here from the government — big taxing. We have just heard from the member for Narre Warren South about how taxes are good. We know that the member for Essendon also, Acting Speaker, is very keen on taxes. Of course this budget is set against the backdrop of very high taxes.

It is also big spending, but it does lack a little bit in strategy, I would think. We see that the Andrews Labor government is failing to deal with Victoria’s population growth. It is booming. There is no population strategy. There is no plan for decentralisation. But I will give it to the government — they certainly know about a short-term revenue grab. Again we see that this is something that they excel in, with no thought for the longer term.

I also want to set a bit of a context about Victoria at the moment and what is going on within the state. We have crumbling roads. Rural Victoria is pitted with crumbling roads. In the city congestion is one of the major issues. We have got cost-of-living pressures. Power prices are extremely high. Families are struggling to pay their household bills, but the budget barely acknowledges this. The types of crime that we have are out of control. We were not familiar with, but have become quite familiar with, home invasions when you are home. Not so long ago invasions did not happen when you were home. The brazenness of crime now is really something that still shocks me. And we see more and more ramming of police cars.

We have the Country Fire Authority (CFA) bubbling away, and we have seen such minimal investment in the CFA — in country Victoria — over the course of the CFA dispute. We have had presumptive rights legislation not get off the ground — the government have failed to deliver that quite spectacularly. Unemployment is higher than the national average, and we have had phenomenal growth in the public sector.

I want to also mention the federal government's contribution to the current budget put forward by the state Treasurer. I think the Treasurer has a lot to be thankful for from the Turnbull government — from the federal Liberal government — because they have certainly given the Victorian economy a push along. There has been an increase in GST revenue: \$65.8 billion is the GST revenue. Victoria's share now has gone up from 93 cents in the dollar to 99 cents, and this was something that when we were in government we called for consistently of the federal Labor government — of the Rudd-Gillard-Rudd government. They failed to deliver this. With that the revenue for Victoria is up by \$1.8 billion. That is \$5.6 billion over a four-year period. This increase in the GST has come from an increase in demand for services due to the population growth. We have got \$5.6 billion over four years coming in from the feds for that.

The sale of Snowy Hydro back to the federal government is another \$2.1 billion. We have seen a terrific investment by the federal Liberal government in infrastructure in Victoria. Amongst other things there is a \$5 billion investment in airport rail, something that the Andrews Labor government has ignored and the Brumby Labor government and the Bracks Labor government all ignored. We put it back on the table in government. I am glad to see that it is a Liberal government that is coming through on this.

Also with the north-east link, the federal Liberal government is putting \$1.75 billion to that. I think we

have certainly been hoodwinked by the state Labor government here with regard to the north-east link. This is a road that is needed. We know it needs to come after the east–west link because there is no point just sending all the traffic onto the Eastern Freeway — it is going to bottleneck and we are going to have worse congestion than we are currently seeing. I was quite interested because the member for Eltham was carrying on as though this north-east link was being built by the Labor government, which is not the case at all. In fact only last sitting week in a question to the Minister for Roads and Road Safety she mentioned that peak-hour traffic congestion is an ongoing challenge for residents in the Eltham electorate:

It is fantastic that the Andrews government is looking to the future by investing \$110 million to fast-track work on the north-east link, a much-needed project ...

But we actually found out through the Public Accounts and Estimates Committee that is not the case at all — the money is not there. I think that is extremely disappointing for people in and around Eltham and Ivanhoe, and certainly for my electorate, who might have been expecting something. Certainly that is not going to happen.

The government is also propped up by asset sales. We have had the port of Melbourne sold for \$9.7 billion. That is almost \$10 billion that they have received. I have mentioned Snowy Hydro. They are looking to flog off the land titles office. That will be another couple of billion. I have seen quite a number of parcels of land in my electorate that are being wrapped up in this. The Yarra Ranges Enterprise Centre, YREC, down at Warburton have been on land that belonged to the Melbourne and Metropolitan Board of Works, now Melbourne Water. They have had a hard fight, and I have been happy to support them. Alison, the board and the tenants at the enterprise centre and the Yarra Ranges council all went in to bat. I am actually pleased that the minister is in the chamber at the moment and has acted to see if the sale of that parcel of land in Warburton can be stopped. I do hope that the minister continues to work to make sure that that does not get wrapped up in this. We also have a large parcel of Melbourne Water land at Christmas Hills. It will be interesting to see how that ends up.

We have got taxes. We have all heard about the promise. There are taxes on property transfers and a vacant home tax. If you look locally, farmers with an apartment in the city that is vacant for a certain period of time can be slugged; however, people in the city with a vacant home down on the peninsula perhaps — Bellarine or Mornington — can be exempt. We have got annual property valuations increasing the land tax

and new stamp duties. The coal tax has been tripled and payroll tax has been bringing in extra dollars. We have had a \$6.2 billion increase in taxes since the 2014 election — a 35 per cent increase in taxes in four years, making Victoria the highest taxing state in the country.

The Treasurer has had billions and billions of dollars to work with. I think the Treasurer is splashing that around quite a bit. What needs to be remembered is that with this huge sum of money that the government has available to spend, we see a lot being wasted and we see loads of overruns. Again I hark back to what I have said before: for Labor governments, it is not their money, so they are less worried about spending and wasting taxpayer dollars than certainly those on this side of the house, who are much more conservative in that regard.

If we look at regional Victoria, the budget gives regional Victoria a raw deal unless you are from Ballarat, Bendigo or Geelong. Investment in agriculture is pretty well missing. There has been no significant increase in the value of exports with this Labor government. Biosecurity is extremely important for agriculture and the ongoing security of many export markets and markets around the state, but there is no funding here beyond 2019 and no funding in research.

There has been funding for schools, but I am concerned that the standards are not improving at all and we have got very crowded curriculums. If I have a look at some of the investment that is happening in my electorate, Launching Place Primary School is to receive \$500 000. That project is expected to be completed in the first quarter of 2020–21, so about September 2020. It is almost one and a half years from where we are now. There is \$25 000 in 2018–19 for planning, with the rest coming on board after that. There is a desperate need at the moment for some works to be done at Launching Place Primary School. They have been working with the government on issues of mould that they have, and this really cannot wait any longer. Whilst on the one hand it was seen as a positive, on the other hand they were exasperated to know they were not going to be getting this in the next financial year.

There are some small schools that have received funding. Don Valley Primary School and Hoddles Creek Primary School received \$170 000 and \$90 000 respectively. Small schools deserve to be looked after, but Toolangi Primary School just up the road cannot even get a flagpole. They would really like to have a flagpole but have had no luck and basically have been told that they need to go out and fundraise to get one because the department — I think very unfairly — is not going to support them in that.

We have also got Upper Yarra Secondary School receiving some funding under the guise of the Lilydale and Upper Yarra Education Plan. Stage 1 funding will deliver previously planned work in the education plan. I have been part of these planning discussions, and there were three schools tied up in it. It was called the Lilydale Education Plan until people in the Upper Yarra said, 'Hang on a minute, we could miss out on that'. I believe they are going to get \$6 million, and Upper Yarra Secondary School certainly does need some funding. I have put petitions out there and have been active in this space for quite some time. There was talk about another three schools further down the line that were going to be wrapped up in this, and I so hope that that is not the case. I hope that the investment is being made in the Upper Yarra, because the schools at Healesville — not so far away — and Lilydale have both had considerable investment.

Mansfield Secondary School is also undergoing some works at the moment as part of the last budget. Mansfield Secondary School has been on the most desperate list for quite some time. It was something that we had recognised in the last term of government, and we were looking to make that investment. In fact we had made a pre-election commitment, so that came through. The additional money for stage 2 has come through, but not for 2021, and they are in the middle of this project. They again were expecting or hoping that this funding would come straight on top of the current funding that they have got. This brings me to their issue. They are being funded for a sports stadium, which they do not have and are entitled to have. Sadly this is not going to be competition grade, and Mansfield has a desperate shortage of sports space. The council, through rate capping and being a small council, have very limited ability to raise funds to support this, and they have had minimal investment in the shire from this government.

We had the country roads and bridges program which gave the shire an extra \$4 million, but we also had a Local Government Infrastructure Fund, which helped them considerably, and that is missing now. Mansfield shire would love to see a second stadium there. They would also like to see the first one built as competition grade so the overflow from the extremely popular basketball competition could be held at the school. The philosophy of governments is that when you are building sports facilities or any facilities at schools they should also be built for community use. Not building this stadium the right size in the first instance limits the community. I think that is appalling, and I would be looking for the government to bring that investment forward, to come to their senses and to help Mansfield get on and build what they actually need now. They

need to put some decent investment back into that community so that the community can benefit as well as the school.

This is the same for the Murrindindi shire. There has been a minimal amount spent in that shire. The Regional Growth Fund has brought lots of opportunities; that has certainly been missing. We have seen that Nillumbik is getting absolutely heaps, and we only have to speak to the member for Eltham or to the member for Yan Yean about that. But localities like Kangaroo Ground, Strathewen, St Andrews and Panton Hill do not even rate a mention. There is a school crossing needed at Arthurs Creek, and I am hoping that will come to fruition. Kangaroo Ground Primary School also needs investment.

The Yarra Ranges shire is getting investment pretty well just in the Monbulk electorate. I hear this from shire staff, who say that everything happens in Monbulk but nothing much happens elsewhere. We know there is a lot of pork-barrelling. It has a desperate need for the mountain bike hub in Warburton to have some serious investment. It is looking for several million dollars. We made this a pre-election commitment in 2014. The shire feels absolutely let down by this government, that refuses to fund this shovel-ready project. The government likes it in principle, but that is not really helping the people in the Yarra Ranges, in the Upper Yarra. This would be a job-creation project. The amount of money that this would invest in the local economy and the number of local jobs it would provide would be fabulous, and the government needs to get on board and fund this.

Mr PERERA (Cranbourne) (18:56) — This is my 16th and last budget response in this Parliament. It is great to finish off on a budget that has absolutely got the priorities right between growth and the provision of services. This is a budget that allocates funds in an unprecedented fashion in the public education system, the public health system, public transport, public infrastructure and much more.

I congratulate the Treasurer and everybody else involved in putting together such a fantastic and visionary budget. Budgets are not always just about balancing numbers; they are about getting the priorities right in the given circumstances with a finite bucket of revenue. In some quarters this budget is called an election budget, as Victorians are due to elect a new government in November. In my view a more appropriate name would be a foundation budget for a new term.

Under the circumstances, Victorians expect what is funded in the budget to come into effect in the 2018–19 financial year and beyond. Unfortunately the Liberal-Nationals coalition continues to act as an opposition rather than as an alternative government. Sure, as an opposition it is under pressure to criticise it; I understand that. It is doing it very negatively as a typical opposition. However, there is nothing in this budget that it has endorsed, and it has not articulated alternative budget proposals like an alternative government. In fact only recently the Victorian Leader of the Opposition said that if the government had not stopped the east–west link project, 40 new schools and 40 new police stations could have been purchased. What a contradictory statement. If he had had his way, we could not have built any new schools or new police stations, since funds would have gone to building that road.

This is very different to the budget response of the federal opposition leader, who had the audacity, in true Labor tradition, to articulate an alternative vision for Australia. It is logical to conclude that the Victorian opposition is opposed to every single budget initiative. For example, does that mean it opposes the budget initiative of investing a record \$1.25 billion to build and upgrade schools across Victoria? Does that mean it opposes the budget initiative of a \$1.4 billion mega-investment in the City of Casey in education and transport? Does that mean it opposes all of the other good budget initiatives, such as making 30 priority TAFE courses and 18 preapprenticeship courses in the growth industries completely free of charge? Let me tell you that this will not go down well with the Victorian —

Business interrupted under sessional orders.

ADJOURNMENT

The DEPUTY SPEAKER — I move:

That the house now adjourns.

Arthurs Creek Road, Arthurs Creek, speed limits and signage

Ms McLEISH (Eildon) (19:00) — (14 399) My adjournment matter is for the Minister for Roads and Road Safety, and the action I seek is for the minister to fund the installation of electronic 40-kilometre-an-hour speed signs at Arthurs Creek Primary School, located on Arthurs Creek Road in Arthurs Creek. The school is situated on a very tricky corner; everybody who goes there knows how difficult it is to find a parking space across the road. You have to reverse into the car park because it is such a tight and tricky corner. The road is a

local government road, so the minister will need to work with the local Nillumbik council on this one.

The school community is concerned that drivers rarely abide by the speed limits and very often do not acknowledge that people are waiting to cross the road or are on the crossing as the vehicles pass through. This sort of thing happens on a daily basis with cars, motorbikes and trucks. The local community that knows the crossing well and knows the school well are very aware of it, but there is increased traffic now between the northern growth corridor and Hurstbridge. It is not going to get any less; it is going to increase if anything. We cannot let this continue.

VicRoads has said here and there that, yes, it will supply the lights and that it will do the installation. Then it says that it will not and that the council needs to do this. So there has been a bit of toing and froing over time, but it has gained a little bit of momentum. In November last year I received advice from council that it had written to VicRoads requiring it to sign off on major traffic control items like this, and it had in-principle support for the signs, so it was about the funding required for these.

I note in the current budget, and I reference budget paper 3, pages 11 and 21, that \$18 million or so has been allocated to school area safety. It says that:

The government will provide funding to continue its shared commitment with local government to supervise school crossings ...

It goes on to talk about safety improvements, including new electronic speed limit signs being installed in high-risk areas. I implore the minister to have a look at budget paper 3, use that school area safety component of the budget and have this school and the students kept a lot safer than they currently are with these traffic conditions. Small localities like Arthurs Creek should not be ignored, and student safety should not be put at risk. I think the minister should also have a good look at the road and fix it as well.

TAFE funding

Ms SPENCE (Yuroke) (19:03) — (14 400) My adjournment matter is for the Minister for Training and Skills. The action I seek is for the minister to provide an update on how Yuroke residents will be able to benefit from the free TAFE priority courses included in the recent Victorian budget. I have been overwhelmed by the positive response from local residents eager to access these courses, which is no surprise given how important vocational education is to my community.

According to 2016 census data, for a quarter of Yuroke residents their highest qualification is a certificate III, IV, diploma or advanced diploma. This fantastic initiative will allow young people to get a great start in their careers and those already in the workforce to upskill or reskill to improve their career prospects. It stands in stark contrast to the previous Liberal government's record of trashing our TAFE system. I am proud of the work this government has done to save TAFE, and I look forward to sharing the minister's response with Yuroke residents.

Fruit fly

Mr CRISP (Mildura) (19:04) — (14 401) My adjournment is to the Minister for Agriculture in the other place. The action I seek is that the minister conduct another poll for the continuation of the order of the Greater Sunraysia Pest Free Area Industry Development Committee, also known as the fruit fly committee. Queensland fruit fly is a pest of significance to producers and customers, and thus needs to be controlled and eradicated. Fruit fly destroys fruit in the home garden, it destroys commercial fruit and it impedes the confidence of customers when they are buying fruit.

The fruit fly committee has been working on control measures since 2014. To understand the measures you need to understand the life cycle of a fruit fly. When a female and male fruit fly mate, the female then heads off to find some fruit to fertilise the eggs. When you are looking at various parts of the fruit fly, at this stage they store the semen in order to fertilise multiple generations. This will be important later. The life cycle can be as short as one month or can be many months, depending on the temperature, and thus there are some opportunities for control. During this period, once the egg hatches in the fruit and the grub matures, the grub then drops to the ground, pupates according to the ground temperature and then starts the life cycle again. One fly in the early spring can have nearly 1 million offspring by the end of autumn.

What has the fruit fly committee been doing? Firstly, you want to trap flies. They use a trap to attract the females because once their eggs are fertile they need protein, so a protein bait is used to mask an insecticide. For males, the female sexual attractor pheromone is used, masking an insecticide to kill the males. Once trapping has lowered the numbers, you can in fact use steriles. Eggs and larvae are temperature sensitive, so they do not like cold, and thus cold sterilisation is an important part of the control measures.

We know the strengths and weaknesses of this pest. What we really want to do is have a future where we can control this pest. That is where the fruit fly committee has been so important. Industry is calling for another poll because the poll that supports this committee has in fact failed because of lack of turnout. But this should not deter us. I do not want the minister to give up on fruit fly in Mildura this early. I want another poll so that we can engage the growers and continue to fight this pest, which has the ability to threaten Mildura's economy.

Carrum–Warburton bike trail

Ms KILKENNY (Carrum) (19:07) — (14 402) My adjournment matter is for the Minister for Roads and Road Safety, and the action I seek is for the minister to provide an update on the new bike and shared user path that will be constructed to connect Carrum Downs to the Carrum–Warburton trail. The announcement of \$1.5 million in the 2018–19 Victorian budget to connect Carrum Downs to this trail has been very well received by my constituents. Now that the funding is available, my constituents would like an update on the proposed works.

Maroondah Highway–Heatherdale Road–Dampier Grove, Ringwood

Ms RYALL (Ringwood) (19:07) — (14 403) The matter I raise is for the Minister for Roads and Road Safety. The action I seek is for an urgent review of the intersection of Maroondah Highway, Heatherdale Road and Dampier Grove on the border of Mitcham and Ringwood to ensure the following: increased pedestrian crossing time from north to south across Maroondah Highway, as currently there is insufficient time to complete the crossing in the time allowed; red and green turning arrows for cars exiting Heatherdale Road and turning right onto Maroondah Highway; red and green turning arrows for cars exiting Dampier Grove and turning left into Maroondah Highway; and flashing pedestrian warning signs. There also needs to be an opportunity for cars to do a U-turn on Maroondah Highway between New Street, Ringwood, and the Heatherdale Road and Dampier Grove intersection.

The very tragic death of Aivy Nguyen last week has left our local community in shock. I know all of our hearts go out to her family and friends. This tragic event has meant that concerns of local residents have come to the fore. They state that they have been fearful about the increased number of road accidents and near misses that they witness time and again. They also fear for the safety of pedestrians crossing both north to south and back again on the Ringwood side of the intersection.

Traffic loads on Heatherdale Road since the removal of the level crossing have grown significantly. It is now a main through road, whereas previously locals avoided that intersection and used other exits onto Maroondah Highway. This means that traffic going through in multiple directions at that intersection has increased significantly.

I spent some time with Louis Datoy and other concerned local residents on Saturday discussing their concerns and witnessing the traffic flows and movements from the footpath at lunchtime, not a particularly busy time. What we witnessed was really significant. When the lights north to south turn green there can be pedestrians crossing at the same time as cars are turning into Maroondah Highway from Dampier Grove and right into Maroondah Highway from Heatherdale Road, all without any direction from arrows. There is so much interaction in that small area that it becomes quite apparent how busy and dangerous that intersection can be.

My office is close by, and I am aware of two times recently where I had to alter my route and avoid that intersection as it had been shut down because of significant accidents, with emergency vehicles present. I ask the minister to please ensure, very promptly, that the safety at this intersection is prioritised and improved significantly for my local community and for others who are passing through that intersection.

Head Start apprenticeships and traineeships program

Ms THOMAS (Macedon) (19:10) — (14 404) The matter I wish to raise is for the attention of the Deputy Premier and Minister for Education, and the action I seek is that the minister join me in my electorate to outline how the government's Head Start apprenticeships program will deliver more opportunities for young people in Macedon. Minister, my electorate is home to many qualified tradespeople, and the number of people working in trades and technical occupations is above the state average, so people in Macedon understand not only the importance of trade qualifications but also the opportunities that they can bring. That is why I am so pleased about the government's Head Start program that will deliver up to 1700 apprenticeships and traineeships at 100 secondary schools across Victoria. What makes this program so revolutionary is that students can stay at school an extra year, to year 13, to finish either the Victorian certificate of applied learning or the Victorian certificate of education and their apprenticeships.

Head Start will provide apprenticeships targeted at priority industries and traditional trades like construction, defence and health, with enterprise apprenticeships and traineeships to be developed that target high-technology areas needed for the jobs of tomorrow, like coding. This fantastic initiative means young people will be supported to complete their training and will leave school fully qualified and ready to work. This is also complemented by our government's commitment to overhaul career education in our state. Only the Andrews government understands the importance of trade and technical qualifications to create real opportunities for young people and to support our community to grow and prosper.

Grandmothers Against Removals

Ms THORPE (Northcote) (19:12) — (14 405) My adjournment matter is for the Minister for Families and Children in the other place, and the action I seek is for the minister to take responsibility for ensuring a reduction in the number of Aboriginal children being removed not only from their families but also from their communities by supporting the participation of local Aboriginal communities in child protection decision-making via organisations such as Grandmothers Against Removals.

This Saturday, 26 May, is National Sorry Day. It is a day to acknowledge and recognise members of the stolen generations. It is ahead of this day that I am joining the grandmothers outside Parliament to launch the Victorian chapter of Grandmothers Against Removals. Grandmothers Against Removals formed in New South Wales in recognition that the stolen generations are not a thing of the past. It is happening today. Matriarchs from communities across that state banded together to demand an end to Aboriginal children being removed and to call for a voice in out-of-home care placement decisions.

In 2016–17 there were around 2000 Aboriginal children in out-of-home care in Victoria. The Victorian Taskforce 1000 inquiry found that the system is in crisis, with 60 per cent of Aboriginal children they reviewed being placed with a non-Aboriginal carer. Too often children are being removed from families and from communities to be placed with carers who might live hundreds of kilometres away when there are extended families or others in the local Aboriginal community who could provide that care. These removals are deeply traumatising for the children.

I understand the Victorian government has tried to take steps to improve this by giving the Victorian Aboriginal Child Care Agency (VACCA) and other organisations

control over Aboriginal childcare placements, but I fear these organisations will suffer from the same problems as the department unless there is clear reform of the processes and unless grassroots community members are given a seat at the table.

In New South Wales Grandmothers Against Removals have been successful in reducing the number of children being removed from communities. This has been achieved by the New South Wales Department of Family and Community Services district officers working in cooperation with Grandmothers Against Removals to find placements for children within their local communities. The department has formalised this process by developing a document called *Guiding Principles for Strengthening the Participation of Local Aboriginal Community in Child Protection and Decision Making*. The Victorian government and VACCA must look to this model and bring the strengths of it to the Victorian context if we are finally going to bring an end to the stolen generations.

Jacksons Hill master plan

Mr J. BULL (Sunbury) (19:15) — (14 406) My adjournment matter is for the Minister for Creative Industries. The action I seek is for the minister to visit my electorate and meet with the Sunbury Community Arts Network to discuss the brand-new arts precinct to be formed at Jacksons Hill. We are very fortunate in Sunbury to have such a vibrant and passionate arts community, and the \$3 million allocated in this year's budget will go a long way to redeveloping this important area. The arts centre will be the first of its kind and will rejuvenate the old boiler house on the former Victoria University site.

We have a proud history in Sunbury, and I am delighted that this funding will, thanks to the Andrews Labor government, open the next chapter on what is a very important site for the local community. For years this site had no plan, no vision and no funding, but this budget changes all of that. I was thrilled to speak to members of the Sunbury Community Arts Network on budget day and hear their delight that their hard work, their advocacy and their support over many years has been rewarded. My office has had a number of calls and emails about how excited many in the community are about this new vision and new future for the hill.

I want to take the opportunity to thank the Minister for Planning for the work that has been done thus far. I am thrilled we are taking decisive action to acquire the site, which will allow us to enact the master plan.

Maryborough–Ararat railway line

Ms STALEY (Ripon) (19:16) — (14 407) My adjournment matter is directed to the Minister for Public Transport, and the action I seek is that she directs V/Line to accept responsibility for the fire that is recorded in the Country Fire Authority (CFA) fire incident reporting system, 669853, and requires V/Line to take appropriate remedial action.

Fire incident reporting system 669853 relates to a fire that started on the Maryborough–Ararat line when the freight trains were running in February. The CFA report details that there were two areas of origin — one at the eastern end, at the Keiths Road rail crossing, and the other at the western end, at crossing 55. This report goes through possible fire causes and notes: lightning — eliminated; powerlines — eliminated; machinery/vehicles/motorbikes — eliminated; mechanical failure of machinery, vehicles — eliminated; cutting/grinding/welding activities — eliminated; juvenile activities — eliminated; suspicious — eliminated; and fireworks — eliminated. The report states:

The cause of this incident —

according to the CFA —

was ... due to the aggressive application of power to the locomotive drive —

on the train —

which created excessive friction from the drive wheels to the rail, resulting in massive spark release into the grass on the track side. This would also explain the two locations of the points of origin.

This fire went on to cause significant damage. It burnt out some hectares of fences, hay and other significant, although not structural, assets on neighbouring farms. Because V/Line has refused to take responsibility for causing this fire, there have been issues in relation to both insurance and just getting any sort of redress from V/Line. Letters to the minister have either remained unanswered or replies have been simply a form letter saying that the CFA is looking into it. Well, the CFA has looked into it. They have issued their report — that is, report 669853 — and it is well time that V/Line made redress.

Country Fire Authority Plenty station

Ms GREEN (Yan Yean) (19:19) — (14 408) My adjournment matter is for the Minister for Emergency Services, and the action I seek is for him to instruct his agencies to have urgent discussions with the Nillumbik shire to remove impediments preventing the progress of

the construction of a new Country Fire Authority (CFA) station at Plenty.

This fabulous brigade has been campaigning for a decade for a new station. Labor made an election commitment in 2010 to do so for both the Plenty and Wattle Glen brigades. Sadly we were not elected at that election, and the coalition had made no such commitment. Even worse, the Wattle Glen brigade was pressured to close and the Plenty brigade had to contend with rumours of them being taken over as a staffed station, so consequently nothing was built. In 2014 Labor again made an election commitment to build the Plenty fire station and the Wattle Glen fire station and it funded that early in its term.

The Yan Yean Road alignment, another great project that we are doing, meant the sourcing of land was complex. But mid-last year a site was finally identified. On 8 August 2017 the CFA wrote to Nillumbik shire saying, and I quote:

Re: ... proposed site at cnr Memorial Drive and Butlers Road

Further to a meeting between council officers and CFA representatives on the 4 August 2017, CFA is requesting from Nillumbik Shire Council an 'in principle' agreement to allow CFA to progress with a planning permit application for the redevelopment of the Plenty fire station on land within Plenty War Memorial Park ...

The letter goes on to say:

CFA currently leases the existing Plenty fire station site from council which is also located within the same reserve at the corner of Yan Yean Road and Memorial Drive.

As you are aware CFA has been searching for a suitable site for a new Plenty fire station for over 10 years ...

...

CFA is looking forward to working closely with council to achieve the best possible outcome for the Plenty community.

Now, some nine months on, nothing has progressed. This brigade badly needs a station to be built and in place before the next fire season, and the only impediment to this is the Liberal-led council. The Liberals did nothing in government at a state level, and now they are in control of Nillumbik council they are trying to hold up the protection of this great community.

Ironically the Nillumbik shire offices themselves are within the response area for the Plenty CFA. I urge the minister to have his agencies get Nillumbik Shire Council to move so that this fire station can be built.

Responses

Mr FOLEY (Minister for Creative Industries)

(19:22) — I thank the member for Sunbury, a true champion of his community. As he quite rightly pointed out, this most recent budget delivered \$3 million to the Jacksons Hill project, which the member has been a champion for. I have been to that facility with the honourable member, and it is a true gem that will be properly turned into a creative precinct under the leadership of the honourable member for Sunbury and the likes of Tony Rains, president of the Sunbury Community Arts Network. I have visited the Boilerhouse Community Arts Centre and a number of other buildings on the site, and I was very impressed by the enthusiasm of the creative community of that area of Victoria.

We all know that Victoria is the creative capital of Australia, including in Melbourne at our key cultural institutions at the unprecedented arts precinct at Southbank, but the heart and soul of it — the pipeline of creativity — is in communities like that of the honourable member for Sunbury and indeed all the other members in this place. The honourable member lobbied so hard for that \$3 million contribution, and can I say, against the opposition of Mr Finn from the other place, who had nothing but bad things to say about the honourable member's efforts. I congratulate the honourable member and I look forward to again visiting that fantastic precinct and looking for more and more creative opportunities to make sure that Victoria, and Sunbury, continue on as creative hubs.

Ms NEVILLE (Minister for Police) (19:23) — I will refer matters on in a moment, but I did want to acknowledge what I think is the 40th birthday, or something like that, of the member for Mildura, so happy birthday to the member for Mildura. I did want to make a special mention of the fact that I will make sure the Minister for Agriculture is absolutely across both the fertilisation and the sterilisation process for fruit flies. We thank him for that.

A number of other members have raised a number of issues for ministers, and I will pass those issues on.

The DEPUTY SPEAKER — The house now stands adjourned until tomorrow.

House adjourned 7.24 p.m.