

PARLIAMENT OF VICTORIA

**PARLIAMENTARY DEBATES
(HANSARD)**

LEGISLATIVE COUNCIL

FIFTY-SEVENTH PARLIAMENT

FIRST SESSION

Thursday, 7 June 2012

(Extract from book 10)

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The Lieutenant-Governor

The Honourable Justice MARILYN WARREN, AC

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Legislative Council committees

Privileges Committee — Ms Darveniza, Mr D. Davis, Mr P. Davis, Mr Hall, Ms Lovell, Ms Pennicuik and Mr Scheffer.

Procedure Committee — The President, Mr Dalla-Riva, Mr D. Davis, Mr Hall, Mr Lenders, Ms Pennicuik and Mr Viney

Legislative Council standing committees

Economy and Infrastructure Legislation Committee — Mr Barber, Ms Broad, Mrs Coote, #Ms Crozier, Mr Drum, Mr Finn, #Ms Hartland, #Mr Leane, #Mr Lenders, #Mr Ondarchie, Ms Pulford, Mr Ramsay and Mr Somyurek.

Economy and Infrastructure References Committee — Mr Barber, Ms Broad, Mrs Coote, #Ms Crozier, Mr Drum, Mr Finn, #Mr Leane, #Mr Lenders, #Mr Ondarchie, Ms Pulford, Mr Ramsay and Mr Somyurek.

Environment and Planning Legislation Committee — Mr Elsbury, #Mr Finn, #Ms Hartland, Mrs Kronberg, #Mr Leane, Mr Ondarchie, Ms Pennicuik, #Mrs Petrovich, Mrs Peulich, Mr Scheffer, #Mr Tarlamis, Mr Tee and Ms Tierney.

Environment and Planning References Committee — Mr Elsbury, #Mr Finn, #Ms Hartland, Mrs Kronberg, #Mr Leane, Mr Ondarchie, Ms Pennicuik, #Mrs Petrovich, Mrs Peulich, Mr Scheffer, #Mr Tarlamis, Mr Tee and Ms Tierney.

Legal and Social Issues Legislation Committee — Ms Crozier, Mr Elasmr, #Mr Elsbury, Ms Hartland, Ms Mikakos, Mr O'Brien, Mr O'Donohue, Mrs Petrovich, #Mr Ramsay and Mr Viney.

Legal and Social Issues References Committee — Ms Crozier, Mr Elasmr, #Mr Elsbury, Ms Hartland, Ms Mikakos, Mr O'Brien, Mr O'Donohue, Mrs Petrovich, #Mr Ramsay and Mr Viney.

Participating member

Joint committees

Dispute Resolution Committee — (*Council*): Mr D. Davis, Mr Hall, Mr Lenders, Ms Lovell and Ms Pennicuik. (*Assembly*): Mr Clark, Ms Hennessy, Mr Holding, Mr McIntosh, Mr Merlino, Dr Naphthine and Mr Walsh.

Drugs and Crime Prevention Committee — (*Council*): Mr Leane, Mr Ramsay and Mr Scheffer. (*Assembly*): Mr Battin and Mr McCurdy.

Economic Development and Infrastructure Committee — (*Council*): Mrs Peulich. (*Assembly*): Mr Burgess, Mr Foley, Mr Noonan and Mr Shaw.

Education and Training Committee — (*Council*): Mr Elasmr and Ms Tierney. (*Assembly*): Mr Crisp, Ms Miller and Mr Southwick.

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

Environment and Natural Resources Committee — (*Council*): Mr Koch. (*Assembly*): Mr Bull, Ms Duncan, Mr Pandazopoulos and Ms Wreford.

Family and Community Development Committee — (*Council*): Mrs Coote and Ms Crozier. (*Assembly*): Mrs Bauer, Ms Halfpenny, Mr McGuire and Mr Wakeling.

House Committee — (*Council*): The President (*ex officio*) Mr Drum, Mr Eideh, Mr Finn, Ms Hartland, and Mr P. Davis. (*Assembly*): The Speaker (*ex officio*), Ms Beattie, Ms Campbell, Mrs Fyffe, Ms Graley, Mr Wakeling and Mr Weller.

Law Reform Committee — (*Council*): Mrs Petrovich. (*Assembly*): Mr Carbines, Ms Garrett, Mr Newton-Brown and Mr Northe.

Outer Suburban/Interface Services and Development Committee — (*Council*): Mrs Kronberg and Mr Ondarchie. (*Assembly*): Ms Graley, Ms Hutchins and Ms McLeish.

Public Accounts and Estimates Committee — (*Council*): Mr P. Davis, Mr O'Brien and Mr Pakula. (*Assembly*): Mr Angus, Ms Hennessey, Mr Morris and Mr Scott.

Road Safety Committee — (*Council*): Mr Elsbury. (*Assembly*): Mr Languiller, Mr Perera, Mr Tilley and Mr Thompson.

Rural and Regional Committee — (*Council*): Mr Drum. (*Assembly*): Mr Howard, Mr Katos, Mr Trezise and Mr Weller.

Scrutiny of Acts and Regulations Committee — (*Council*): Mr O'Brien and Mr O'Donohue. (*Assembly*): Mr Brooks, Ms Campbell, Mr Gidley, Mr Nardella and Mr Watt.

Heads of parliamentary departments

Assembly — Clerk of the Parliaments and Clerk of the Legislative Assembly: Mr R. W. Purdey

Council — Clerk of the Legislative Council: Mr W. R. Tunnecliffe

Parliamentary Services — Secretary: Mr P. Lochert

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FIFTY-SEVENTH PARLIAMENT — FIRST SESSION

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Deputy Leader of the Government:

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Leader of the Opposition:

Mr J. LENDERS

Deputy Leader of the Opposition:

Mr G. JENNINGS

Leader of The Nationals:

The Hon. P. R. HALL

Deputy Leader of The Nationals:

Mr D. DRUM

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Coote, Mrs Andrea	Southern Metropolitan	LP	Mikakos, Ms Jenny	Northern Metropolitan	ALP
Crozier, Ms Georgina Mary	Southern Metropolitan	LP	O'Brien, Mr David Roland Joseph	Western Victoria	Nats
Dalla-Riva, Hon. Richard Alex Gordon	Eastern Metropolitan	LP	O'Donohue, Mr Edward John	Eastern Victoria	LP
Darveniza, Ms Kaye Mary	Northern Victoria	ALP	Ondarchie, Mr Craig Philip	Northern Metropolitan	LP
Davis, Hon. David McLean	Southern Metropolitan	LP	Pakula, Hon. Martin Philip	Western Metropolitan	ALP
Davis, Mr Philip Rivers	Eastern Victoria	LP	Pennicuik, Ms Susan Margaret	Southern Metropolitan	Greens
Drum, Mr Damian Kevin	Northern Victoria	Nats	Petrovich, Mrs Donna-Lee	Northern Victoria	LP
Eideh, Mr Khalil M.	Western Metropolitan	ALP	Peulich, Mrs Inga	South Eastern Metropolitan	LP
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Hall, Hon. Peter Ronald	Eastern Victoria	Nats	Somyurek, Mr Adem	South Eastern Metropolitan	ALP
Hartland, Ms Colleen Mildred	Western Metropolitan	Greens	Tarlamis, Mr Lee Reginald	South Eastern Metropolitan	ALP
Jennings, Mr Gavin Wayne	South Eastern Metropolitan	ALP	Tee, Mr Brian Lennox	Eastern Metropolitan	ALP
Koch, Mr David Frank	Western Victoria	LP	Tierney, Ms Gayle Anne	Western Victoria	ALP
Kronberg, Mrs Janice Susan	Eastern Metropolitan	LP	Viney, Mr Matthew Shaw	Eastern Victoria	ALP

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Thursday, 7 June 2012

The PRESIDENT (Hon. B. N. Atkinson) took the chair at 9.34 a.m. and read the prayer.

PARTNERSHIPS VICTORIA

Victorian Comprehensive Cancer Centre

Hon. D. M. DAVIS (Minister for Health), by leave, presented project summary, May 2012.

Laid on table.

PAPERS

Laid on table by Clerk:

Parliamentary Committees Act 2003 — Government Response to the Drugs and Crime Prevention Committee's Report on the Inquiry into Violence and Security Arrangements in Victorian Hospitals.

Subordinate Legislation Act 1994 — Legislative Instrument and related documents under section 16B in respect of an Instrument of Revocation of 13 April 2012 made under section 5.2.1(2)(b) of the Education and Training Reform Act 2006.

PRODUCTION OF DOCUMENTS

The Clerk — I have received a letter dated 4 June from the Minister for Environment and Climate Change headed 'Legislative Council order to produce documents — wildlife control' and related documents.

Letter at page 3015.

Ordered to be considered next day on motion of Mr BARBER (Northern Metropolitan).

Mr Barber — On a point of order, President, I refer to a document ordered by the Council to be delivered by the Leader of the Government in March. The document was the Network Revenue Protection Plan, the government's plan for reducing fare evasion. We received one letter from the relevant minister saying that more time was required, and last week the document was exclusively leaked to the *Age*, which published excerpts from the content of the document and the name of the document.

This document is necessary information for the house to deal with matters such as my fares bill, which was debated yesterday, the discussion of the annual appropriation, matters relating to protective services officers and other matters relating to the operation of

the public transport system. The absence of this necessary information has now become a serious impediment to the house in doing its work. The document was not tabled earlier this week and it has not been tabled this morning.

It is a serious discourtesy, bordering on contempt, for the government not to have complied with the Council's order when it has leaked the document to the *Age*. As long as the situation in relation to this document continues, government members are going to find out what non-cooperation is and what it is to work for a living — starting right now.

Hon. D. M. Davis — On the point of order, President, I am prepared in good faith to find out the status of that document for Mr Barber.

Mr Barber — Good faith is over.

Hon. D. M. Davis — I just make the point to Mr Barber that I will seek to find out what I can about the status of that document. I understood there was movement on that specific document, but I will follow that up further.

The PRESIDENT — Order! I would have deferred to the Leader of the Government to ascertain the status in terms of the request from the house for that documentation, and the minister has responded to that by way of addition to the point of order. I can indicate that it is clearly not within my power to insist on the production of the document. If the document is not forthcoming and if the house shares Mr Barber's concerns, then it is a matter for the house to reconsider by way of a motion to express its concerns and certainly to indicate the fact that the documentation is required.

I am also not in a position to know whether or not the document referred to as having appeared in the media is the same document that the house is seeking. It may well be an entirely different document or a much precised version, if you like, of what the house is seeking. I am not in a position to ascertain if the material that was sought by the house has been given to the media ahead of being provided to the house. I would share some of the concerns about courtesy in terms of matters that are raised by the house for the executive government if it is true that the document sought by the house was first given to the media rather than coming here. But, as I said, I am not in a position to know if that is the case with this document.

I certainly do not think that the tenor of the speech towards the end of the point of order was really helpful to the house. I understand the frustration, but I do not

think it is really helpful to the house, and I am sure on reflection Mr Barber will also think that. As I said, if necessary, we can proceed with a substantive motion if Mr Davis is unable to establish, as he has given an indication to the house that he will, what the current position is on the document sought.

BUSINESS OF THE HOUSE

Adjournment

Hon. D. M. DAVIS (Minister for Health) — I move:

That the Council, at its rising, adjourn until Tuesday, 19 June.

Motion agreed to.

MEMBERS STATEMENTS

Shire of Melton: family violence forum

Mr EIDEH (Western Metropolitan) — It is alarming for me, and I am sure for all in this house, to discuss the hellish torment of child abuse and domestic violence. However, in saying this I rise to congratulate Melton Shire Council and mayor Justin Mammarella on their proactive initiative to help increase the understanding and prevention of child abuse and violence against women.

I would also like to give mention to Matthew Wilson and Francesca Carlton, who lead the wonderful youth services team at Melton Shire Council. This initiative has confronted the issue of child abuse, as opposed to so many others in the state whose mentality is, by not acknowledging it, to pretend it simply is not there. It is truly honourable of the mayor and the youth services team to address this problem.

On Tuesday, 29 May, the council organised and hosted a forum which included guest presenters, including Dr Joe Tucci, CEO of the Australian Childhood Foundation; Bernadette McMenamin, CEO of Child Wise; and Sophie Gale from the Prevention of Violence against Women project at the Municipal Association of Victoria. Officers from the Melton and Caroline Springs police departments were also present.

All too often in many communities across the state we hear of horrific cases of child abuse and violence against women. Once again I commend the council for holding a forum for the prevention of child abuse and violence against women, and I hope to see other local councils adopt the same approach.

Kathleen Millikan Children's Centre: funding

Mr KOCH (Western Victoria) — I was pleased to join the member for Lowan in Casterton last Thursday to welcome a grant of \$1.1 million for the Kathleen Millikan Children's Centre, \$600 000 of which came from the Children's Facilities Capital program and \$500 000 from the Rural Development Fund.

The announcement, which was made by the Minister for Children and Early Childhood Development, Wendy Lovell, shows the Baillieu government's commitment in recognising early childhood development as an important tier of education. This funding will help build a new state-of-the-art \$1.88 million child and family complex for Casterton, and it is great news for families with young children. It also means that the centre can meet the universal access requirement of 15 hours a week for four-year-olds.

The Koch family is proud to have a strong connection to the Kathleen Millikan Children's Centre through my grandmother and mother, who were life governors, and through my own attendance and that of my daughter, Jodie. My parliamentary colleague Georgie Crozier is also a past pupil. Personally I am thrilled to see this centre, which was originally opened in 1955 and has been a part of my family for over four generations, gain the funding it needs to offer more modern facilities in serving families in the wider Casterton community.

With support from successive Glenelg shires the Kathleen Millikan Children's Centre has served this region well, as this grant acknowledges. I congratulate the centre's management, past and present, for having made an exceptional contribution to preschool education in the Casterton district.

Glenmaggie Dam: flood mitigation

Mr BARBER (Northern Metropolitan) — All members would note with great concern the flooding that is occurring in the Gippsland area. We are all crossing our fingers and holding our breath, hoping that there is no loss of human life. The middle of a natural disaster is not normally the time to make political points about that disaster; however, I have learnt in my short time here that after a disaster the public's attention is often quickly diverted to other issues, so it is important to take note of what is occurring while the disaster unfolds.

This time last year I moved a motion about flood levels and the use of dams in Victoria for flood control. At that time the government noted that extra flexibility had been built into the operating rules for the Glenmaggie Dam. Unfortunately, during this crisis the airspace

within Glenmaggie Dam filled up very quickly, leading to flash flooding below the dam. I think it would be timely, immediately after the crisis has passed, for the government to go back and review the operating rules to ensure that dams can be used for flood mitigation in a crisis and are not devoted purely to the interests of water storage.

Northern Support Services: open day

Ms MIKAKOS (Northern Metropolitan) — On 15 May 2012 I was pleased to attend the open day of Northern Support Services, which is based in Northcote. It supports young people with disabilities and provides them with recreational, training and education opportunities and pathways to inclusive employment programs to enable them to fully participate in the community. I congratulate the management and staff at Northern Support Services on a successful open day.

Northern Metropolitan Region: education excellence awards

Ms MIKAKOS — On 18 May I was pleased to attend the 2012 Victorian Education Excellence Awards along with other opposition members, including Steve Herbert, James Merlino and Colin Brooks, the Assembly members for Eltham, Monbulk and Bundoora. I wish to acknowledge the outstanding achievements of teachers and the schools, particularly in Northern Metropolitan Region, that were presented with various awards that evening. Congratulations to Dallas Brooks Community Primary School, which was presented with the partnerships with families and communities award, and to the Distance Education Centre Victoria, which was a finalist in the category of curriculum innovation.

I would also like to congratulate the individual award finalists, including Doug Fargher from Westgarth Kindergarten, who was nominated for the outstanding early childhood teacher award, and Wendy Liedtke from Hume Valley School, who was nominated for the outstanding teacher award — disability and additional needs. I congratulate Lori Farchione-Zappia from Dawson Street Preschool, who was presented with the outstanding early childhood teacher award. I congratulate all the recipients of the 2012 Victorian education excellence awards and thank the many teachers who enrich our children's education. I wish them all the best for today's rally.

Mahogany Rise Child and Family Centre

Ms MIKAKOS — On 29 May I visited the Mahogany Rise Child and Family Centre in Frankston,

which is housed in a building that was funded by the federal Labor government's Building the Education Revolution program. It is an excellent centre.

The PRESIDENT — Order! I am sure it is, but the member is out of time.

Glenmaggie Dam: flood mitigation

Mr P. DAVIS (Eastern Victoria) — I am delighted to have an opportunity to make a comment on Mr Barber's earlier contribution, in which he took the opportunity to make political points in relation to what, as he said, was a natural disaster.

In actual fact if Mr Barber knew what he was talking about, he would know that the Macalister River catchment, which is the water source for the Glenmaggie Weir, has, as a ratio, the highest catchment and inflow of any catchment in Victoria to a dam. In fact the reason for the construction of the Glenmaggie Dam in the first place was that it was quite a small dam, and proportional to the whole of the water catchment system in Victoria it is the most reliable dam in the state. In most years it fills and spills, and it is an unusual year when it does not fill and spill. In a high-rainfall event such as we have experienced, it will inevitably fill and spill.

If Mr Barber had any practical understanding of the water industry, he would have done two things: he would have saved his comments for a time that was more appropriate and he would not have said what he said today.

Teachers: enterprise bargaining

Ms PULFORD (Western Victoria) — I would like to add my support to 25 000 Victorian teachers and principals taking industrial action today. When the Premier, Ted Baillieu, was the opposition leader he said that Victorian teachers ought not be the worst paid but the best paid teachers in Australia, and that is exactly what this dispute is about. Some 16 000 of 16 700 eligible teachers who voted in the ballot elected to stop work. Contrary to what the Minister responsible for the Teaching Profession had to say in question time yesterday, what this reveals is an extraordinary depth of support for this action. This is occurring in the context of budget cuts, staff cuts, the axing of Victorian certificate of applied learning coordinators, attacks on vocational education and training in schools, the cancellation of the Victorian schools plan and cuts to the education maintenance allowance, which in my view is the most disgusting thing this government has done thus far. It is a tough call, but I think it is the most appalling thing it has done so far.

In the *Herald Sun* today Minister Hall was quoted as saying, 'It is going to be a terrible inconvenience', but I would suggest that the action taken by Victorian teachers today is not going to be half as inconvenient as it is for Victoria to have a government that is so committed to the destruction of public education in this state.

Western Metropolitan Region: kindergarten funding

Mr ELSBURY (Western Metropolitan) — I wish to rise to congratulate the Minister for Children and Early Childhood Development on her allocation of funds to 12 kindergartens across Western Metropolitan Region. Alamanda early years centre received \$1.43 million and Newbury child and community centre in Craigieburn received \$1 million. Anne Sgro children's centre in Coburg, Barry Beckett children's centre in Coburg, Coburg children's centre, Parkwood Green children's and community centre in Hillside, Kororoit Creek early learning centre in Burnside Heights, Quantin Binnah community centre in Werribee, Jigsaw Childcare in Sunshine North and St Andrew's Anglican Kindergarten in Aberfeldie each received \$300 000. Tarneit Kindergarten received \$34 000 and Jamieson Way Kindergarten in Point Cook received \$38 000. This money will be put to good use to prepare for the federal government's inclusion of 15 hours of access per week.

Queen Elizabeth II: diamond jubilee

Mr ELSBURY — I would also like to take a brief moment to thank her Majesty Queen Elizabeth II for her 60 years of service to the people of the commonwealth, leading a free people in a democratic way. We have a great sovereign who has been able to provide us with stability and strength and also share with us both good times and bad.

Donna Campbell

Ms TIERNEY (Western Victoria) — Last month in Texas, Donna Campbell, a researcher at the Geelong Hospital, was given the international excellence in clinical research award for outstanding leadership. The award was in recognition of Ms Campbell's work in setting up pharmaceutical research trials and, more recently, the work she has done with GP-based Alzheimer's disease trials. This is an important and well-deserved recognition of work that is all too often placed under the radar. Congratulations to Donna and the staff at the Geelong Hospital.

Geelong Manufacturing Council: clean technology conference

Ms TIERNEY — I also congratulate the Geelong Manufacturing Council for holding a two-day conference last Tuesday and Wednesday on clean technology. It was a very well-attended conference and provided an enormous amount of practical information and contacts to a whole range of businesses in Geelong and the surrounding area.

Portarlington: Biggest Afternoon Tea

Ms TIERNEY — I also congratulate Portarlington Community Association and the combined local community groups that held the Biggest Afternoon Tea last Thursday, coordinated by Madge Pinge and Gemma Tobschall. They raised a massive amount of \$11 000, and I thank them for their amazing contribution, which will go to the cancer centre in Geelong. The volunteers on the day were excellent. I encourage them to do this again next year, and I will certainly join them.

Israel: 64th anniversary function

Mrs PETROVICH (Northern Victoria) — On Tuesday night I attended the 64th anniversary of the state of Israel at the Windsor Hotel. I have attended this function and others in the last six years to acknowledge the Jewish community's valuable place in Victorian history and the contribution it makes to commerce, medicine, law, academia and many other professional and commercial activities.

In Victoria we have a proud history of multiculturalism and tolerance. Unfortunately the protest I witnessed disrupted access and was one of the ugliest I have seen. Victoria is a place of tolerance and acceptance of all cultures, and it celebrates its multiculturalism.

I strongly support any individual's right to peaceful protest and believe that all Victorians have the right to gather, but they also have the right to gather and feel safe in that gathering. I commend the Zionist Council of Victoria and the Jewish Community Council of Victoria for another successful celebration.

I would also like to commend Victoria Police for its professionalism and care in its role of upholding the rights of and protecting all Victorians. I am sure I can speak for the coalition and the major parties in this Parliament in expressing my appreciation of and support for all Victorians for their tolerance and bipartisan support for multiculturalism.

Teachers: enterprise bargaining

Mr LEANE (Eastern Metropolitan) — I am sure Victorian schoolteachers will be very keen to make sure that in the future curriculum students are taught the clear difference between the definitions of ‘commitment’ and ‘concept’ in case in their class they might have a budding Ted Baillieu in the future who will get up and give a commitment to teachers that he will make them the highest paid teachers in the land and then when he actually becomes Premier will back off with weasel words that at the time it was not a commitment but a concept. That is absolutely outrageous and takes weasel words to a new level. It is no wonder that teachers are taking the action they are. They had a commitment. They went to an election on the understanding that they had a commitment, and now this government, as in so many areas, has dogged on the teachers.

Australian Masters Rowing Championships

Mr RAMSAY (Western Victoria) — It was with great pleasure that I represented the Minister for Sport and Recreation, Minister Delahunty, at the 2012 Australian Masters Rowing Championships at Lake Wendouree in Ballarat on Saturday, 26 May. In fairly inclement conditions 700 participants were involved in that event. I congratulate Peter Fraser and Nick Gall from Rowing Victoria and also the mayor of Ballarat, Mark Harris, on having Lake Wendouree in good condition for the racing. With the new facilities, it stands in good stead for the international competition in 2014.

Wannon Water: five-year plan

Mr RAMSAY — I would also like to congratulate my predecessor, John Vogels, as chairman of Wannon Water on releasing an excellent five-year water plan for Wannon Water. In a nutshell, there will be no increases in water or sewerage charges for residential, small business or rural customers over the life of the five-year plan other than an annual adjustment for CPI. There will also be a reduction in debt of 40 per cent from \$100 million to \$60 million, and there will be over \$100 million invested in capital expenditure over the term of the plan. This is compared to 12 per cent increases every year under the previous water plan, so congratulations to Mr Vogels and his committee, and to Wannon Water, on doing a wonderful job in reducing the costs of water to its customers.

Rail: car parks

Mr O'DONOHUE (Eastern Victoria) — Last month I was pleased to join my colleagues Mrs Peulich

and Mr Battin, the member for Gembrook in the other place, to announce the expansion of a number of car parks throughout the south-eastern region at various railway stations, including expanding Narre Warren railway station by 138 commuter car parks, bringing it to 717; an additional 157 car spaces at Beaconsfield railway station; and an additional 106 car parks at the Pakenham railway station. That builds on the 450 railway station car parks that were opened at Cardinia Road railway station earlier this year and the 250 opened at Lynbrook railway station earlier this year, and it complements the approximately 360 that are currently under construction at Merinda Park, giving a total of in excess of 1400 new free commuter car parks at railway stations in the south-east that will be delivered throughout the 2012 period.

We recognise the importance of not only additional services on the railway network — this government has delivered approximately 1000 additional services since coming to government — but also providing additional car parks, bicycle cages and other facilities at railway station car parks so that commuting by rail is as easy and practical as possible.

PLANNING AND ENVIRONMENT AMENDMENT (VICSMART PLANNING ASSESSMENT) BILL 2012

Introduction and first reading

Hon. M. J. GUY (Minister for Planning) introduced a bill for an act to amend the Planning and Environment Act 1987 to introduce a new assessment process for specified permit applications and for other purposes.

Read first time.

Leave refused for second reading forthwith.

Ordered that second reading be made order of the day for next day.

MONETARY UNITS AMENDMENT BILL 2012

Second reading

Debate resumed from 24 May; motion of Hon. G. K. RICH-PHILLIPS (Assistant Treasurer).

Mr LENDERS (Southern Metropolitan) — In rising to speak on the bill, I draw to the attention of the house a quote from a shadow minister in this house in

2004, when the original Monetary Units Bill was introduced:

The Monetary Units Bill is an obnoxious, rotten piece of legislation. It is a pernicious piece of legislation, and it is an affront to Parliament that this mob would bring a bill like this before the house.

...

This piece of legislation turns over 320 years of the history of the Westminster system.

I refer honourable members who are interested in a detailed history to the contribution of the shadow Treasurer, Mr Clark, in the other place.

That quote was, of course, from Bill Forwood, a former member for Templestowe Province, who at that stage responded to the — —

Mr P. Davis — Who's he?

Mr LENDERS — Yes, Mr Davis may have dispatched Bill Forwood as opposition leader, but his words remain on the record for all time. I will not spend a long time on the second-reading debate, but I alert the minister to the fact that in the committee stage, when we are dealing with clause 1, I will present a series of statements about this bill from a number of luminaries who sit around his cabinet table and ask him whether he thinks the principles they espoused in 2004 still apply.

I am delighted that the Leader of the Government is in the house, because I will refer to statements which were made about the glorious revolution and to what happened to King Charles I and King James II for introducing such pernicious legislation. One was beheaded, and the other died of syphilis. I will be asking the Assistant Treasurer whether those statements still apply in the year 2012.

Mr Clark, the member for Box Hill in the Assembly, who is now the Minister for Finance but was then the shadow Treasurer, essentially made two comments, and I will not go through the extraordinary rendition of sins and evils that Mr Clark put forward. He made two pertinent points about how a piece of legislation should be judged. Mr Clark said:

The first is that it is an attack on fundamental constitutional principles of responsible government — principles that date back to the Bill of Rights of 1689. The second is that it is yet another unjustified burden being imposed on Victorian businesses and families by a cash-strapped government that is desperate for more revenue to cover its spending blow-outs.

There are two parts of that which I will address in policy terms. The first part is the ability of a Parliament to control revenue. The issue Mr Clark was referring to on the Monetary Units Bill 2004 was that the

indexation of penalty units and monetary units was all about the ability for the Treasurer of the day to set the rate. That was an issue to which those opposite took umbrage.

I, as the then Minister for Finance steering a bill through this house, defended it, so I am not going to be a hypocrite and say that what I said was okay then is not okay now. But I will draw the attention of the house to the statements of others who had a diametrically opposed view. I argued in 2004 that it was appropriate, that you could trust a Treasurer to apply the inflation rate and that it would not vary. I can say that since 2004 that has been the case, except for a couple of occasions when the Treasurer has gone slightly under the inflation rate. That is the statement I made in 2004, and whether it be Treasurer Brumby, my good self or Treasurer Wells, all three treasurers have stuck to what I said in the committee stage and second-reading debate on the 2004 bill would be the case.

I am not going to be a hypocrite and say that was wrong, but I find it interesting when we have a four-clause bill to amend the Monetary Units Act 2004 that those opposite — and I am looking particularly here at Philip Davis, David Davis and Gordon Rich-Phillips, who are all on the record on this — suddenly in government have not sought to change that. It was something that was so fundamental, going back to the Bill of Rights, King Charles and King James, and there was all this hyperbole about how dramatic, horrid and awful it was, yet they have not done anything. There are four clauses to the bill. The bill continues the provisions that the Treasurer of the day sets the rate — no change — and it whacks up the rate. As Mr Clark said:

... it is yet another unjustified burden being imposed on Victorian businesses and families by a cash-strapped government that is desperate for more revenue to cover its spending blow-outs.

That is what Mr Clark said, and that is what this bill is doing, yet there is not the slightest effort to reverse it.

What I put to you, President, and the house is that governments are judged by what they promise. Governments make choices. I am the last person to say this was not a difficult budget for the government, but the choices it makes are what defines a political party or a government. It was good enough to thunder on about it in 2004, when a majority of the current budget expenditure review committee of cabinet had views. If in 2004 you say you will do one thing and then when you have the opportunity — when you have a four-clause bill in the house to amend the act — you do

nothing about it, I think you stand condemned for hypocrisy. That is the first point I would make.

As I flagged, I will save most of my remarks for the committee stage, and my remarks will really be a series of propositions for the minister on clause 1. My colleague Mr Holding, the member for Lyndhurst in the Assembly, outlined all the macro parts, how the bill fits in with the budget and the rest of it. The second point I make on the bill, to show that I go beyond pointing the finger at the Liberal Party, is about The Nationals. The Leader of The Nationals, Mr Ryan, said you can judge by the length of the second-reading speech whether a government is serious about a bill. I invite members opposite to have a cursory look at the second-reading speech of Mr Wells and the second-reading speech of Treasurer Brumby back in 2004. If Mr Ryan's test is applied to the 2004 and 2012 bills, this bill is nonsense.

This bill is a poor, shoddy effort to grab and gouge revenue out of Victorian businesses and families, and this bill does not deserve to be supported. The Labor Party will vote no to this bill. The bill in this house in 2004 was described by Mr Forwood as a bill that was:

... an obnoxious, rotten piece of legislation. It is a pernicious piece of legislation, and it is an affront to Parliament that this mob would bring a bill like this before the house.

In the words of Bill Forwood, I oppose the bill.

Mr BARBER (Northern Metropolitan) — All I can say in response to the speech of Mr Lenders is, 'Get down!'. He is feisty today. If you have a look at this piece of legislation — this seemingly boring but important piece of legislation — and start to unpack it, you begin to see its implications for the state of Victoria.

I would have thought the contributions to this debate, not just from the lead speakers but from any speaker standing up today, would be extraordinarily wide ranging due to the number of different types of fees and penalties that are enacted as a result of this seemingly brief piece of legislation. Not only does the bill give me extraordinarily wide scope to speak today, but the second-reading speech itself goes even wider. I will just note for the benefit of the record some of the matters that are touched upon in the second-reading speech, which Mr Lenders said can often be a guide.

Apart from the dull and dry explanation in the second-reading speech of what this bill does mechanically, there is also the statement of compatibility relating to the human rights implications of the bill. It does not draw attention to any particular effect, but put together with the second-reading speech,

we see that in fact this bill does deserve some detailed scrutiny, which I fully intend to give it during both the second-reading debate and the committee stage.

In the second-reading speech the government noted that maintenance and promotion of law and order, which it put in inverted commas, is a top priority for the government. I would have thought this was an essential function of all governments, but what does the bill do in this area? In the second-reading speech the government also promotes its significant achievements, which it says include the progressive introduction of 1700 additional front-line police and 940 protective services offices (PSOs). I do not think the increase of monetary units necessarily enhances the job of PSOs and serving police officers that much more, but since the government has raised this particular initiative, I may spend some time elaborating on what I think about it.

The PSO initiative, which was dreamt up by the coalition when it was in opposition, is now widely derided. The efficacy of that particular proposal was always questioned. The initiative puts two armed guards on every railway station after dark. As the legislation and policy have been rolled out, more and more doubt has been heaped onto this initiative in terms of whether it is the best solution.

Just last week my colleague Ms Hartland was, as usual, making her way by train through Footscray station when she discovered, to her amazement, that Ted Baillieu, the Premier, was making his first visit to Footscray. We understand he rocked up by limousine to announce that PSOs would be stationed from that day on Footscray station.

Ms Hartland, who uses the station every day, attests that she does not believe Footscray station is a dangerous place. Those of us who use public transport, as I have for 30-odd years, know that the difficulties of using public transport often relate more to nuisance behaviour than to what would typically be known as crimes — that is, assault and so forth — it is the nuisance behaviour of patrons for all sorts of reasons. Some of this behaviour is due to youth, some to alcohol and some to mental illness, but all of it is due to the systematic policies of Labor and Liberal governments over many decades to achieve what I call the dehumanisation of the system.

Once upon a time we had stationmasters and tram conductors. They did not carry semiautomatic weapons, but they had a strong measure of authority which goes with a uniform and what is behind it, and they were able to deal with the majority of nuisance behaviour.

Now, after many decades, railway stations have become seemingly dehumanised public spaces, and as they get busier and busier every year, that has become a problem for more and more people. It is not always the isolated spaces that are the problem. In fact we know that our biggest problems with either nuisance behaviour or crime are in the busiest areas — that is, where the most people are.

As the government has rolled out its PSO program it has backed down from its original plan or vision and is putting these PSOs onto the busiest stations, often those that are already staffed and have transit police stationed as well, as a supplementary measure in those areas. At Spencer Street station you can find private security guards associated with the privatised Spencer Street station. I still call it Spencer Street station, but it is officially called Southern Cross station. You can find station staff working for Metro, Connex or whoever your latest operator is. You can find full-blown transit police, authorised officers with police-like powers and, in some cases, more jurisdiction than police, and now PSOs as well — five different sets of authority figures. Yet that uncoordinated, Balkanised system of providing public safety on the public transport system did not prevent an extraordinarily serious sexual assault from occurring in the toilets at Southern Cross, an assault which received some media coverage and made us all most concerned.

When I am on a railway station, who do I look for to provide for my personal safety when five different groups of people, all with different overseeing powers and different responsibilities, seem to be tripping over each other?

Mr P. Davis — On a point of order, President, I acknowledge that the second-reading speech on this bill makes passing reference to PSOs and law and order, but the bill deals with the Monetary Units Act 2012. The substantive contribution of Mr Barber has not related at all to the amendments to the Monetary Units Act. I suggest that the member be brought back to the bill.

The PRESIDENT — Order! I just sought a copy of the second-reading speech because I was also concerned about the amount of comment in terms of the enforcement issues rather than a focus on the major thrust of the bill, which, as Mr Davis said, is to adjust penalty unit rates. My dilemma is that the second-reading speech includes a point made by the government about the importance of maintenance and promotion of law and order as a top priority for the government, and it indicates some achievements and

that the government intends to have a strong hand in terms of enforcement.

In that sense, an opening speech by a member can be wide ranging, and it can certainly leverage off that statement in the second-reading speech. It is difficult for me to direct Mr Barber to move on from his point; however, I suggest, and I am sure that Mr Barber is aware, that this bill is more about the penalty units and so forth, so he should in due course come back to that. As I said, I recognise that the second-reading speech has opened the issue.

Mr BARBER — It also struck me when I read the second-reading speech that, according to the government, the entire rationale for the increase in monetary penalty units is to assist with the delivery of law and order. Mr Lenders, not being too cynical, has already suggested that that is hokey and it is actually about revenue. The government is desperate for more revenue. It is appropriate that the government balance its books, and ex post facto it has delivered this new rationale, which is that this bill is absolutely essential for the maintenance of law and order.

President, what is the necessary quorum? I think it is 13; would that be right?

The PRESIDENT — Order! It is 14.

Mr BARBER — President, I direct your attention to the state of the house.

Hon. D. M. Davis interjected.

The PRESIDENT — Order! That is the sort of comment that could have Mr David Davis spending a bit of time outside the chamber.

Quorum formed.

Mr BARBER — I go to the next aspect of the second-reading speech, where the government refers to front-line police. On my favourite theme of public transport, I notice that the government also now makes the claim, which the previous government used to claim — —

Mr P. Davis — On a point of order, President, I accept your ruling that on the matter of law and order the member is entitled to make some observations; however, I cannot for the life of me see how this bill is in any way connected with public transport, which the member is now going to.

Mr BARBER — On the point of order, President, I was working my way systematically through the

second-reading speech, and the next thing I noted was mention of the 1700 additional front-line police. I was going to make some reference to where I thought the front line actually is when it comes to law and order in Victoria, being relevant to the mechanics of the bill, which is the necessity of increasing penalty units so as to ensure law and order.

The PRESIDENT — Order! I cannot uphold the point of order given that the second-reading speech opens up these matters.

Mr BARBER — The government claims that there are 250 transit police on the system. This is something the previous government also used to say. If there were 250 transit police on the system, that would almost be one for every train, which I am sure would provide a level of comfort to many people. But what we know from information that has been published in the *Age* after accessing police rosters is that in fact only about 99 of those police are on the front line in the sense that they are out on the system doing protective activities. It seems that the majority of the rest of those officers get involved in investigation, coordination and so forth. Even the police strategy document in relation to safety on public transport notes that having varying bodies and officers under different types of powers is, to quote, ‘complex’. This relates to penalty units quite directly because, as we know, there is a big problem with fare evasion — not to mention the big debate about the increase in the cost of fares.

Mr P. Davis — On a point of order, Acting President, the bill and the second-reading speech do not go to the detail of fare evasion, and the member is raising matters that are extraneous to the substance of the consideration of the bill.

Mr BARBER — On the point of order, Acting President, by adjusting monetary units we adjust fines across a vast number of pieces of legislation. It is the magic wand that does all that in one go, and that would apply any fine given under any act.

The ACTING PRESIDENT (Mr Tarlamis) — Order! I do not uphold the point of order.

Mr BARBER — I would certainly like to see more transit police on the front line, but this question of a front line seems to mean in some minds public crime against persons in public spaces. As we know, there is also the very serious and totally underreported issue of domestic crime. Frequently when we ask questions in this place, as I know Ms Hartland does on notice, about specific services in relation to front-line police, we are told that it is a police decision. Yet when it comes to the

protective services officers policy, the government seems to be setting very specifically where those PSOs will be located.

Moving right along, the second-reading speech notes that:

The government intends to complement these and other initiatives by deterring unlawful behaviour through the imposition of adequate fines.

We have just had an interesting debate in relation to car dooring fines in my Road Safety Amendment (Car Doors) Bill 2012, and I will not go into the details because Mr Davis would quite rightly raise the anticipation rule as a point of order, given that my bill is still before the house. When it returns from the committee that is currently investigating it we will have a vote on that bill. With my mind on that bill, it raises the very interesting question of deterrence. In consideration of my bill and other sorts of matters we need to remember that not only does a fine need to be a significant deterrent but we also hope it is proportionate to the crime. The necessary key link is that there is a high likelihood of a person being caught. Effectively that is the rational matrix by which we believe law and order works as a deterrent.

In some categories of crime involving some categories of person, though, that breaks down, and because we are dealing with large numbers of fines across large numbers of different acts it is worth noting that for some groups, such as homeless people, for example, the fine given might not actually have the intended effect — that is, to deter the behaviour. I know this from my experience as a former local government councillor and from other debates that we have had in the Parliament about this very question of how high fines should be.

For example, at the City of Yarra we noted that people often become homeless and end up living in their cars. Their cars might then become either unroadworthy or out of registration, or they might accrue large numbers of parking fines, and there is simply no way for those people to pay those fines. Another approach is needed in relation to some groups where consideration is given to their particular circumstances.

If we go back to the oldest known system of written laws, the code of Hammurabi from thousands of years BC — this was the one that talked about an eye for an eye and a tooth for a tooth, which I do not necessarily subscribe to — set different levels of fines for poor people and rich people. In the modern day this is just as relevant.

A parking fine or some sort of road infringement notice posted on a car which represents the home of a homeless person is clearly a much bigger impost on that person and therefore a greater punishment for them than slapping the same fine on some guy's Lamborghini, the owner of which has spent the same amount on lunch as he is going to spend on his parking fine. Different levels of fines have started to be rolled out in local government, and it is a necessity across the whole governmental system to start to provide measures whereby some alternative diversionary mechanism can be used to deal with those who have fallen foul of these penalties but simply have no capacity to pay.

We also need stronger mechanisms for those who have absolute capacity to pay and simply avoid it. Every year large amounts of fines are written off, notably in the local government sector, for people who have fled the state or who have become so difficult to prosecute that they get away with it. Right in the middle of that group are the vast majority of Victorians, who, if they do the wrong thing, simply cop it sweet.

This kind of situation falls foul of the black-and-white language that appears in this bill. The government is very clear that persons who offend against the laws of Victoria should be punished and that these punishments should have unwelcome consequences for those who offend. It is the intention of the government to increase fines so that people are deterred from unlawful behaviour. As I say, if you bring a bill before this Parliament seeking to move one fine, you get a parliamentary inquiry! Here the government has suggested that as a magic wand, an across-the-board movement, it can increase every fine, and the rationale for this is that we will all become that little bit more law abiding. In fact life is more complicated than that.

The minister goes on to say in the second-reading speech:

It is in the power of each person to behave in a way that does not cause them to incur a fine. Ideally, no person will incur a fine. Fines should not be a regular part of the budget of any household or business in Victoria.

As I say, life is a little bit more complicated than that, and therefore it is quite surprising to see that in the statement of compatibility with the human rights charter no consideration is given to the issues I raised. The government clearly sees the world as 'Do the crime, get the fine', yet we know that across our policing and judicial systems there is a complex and nuanced human rights debate. I can say quite safely that even within the parties represented in this place there are all shades of opinion on this.

This bill amends the principal act. Section 13 of the Monetary Units Act 2004 sets out the meaning of penalty units. It states:

If in an Act or subordinate instrument (except a local law ...) there is a statement of a number (whether whole, decimal or fractional) of what are called penalty units, that statement must, unless the context otherwise requires, be construed as stating a number of dollars equal to the product obtained by multiplying the number of penalty units by the amount fixed from time to time by the Treasurer —

using the *Government Gazette* or the Monetary Units Act. That is how this works. Instead of having to adjust the amount for every single fine in every piece of legislation every time we want to do this, the monetary units are referenced. Then when you change the monetary unit you change every reference in every act to that monetary unit. From time to time I have asked members around this place a pop quiz, 'What is the current value of a monetary unit?'. Most people do not know, even in this place. It was the Leader of The Nationals, Peter Ryan, who got it right last time I asked him. I genuinely wanted to know; I did not know at that stage.

What is happening here is that that mechanism is being left in place. As Mr Lenders noted some time ago, an inflation escalator was built into the legislation, which caused a huge uproar from the coalition. Now the Treasurer has determined to make a jump in the amount of those units to deliver a virtually guaranteed amount of money. I was going to say a one-off jump, but it is clearly not going to be a one-off because if he does it once, he will find it habit forming. That amount is guaranteed because we know that people will continue to accrue fines. While we hope those fines have a deterrent effect, we also know, as sure as night follows day, that a certain amount of money will be coming in.

That is where the crude description of fines being just revenue raising is a nonsense statement. There is no such thing as just revenue raising. Fines bring in revenue. As long as people keep breaking the law, there will be a certain amount of revenue. Yet when in opposition, time and again coalition members of Parliament slammed various programs as just revenue raising, including the speed cameras program. It looks very different now they are in government. Even when it came to drafting the second-reading speech they could not get their tongues around it; they could not admit that this is more than just revenue raising and that there is no 'just' about it. They cannot even acknowledge now that it is revenue raising. The entire second-reading speech puts this forward as a law and order mechanism. In a way it is gratifying that one can change one's firmly fixed views on things and that

when someone sees something from a different perspective they can have the blinkers taken off and start to look at things differently.

I am just doing a quick headcount again, Acting President, and I draw your attention to the state of the house.

Quorum formed.

Mr BARBER — As we go to the true mechanics of the legislation, we see that fines and penalties of various sorts under a vast number of acts will be impacted on by this bill, which Mr Lenders has said he will vote against and on which I am still considering my position as I stand here.

The Petroleum (Submerged Lands) Acts 1982 is covered by the bill. The penalties and fees in various acts have been converted to penalty units and therefore will immediately jump later today when this bill passes, which we know it will. They include the Consumer Credit (Victoria) Act 1995, the Cooperatives Act 1996, the Court Security Act 1980 and the Disposal of Uncollected Goods Act 1961. These are not simply, as the second-reading speech suggests, law and order issues. In many cases fines and fees are being levied in order to regulate certain types of behaviour. Gratifyingly, there are very few offences — at least those that come to light — under the Electoral Act 2002. We have an extraordinarily high standard of democratic behaviour in Victoria, so it is doubtful whether an increase in the penalty of monetary units under the Electoral Act is necessarily going to dramatically improve the operation of that act.

We have an expert on that here in the house, and that is Mr Finn. He is the chair of the Electoral Matters Committee, and I am sure that as a result of his recent investigation he would be able to detail for me the small number of offences that occurred during the last election.

Mr Finn — At length, if you like.

Mr BARBER — He would be able to at length detail the offences that occurred during the 2010 election. I am sure he would agree with me that we have an extraordinarily good standard of behaviour when it comes to elections in Victoria, and that is something which makes this state great. The Electoral Boundaries Commission Act 1982 also contains penalties, and that surprises me.

The Electricity Industry Act 2000 is an important piece of legislation. It regulates the entire basis of our electricity supply and licences the behaviour of all

participants in the electricity market. In some ways that is being moved off into the federal jurisdiction, but we have never ceded our powers in that area. The Electricity Industry Act is the very basis on which we keep on the lights. I do not intend to digress particularly to talk about that, because I could go on talking about electricity for ever. It is bit like the ad on TV where a guy is talking to his friends at a party and he says, 'I am excited about electricity'; he works for a power company or something. I am definitely up there when it comes to that.

Penalties under the Freedom of Information Act 1982 are covered by this legislation, which means that the amount for all the many FOI request cheques I write is going to go up again — can you believe it? It used to be \$20, but I think the last time I wrote a cheque, which was probably just a couple of days ago, it was up around \$22.40. I cannot believe that my cheque for an FOI application will go up from \$22.40 to \$23, or whatever it will be.

Hon. M. P. Pakula — It will be \$24.40.

Mr BARBER — It will be \$24.40; but as of today, when this bill passes — which we know it will — it will go up again. As spokesperson on scrutiny of government, if Mr Pakula walks back to his office and puts in an FOI request, he should not follow the cheque stump from last time; there is going to be a new amount. If Mr Pakula sends in a cheque for \$24.40, the first reply he will get from the FOI officer is, 'Actually, you owe me another \$2.30; I can't process your request, Mr Pakula, until you front up the rest of the money. I could not allow that debt'. This is what the government refers to in its second-reading speech as the maintenance of law and order.

Mr Finn — Let the taxpayer pay. The poor taxpayer again.

Mr BARBER — Mr Finn interjects about the 'poor taxpayer', seemingly in relation to FOI requests. He is suggesting that the cost of FOI requests is a burden on the taxpayer. Those who spend a lot of time doing it, like myself and Mr Pakula, attract significant costs of our own in defending what is usually a simple request. Do not even tempt me to go back to the matter of the network revenue protection plan that still has not fronted up in the house today. It could have saved everybody a lot of time and money if it had been published on the website as a matter of course.

I think Mr Finn is heading us down the path of a user-pays FOI system — that is, a full cost recovery system for the whole time those departmental staff

devote to sending memos to ministers, to and from the Premier's office and to the various spin units to decide how they are going to handle an FOI request. Mr Finn is suggesting that this time should be charged out at full rates to me and Mr Pakula. I hope that is not the case. I hope this bill is not the thin end of the wedge when it comes to putting FOI out of the reach of not just the ordinary person but even opposition members.

Hon. M. P. Pakula interjected.

Mr BARBER — For that matter, as Mr Pakula whispers into my left ear, it would include the media. The Gaming and Betting Act 1994 previously contained provisions for \$5 million fines. Those \$5 million fines, which obviously relate to extremely serious matters, were previously converted to a monetary unit — that is, 50 000 times the value of what was then a penalty unit. I do not have time to access the Gaming and Betting Act 1994 and work out what it is for, but it is obviously for an egregious breach of that act.

That is now going to be increased as a result of this bill, and that may be a good thing. That may be a reason for Mr Lenders to reconsider his opposition to the bill, because it is not simply a matter of day-to-day fines for the average Joe. We are talking about a large number of different cases. We are talking about electoral offences, we are talking about gaming regulation offences and we are talking about offences under the Electricity Industry Act 2000. There is a bit of a balancing act here, where in some areas it may become critical to have fines that are relevant and certainly do not lose their value due to inflation alone.

Mr Lenders — Are the Greens voting to put up public transport evasion fares?

Mr BARBER — There is the Land Act 1958. Mr Lenders interjects that I am voting to put up fines for public transport fare evaders. I can assure Mr Lenders that I have the solution to all that. If you have staff at the stations and a tram conductor on every tram, then fare evasion will disappear overnight. However, at the risk of being ruled out for lack of relevance on a point of order, Acting President, I will assist you by not going back to what is currently my favourite subject.

There is the Land Act 1958, the Landlord and Tenant Act 1958, the Lotteries Gaming and Betting Act 1966, the Maintenance Act 1965, the Marine Act 1988, the Mines Act 1958 and the Police Assistance Compensation Act 1968.

Mr Lenders — There is the public transport act.

Mr BARBER — We are going through the Ps, so I would remind Mr Lenders to be patient. There is the Private Agents Act 1966, the Public Notaries Act 2001 and the Road Safety Act 1986 — that is one that I tried to amend recently. There is the Second-hand Dealers and Pawnbrokers Act 1989, the Sentencing Act 1991, the Shrine of Remembrance Act 1978 and the Stock (Seller Liability and Declarations) Act 1993 — I presume that relates to livestock, since we no longer regulate in Victoria traded market stocks. I am not familiar with this legislation, but it must relate to livestock.

There is something here for everybody and for every member's interests. I am hoping that in the government's consideration of this bill, this broadbrush measure that simply whacks up fines conveniently across every area, it has thought about how things may play out quite differently according to the size of the fine that is indexed to the monetary unit, and of course to the individual matter itself.

There is the Summary Offences Act 1966, the Survey Co-ordination Act 1958 and the Unlawful Assemblies and Processions Act 1958. I did not even know we had such a thing as the Unlawful Assemblies and Processions Act 1958. It sounds very Joh Bjelke to me, but I will go back and read up on that one and become aware of what is in it. Then there is the Victorian Civil and Administrative Tribunal Act 1998 — where Mr Pakula will be off to soon enough when his FOI request is rejected. The \$120 fee that I think it requires to even get in to VCAT is rapidly moving up.

This is slightly off topic, but it is another form of wastage of everybody's time the way the government acts in VCAT when it comes to FOI. In fact on many occasions the government has handed documents over to me almost literally at the courthouse steps when I have already accrued the cost of applying to VCAT and the filing of associated documents.

These are just some of the bits of legislation that are impacted upon by the bill that we will vote on today. For that reason I believe the bill deserves better scrutiny. The government clearly put it forward for one reason only: it needs revenue. This is an extraordinarily simple way of getting revenue, just as the indexation of monetary units to inflation carried out by the previous government was an extraordinarily simple way to ensure that money came in regularly without the acrimony of having to make an executive decision to adjust it. When it comes to the committee stage of the debate we will have a bit more discourse with the minister at the table about how all this works.

Mr P. DAVIS (Eastern Victoria) — One of the reasons I have long been opposed to time limits on debate has been amply demonstrated by the self-indulgence of the previous speaker wishing to occupy all the time available to him. My view is that time limits on debate encourage members to speak out their time and waste the time of the Parliament, which in itself is not very productive. My view on this bill is simply this: yes, it is a revenue measure, and the government is being quite open and transparent about that. I will come back to the observations made by the Leader of the Opposition in a moment.

There seems to be some confusion about what this bill does. After 45 minutes of listening to the preceding speaker I am quite convinced that he does not actually understand the detail of the bill. Notwithstanding that, he tried to fill up the time available with his speech.

The bill clearly deals with two matters, and the second-reading speech sets these out. The first is the amendments to fee units in the Monetary Units Act 2004. The fee units, as referred to in the second-reading speech, relate to the calculation of the cost of a certificate, registration or licence that is set out in an act or regulation. This bill seeks to clarify the value of a fee unit so as to avoid any doubt. It sets the fee unit for the 2012–13 financial year at \$12.53. That is important because it reflects an adjustment relating to a CPI increase of 2.5 per cent. However, because this bill also deals with rebasing the penalty unit amount, it was important to clarify in the legislation the amount of the fee unit.

The Monetary Units Act 2004 defines a fee to include a charge or other amount, whereas the definition of a penalty is a fine or other monetary penalty and includes an amount payable under an act or statutory rule in respect of an offence for which an infringement notice can be issued under the act.

Clearly the bill seeks to deal with penalty units as defined under the principal act. The second-reading speech makes an attempt to clarify the purpose of the bill in these words:

Penalty units are used in Victoria's acts and regulations to describe the amount of a fine. The act sets out the way that penalty units are set and calculated. The bill raises the value of a penalty unit to \$140.84 for the financial year commencing on 1 July 2012. This is over and above the annual indexation increase of 2.5 per cent for the 2012–13 financial year.

The issues that we are dealing with here are very simple, in my view. They are not complex. A speech on this matter should not take 45 minutes. The bill simply rebases the penalty unit for the first time since the

introduction of the Monetary Units Act in 2004. It is a rebasing of the amount which will continue to be indexed under the mechanism which Mr Lenders, the Leader of the Opposition in this house, tried to construe as being inconsistent with the general position of the coalition parties. I will now deal with his comments.

In 2004, when Mr Lenders was the Minister for Finance and Mr Brumby was the Treasurer in the other house, the Bracks government introduced legislation which the then opposition opposed for the reasons set out in *Hansard*, which I do not need to recite.

Mr Lenders — And your leader promised to repeal it.

Mr P. DAVIS — Who was the leader at that time?

Mr Lenders — Robert Doyle.

Mr P. DAVIS — I thank Mr Lenders for pointing out that in 2004 there was a different Leader of the Opposition. There have been two elections since then. I am not aware of any opposition member ever taking a position which was a commitment made by a different leader in a preceding Parliament that has been lost in the mists of time and has no relevance to any mandate relating to the election of the government. For that reason Mr Lenders's comment is totally irrelevant, as is he in this context.

I have to say to Mr Lenders that, as the government has brought a bill in here, it is doing more in the way of transparency and being accountable than the former government did when Mr Lenders was Treasurer. Mr Lenders indexed monetary units and did not bring those amendments to Parliament on any occasion I am aware of. He may correct me if I am wrong, but the fact is that, as Treasurer, Mr Lenders only ever indexed and uplifted the penalty units to be paid under the Monetary Units Act 2004. He did not bring those matters to Parliament for debate, whereas under the Baillieu government the Treasurer, Kim Wells, and the Assistant Treasurer, Mr Rich-Phillips, have made very clear statements about rebasing the penalty unit.

As a result of bringing that legislation in and rebasing the penalty unit, our position is very clear. It is open, it is transparent, we are accountable and we are seeking the imprimatur of the Parliament for this measure, which will have at least two outcomes. The first and primary one is that it will raise additional revenue. Let me be clear: if human behaviour is repeatable and predictable, as we know it tends to be, the expectation is that there will be a continuation of illegal behaviour which will be subject to penalty, and as a result fines will be paid. Those fines will generate something of the

order of an additional \$70 billion, I think. I do not know; it depends on human behaviour.

On the other hand it will have a deterrent effect. An increase in fines may have a deterrent effect, and the revenue estimates may be more than the actual revenue received because of a change in human behaviour. I would welcome that, because one of the primary areas the government seeks to regulate is human safety. Whether it is road transport or workplace safety, there are penalties attached to unlawful activity, and if an increase in the penalty regime means that human behaviour can be changed or modified in some way, that is of benefit to society as a whole.

For those two reasons I support this bill. I encourage the house to support it, and I congratulate the Assistant Treasurer on bringing a bill into this house, which demonstrates transparency and accountability, unlike the hypocrisy of the opposition members when they were in government, who alleged hypocrisy about this side of the house to the point where I am now totally confused about who the hypocrites are. I congratulate Mr Rich-Phillips on bringing the bill in and being entirely transparent.

A former Leader of the Opposition made some remarks that were very relevant at the time, in 2004. I am sure that if he were here with me today, he would fully support the position I am taking.

Hon. M. P. Pakula — He would be very unhappy. He much prefers being Lord Mayor.

Mr P. DAVIS — I am actually talking about the Leader of the Opposition in the upper house. Mr Pakula probably does not recall Mr Forwood, but Mr Forwood was a very passionate contributor to debate in this place. Mr Forwood made a great contribution to the Parliament of Victoria, and despite the pejorative remarks by the current Leader of the Opposition, as a predecessor of Mr Lenders as Leader of the Opposition in this place, Mr Forwood made a very significant contribution. I wish to acknowledge it.

Mr EIDEH (Western Metropolitan) — The opposition will oppose this bill on many grounds. I was stunned when I read the bill and saw that yet again the flip-flop mentality of the government had come into play. When those opposite were in opposition they totally opposed and attacked us on a similar measure. They now seek to do the very thing we did. Some of my colleagues have called this the most amazing hypocrisy. Others are simply calling it more of the present Premier's style of leadership. What it amounts to is a 180-degree policy shift by those opposite, who

now seek to do what we did when the Monetary Units Act 2004 was introduced by the Labor government. Now, today, the Liberal regime is copying us — and why not, since we always provided leadership to the state and those opposite are still searching for it with their magnifying glasses?

Eight years ago the Parliament enacted a law with automatic CPI increases. It was not unfair or greedy, unlike the Baillieu government's secret water tax, which was uncovered even though those opposite tried their best to keep it from us. It was kept secret, except for the paying of it. In terms of the nature of this bill, I cannot believe just how crafty, how non-transparent and how scheming the government is.

If you turn to the *Government Gazette* of March this year, add the state budget and then follow it up with this bill, you see a regime whereby the Baillieu government has very sneakily increased fines and charges by a hefty amount. Yes, you can move deckchairs on the *Titanic*; the Baillieu government proves this every day it is in power. While the Labor government was blasted by those opposite for applying CPI increases, the Baillieu government's increase is over the top; it is too much, at a whopping 15 per cent. I cannot wait to read how the media will highlight this story.

Let the Treasurer stand before the people and confess. Let him declare why he has lifted both the amounts and the base rates, which, when combined, become a fee increase such as no other government has ever forced upon the people of our state. Then there is annual indexation at the whim of the Treasurer without automatic referral back to the Parliament as a whole. It is an attempt to keep it all secret and invisible — that is, until it takes effect.

As one of my colleagues said to me in our caucus room, the member who today is the principal law officer of our state was in 2004 opposed to automatic annual indexation by the CPI. This bill allows for annual increases with the potential to be much higher than any CPI increases. Under this government, the Baillieu-Ryan government, Victorians have been hit in the face with a sledgehammer. There are higher costs of living, with secret water charges, higher public transport fees, higher fines, higher power charges — higher everything except for higher levels of service, because while the government is slugging the people with higher charges it is sacking people from the public service, from the civilian arm of the police and from TAFE colleges. Actually I cannot think of any sector that is safe under this government.

Certainly trust in politicians has slumped in just the past two years of this government being in power. If members of the government disagree — and I note that they sit with a tiny one-seat majority in the other place, which is due to The Nationals supporting the Liberals — if they believe that they are justified in what they are doing and if they believe even for a moment that the people of this state are dumb enough to agree with them, then they should call for an early election.

We would certainly back any action to ask the good people of Victoria if they are happy with the direction being taken by the leadership in our state. However, that will not happen, because those opposite have no courage and no belief in the people of Victoria. We oppose this bill.

House divided on motion:

Ayes, 23

Barber, Mr	Koch, Mr
Coote, Mrs	Kronberg, Mrs
Crozier, Ms	Lovell, Ms
Dalla-Riva, Mr	O'Brien, Mr
Davis, Mr D.	O'Donohue, Mr
Davis, Mr P.	Ondarchie, Mr
Drum, Mr	Pennicuik, Ms (<i>Teller</i>)
Elsbury, Mr	Petrovich, Mrs
Finn, Mr	Peulich, Mrs
Guy, Mr	Ramsay, Mr (<i>Teller</i>)
Hall, Mr	Rich-Phillips, Mr
Hartland, Ms	

Noes, 14

Broad, Ms	Pakula, Mr
Eideh, Mr	Pulford, Ms (<i>Teller</i>)
Elasmar, Mr	Scheffer, Mr
Jennings, Mr	Somyurek, Mr
Leane, Mr	Tarlamis, Mr (<i>Teller</i>)
Lenders, Mr	Tee, Mr
Mikakos, Ms	Tierney, Ms

Pairs

Atkinson, Mr	Viney, Mr
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Motion agreed to.

Read second time.

Committed.

Committee

Clause 1

Mr LENDERS (Southern Metropolitan) — As I flagged in my contribution to the second-reading debate, I have 12 quotes from the *Hansard* record of the debate on the Monetary Units Bill in 2004 that relate to the objects and purposes of the bill. I will put them to Mr Rich-Phillips; it is up to him whether he comments

on them or whether he agrees with them, but I will assert that they were put at that time. Firstly, I ask him about Mr Forwood's comment:

The Monetary Units Bill is an obnoxious, rotten piece of legislation. It is a pernicious piece of legislation, and it is an affront to Parliament that this mob would bring a bill like this before the house.

Does he agree that this bill is that?

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — No.

Mr LENDERS (Southern Metropolitan) — It is amazing what happens in eight years. Does he agree with Mr David Davis, who interjected during Mr Forwood's speech? Mr Forwood is reported as saying that the bill they were debating in 2004 was worse than the pernicious bill brought into the Parliament by the late King James the Second as a result of his consultation with diverse and evil counsellors. Does the minister agree that this fits the same category as the Bill of Rights?

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — No, I do not, and I point out that this is a different bill.

Mr LENDERS (Southern Metropolitan) — Mr Rich-Phillips says it is a different bill. I refer him to what was found so offensive by members of the then opposition about the nature of the bill. It was the fact that the Treasurer could set a rate that imposed an increase in these monetary units. In fact it was so offensive to the opposition that the then Leader of the Liberal Party said at the Liberal Party state council on Sunday, 4 April 2004, in a speech supported by a resolution:

... we will repeal the disgraceful legislation passed by the Legislative Assembly last Thursday that allows the Treasurer to increase virtually all state fees, fines and charges by whatever amount the government chooses without opportunity ...

He also said, and I read from *Hansard*, where his comments were quoted:

The automatic annual increasing of all government fees, fines and charges will be ended. We will throw out this inequitable impost on every Victorian, which is a tax increase everywhere on everything we do. It is time to get the government's hand out of Victorians' pockets.

As Mr Forwood said:

... when we get back into government we will repeal this disgraceful legislation.

I am quoting Mr Forwood from a speech in *Hansard*, where he was quoting the then Leader of the Liberal Party, Mr Doyle. Does Mr Rich-Phillips, as a member of that state council, support the resolution that when in government at the first available opportunity the Liberal Party would repeal that pernicious bill?

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — I thank Mr Lenders for his question. The nature of the bill before the house today is clearly not to repeal the Monetary Units Act 2004, nor is it a bill that is imposing automatic indexation.

Mr LENDERS (Southern Metropolitan) — Given the emphatic statement by the then leader of the political party — endorsed by state council, of which a number of current members of Parliament were members — that the act would be repealed at the first available opportunity, I would have thought that this was that opportunity.

But letting that pass, does Mr Rich-Phillips agree with Mr Hall's comment that this is unfair, as a compounding rate of interest is not appropriate legislation?

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — Again I would say this bill is not about imposing automatic indexation; it is a bill in which the government is putting before the Parliament a proposal for an increase in penalty units, and it is not the type of legislation that the then opposition opposed in 2004.

Mr LENDERS (Southern Metropolitan) — It is amazing what eight years does when one considers that the bill essentially consists of the clause of the original bill allowing indexation of monetary units by the Treasurer and that it could be repealed.

But that is what Mr Rich-Phillips says. Therefore I ask whether he agrees with the comments of a certain Mr Bruce Atkinson in this house who, when interjecting during a speech by a member for Melbourne West Province, Mr Nguyen, who was speaking in favour of the bill, said that you cannot sell this on the basis of the good works it will achieve?

As part of the objects of this bill, in the second-reading speech, as Mr Barber pointed out, the Treasurer, and the Assistant Treasurer in this house, outlined that a justification for these rates was the good works that they would achieve. So does he agree with Mr Atkinson's interjection to Mr Nguyen that you cannot justify a bill on the basis of what the proceeds are spent on?

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — Again I would say that the quotes that Mr Lenders is referring to are not relevant to this bill.

Mr LENDERS (Southern Metropolitan) — I am almost through. Again going back to the Legislative Council *Hansard* of the day, does Mr Rich-Phillips agree with the Honourable Ron Bowden, then a member for South Eastern Province, that anyone who votes for this bill is a socialist?

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — That was Mr Bowden's opinion on the Monetary Units Bill 2004. He probably had a sound basis for that opinion.

Mr LENDERS (Southern Metropolitan) — In describing a bill that leaves an indexation in place, would Mr Rich-Phillips agree with Mr Vogels in this house, who said that anyone who supports such a bill 'has an insatiable appetite to get' his 'hands into people's pockets to extract money'?

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — Again I would say to Mr Lenders that the bill the house is dealing with today is of a different nature to that which the house dealt with in 2004, and I am sure Mr Vogels held those views very strongly.

Mr LENDERS (Southern Metropolitan) — Mr Hall in this house said that this should be repealed and that it was an 'insidious and underhand' bill that lets a Treasurer, without reference to the Parliament, put in place an increase in fees and fines. Does Mr Rich-Phillips agree with Mr Hall that any legislation that leaves in place a provision for the Treasurer to do that is 'insidious and underhand'?

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — I would say to Mr Lenders that I have no reason to believe the Treasurer would act in an underhand way.

Mr LENDERS (Southern Metropolitan) — I direct the Assistant Treasurer to a number of statements made by a certain Honourable Gordon Rich-Phillips in this house in the debate. After making some references to the Boston Tea Party, to no taxation without representation and to the fact that government should be done in Parliament and not in Treasury Place, I wonder if he agrees with that view — that this is just part of:

... a creeping move by various executives to erode the power of the legislature —

in other words, a clause that lets the Treasurer, in an instrument that is not disallowable, put up penalty units?

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — I thank Mr Lenders for that question. I guess this goes to the heart of the difference between the bill that is before the house today and the bill that was passed by the Parliament in 2004, because what the government is doing is not using that automatic indexation provision to increase penalty units by 12.5 per cent, which is what this bill sets out to do. The government is actually coming back to the Parliament with a new piece of legislation and putting it before the Parliament for the Parliament's consideration, and I think that highlights that this bill, despite the opposition opposing it, is a substantially different way to approach the increase in a penalty unit to that which we saw through the mechanism that was opposed in 2004 by the then opposition.

Mr LENDERS (Southern Metropolitan) — I have one final quote. I guess as part of the debate Mr Rich-Phillips says this is a different approach from the Baillieu government to that of the Bracks or Brumby governments, but I would simply assert that if that were the case, one would have thought that at the first possible opportunity the government would have done what it said it would do and not, as Mr Wells did in June last year in the *Government Gazette*, use the clause put in place by the Bracks government to increase fines and penalties across the state. So at the first possible opportunity the new government took advantage of that, and at the second possible opportunity, because it was such an outrageous increase — and I will give it credit — it had the decency to come into the house to put the outrageous increase into place.

But I would ask Mr Rich-Phillips whether he shares the view of a certain Mr D. Drum, who, when the debate was going on in this place about the then finance minister who shall remain nameless, assured the house in answer to a series of questions that he would imagine that the Treasurer would not deviate from a CPI rate. And as I said in my contribution to the second-reading debate, no Treasurer has deviated, other than on two occasions when a Treasurer has gone under a CPI rate — once Labor and once Liberal. I ask: does the minister share the view of Mr Drum that you should put into the legislation that reference to the CPI rate if you were fair and square and genuine? I guess I ask the minister to reflect on whether it is appropriate to put into this legislation that CPI is the highest that the increases in future years can go.

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — I thank Mr Lenders for his question, but I guess the nature of Mr Lenders's question does not go to the purpose of this bill, which is to deal with a policy decision increase in the value of a penalty unit. The increase in a fee unit remains at 2.5 per cent, which was the amount gazetted by the Treasurer earlier this year in accordance with the existing mechanism, and that is consistent with the forecast for CPI. But as Mr Lenders noted in his commentary, there have been two occasions where the gazetted increase has been less than CPI, and I believe it is worthwhile to maintain that flexibility.

Mr LENDERS (Southern Metropolitan) — I have one more question that relates to clause 3 of the bill. I am finished on clause 1, thank you.

Mr BARBER (Northern Metropolitan) — I would like to ask the minister a question. During the second-reading debate I noted from the principal act that at the time this act was created a number of penalties in different bits of legislation were converted from monetary penalties to penalty unit denominated penalties, but can the minister tell me how many acts of Parliament are affected by this change that we are making here today through the mechanism of the monetary unit denominator?

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — I thank Mr Barber for his question. In short, that information is not held centrally. Obviously the number of pieces of legislation is substantial, and that is why the Parliament previously moved to a penalty unit or a fee unit basis — so that individual pieces of legislation do not need to be individually amended. I am advised that where a penalty unit or a fee unit applies in legislation, it is listed or disclosed on the websites of the individual departments that are responsible for those pieces of legislation.

Mr BARBER (Northern Metropolitan) — To truly know the effect of this piece of legislation, I would have to go through the entire statute book and look for wherever there is a reference to penalty units. I would have to do that to know the impact of the bill going through today.

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — I guess it depends on what Mr Barber means by 'impact'.

Mr Barber — Fines going up.

Hon. G. K. RICH-PHILLIPS — If he is talking about the aggregate value of fines, obviously the Treasury has an estimate based on historic revenue as to

what is collected through fines on an annual basis, and the adjustment can be applied to that in terms of determining the aggregate impact. But if Mr Barber is talking about individual areas, then yes, he would need to see the individual legislation.

Mr BARBER (Northern Metropolitan) — During the debate a government member threw out a figure of \$76 million expected to be gained. Is that figure accurate, and does that relate to the general increase in fines or the specific impact of this measure on top of the general increase that normally occurs in fines?

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — The service delivery budget paper on page 79 reports the impact of revenue initiatives. The line item there discloses that the increased penalty unit value impact for the budget year is \$72.3 million, and that relates to the 12.5 per cent increase, being the policy decision as separate from the ordinary indexation.

Mr BARBER (Northern Metropolitan) — In my contribution to the second-reading debate I also talked about the fact that there are some groups in society — such as people who are homeless, mentally ill, drug affected and so forth — who for reasons of their circumstances are not only more affected by receiving a fine but do not behave completely rationally about avoiding a fine. They then find themselves in a situation where they might have multiple fines that they are not going to be able to pay. Those fines ultimately escalate to the point where we are looking at a jail sentence, which I think is an undesirable circumstance. What policies does the government have in place to deal through a separate track with people who have accumulated large numbers of fines and are unable to pay them for reasons perhaps not completely within their control?

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — That really depends on the nature of the fines Mr Barber is referring to. Obviously the nature of a fine, or a penalty unit rather, applies across a vast range of legislation, and that does not necessarily dictate what the fine is going to be. Quite often legislation will specify a maximum, depending on the circumstances. It would very much come down to what agencies we are talking about and the nature of the particular penalty that is being applied. In short, I cannot give Mr Barber an answer on a consolidated approach because it would depend on what agencies and circumstances are involved.

Mr BARBER (Northern Metropolitan) — Are there any instances the minister can point to where agencies

have in place a policy, which might be separate to the strict reading of the law, as to how they treat people in the process of fining them or if a problem emerges with a large number of fines? For example, with public drunkenness there would be some homeless individuals who are drunk on the street nearly every day of their lives, often on the same street corner. This is from my own observation. It would be possible to go and stick a notice on to that person every day until they have racked up huge numbers of fines which they are never going to be able to pay.

Everybody agrees that the appropriate way to deal with that person is not to put them in jail but to get them into some sort of diversionary program. In those particular types of areas — in those specific areas that relate to public behaviour by those people with difficult problems such as drug abuse, mental illness and so forth — are there policies put in place by agencies to ensure that they are not dealt with strictly as black-and-white law issues but in a way that provides the necessary flexibility?

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — I am not able to point to specific examples of that, but it is my understanding that it is the case. Obviously it comes down to individual agencies and departments and the circumstances we are talking about. That is my understanding, but I cannot point Mr Barber to specific policies in that regard.

Mr BARBER (Northern Metropolitan) — On another issue, is it the government's view that this bill is an appropriation bill for the purposes of section 62 of the constitution?

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — No, this is not an appropriation bill. It is a revenue bill. It is not appropriating funds.

Mr BARBER (Northern Metropolitan) — This is important, because yesterday a point of order was raised in relation to a private members bill of mine that gave to the director of public transport the ability to create fares, fees and charges. It was argued that that was an appropriation, and therefore a bill was unable to originate in the Legislative Council for that matter. The constitution further goes on to say that the Council is unable to amend an appropriation bill, and can only suggest an amendment be returned to the Legislative Assembly. I wanted to be assured that in this case, and for future reference, a bill such as this could be amended in the upper house. The minister's assurance is that in fact this is not an appropriation bill.

Clause agreed to; clause 2 agreed to.

Clause 3

Mr LENDERS (Southern Metropolitan) — My question is simply to seek clarification from the minister. This bill appears to indicate that a new rate has been struck, which is the 2.5 per cent plus the 10 per cent uplift — so there is a 12.5 per cent increase in here. As I read it, going forward, the clause remains in place, so that the Treasurer next year, off this new rate, will have the ability to insert 2.75, 3 or 300 per cent — whatever figure he chooses to insert. The legislation goes back exactly to the status quo other than the in effect one-off 10 per cent uplift this year, but that is how the act operates.

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — That is basically correct. The increase is 15 per cent, being a 12.5 per cent increase on top of the indexation. From next year yes, it will default back to the existing mechanism of indexing based on the rate from this year and the annual rate struck by way of a gazetted order.

Clause agreed to; clause 4 agreed to.

Reported to house without amendment.

Report adopted.

Third reading

The ACTING PRESIDENT (Mr O'Brien) — Order! The question is:

That the bill be now read a third time and that the bill do pass.

House divided on question:

Ayes, 23

Barber, Mr	Koch, Mr
Coote, Mrs	Kronberg, Mrs
Crozier, Ms	Lovell, Ms
Dalla-Riva, Mr	O'Brien, Mr
Davis, Mr D.	O'Donohue, Mr
Davis, Mr P.	Ondarchie, Mr
Drum, Mr (<i>Teller</i>)	Pennicuik, Ms
Elsbury, Mr	Petrovich, Mrs
Finn, Mr	Peulich, Mrs
Guy, Mr	Ramsay, Mr
Hall, Mr	Rich-Phillips, Mr
Hartland, Ms (<i>Teller</i>)	

Noes, 14

Broad, Ms (<i>Teller</i>)	Pakula, Mr
Eideh, Mr	Pulford, Ms
Elasmar, Mr	Scheffer, Mr (<i>Teller</i>)
Jennings, Mr	Somyurek, Mr
Leane, Mr	Tarlamis, Mr
Lenders, Mr	Tee, Mr
Mikakos, Ms	Tierney, Ms

Pairs

Atkinson, Mr Viney, Mr

Question agreed to.

Read third time.

CITY OF MELBOURNE AMENDMENT (ENROLMENT) BILL 2012

Statement of compatibility

Hon. M. J. GUY (Minister for Planning) tabled following statement in accordance with Charter of Human Rights and Responsibilities Act 2006:

In accordance with section 28 of the Charter of Human Rights and Responsibilities Act 2006 (charter act), I make this statement of compatibility with respect to the City of Melbourne Amendment (Enrolment) Bill 2012.

In my opinion, the City of Melbourne Amendment (Enrolment) Bill 2012, as introduced to the Legislative Council, is compatible with the human rights protected by the charter act.

Overview of bill

The bill clarifies eligibility requirements for some resident occupants within the city of Melbourne who seek to apply for enrolment.

Human rights issues

The bill engages the following human right:

1. *Taking part in public life — section 18 of the charter act*

Clause 3 provides that a person who is a resident occupier of a rateable property within the city of Melbourne, and not otherwise entitled to be enrolled on the voters' roll, may only apply for enrolment if he or she has occupied the rateable property for at least one month. Clause 3 does not limit the right to take part in public life, as it does not prevent long-term resident occupiers from voting, but rather persons who occupy property on a transitory basis such as holiday makers who do not have a legitimate interest in the affairs of the municipality. This aligns with the minimum period of residency to be eligible to vote in state elections under the Electoral Act 2002.

Conclusion

I consider that the bill is compatible with the charter act because it does not limit any human right protected by the charter act.

Matthew Guy, MLC
Minister for Planning

Second reading

Hon. M. J. GUY (Minister for Planning) — I move:

That the bill be now read a second time.

The City of Melbourne Amendment (Enrolment) Bill 2012 will amend the City of Melbourne Act 2001 to clarify the application of section 9B of that act.

Section 9B entitles people who are the owners or occupiers of rateable property in the city of Melbourne, who are not otherwise entitled to be enrolled, to apply for enrolment to vote in a Melbourne City Council election. The purpose of the bill is to ensure greater clarity about the entitlements of occupiers under this provision.

The bill will specify that a person may only apply for enrolment as an occupier under section 9B if he or she occupies the property for at least one month before the entitlement date, when the rolls close.

This one month time period for occupancy, proposed in this bill, is the same period that applies to an application for enrolment on the state roll under section 22 of the Electoral Act 2002.

Section 9B has limited application for occupiers. It only applies to people who live in the city of Melbourne and who are not enrolled on the state roll of electors in the city. This may include a resident who is not an Australian citizen or a person who is a part-time resident of the city who is enrolled on the state roll for their primary residence elsewhere.

The entitlements of other occupiers, including residents on the state roll, are provided under other sections of the City of Melbourne Act 2001 and will not be altered by this amendment.

I commend the bill to the house.

Mr TEE (Eastern Metropolitan) — I will make some very brief remarks on the City of Melbourne Amendment (Enrolment) Bill 2012 and indicate the opposition does not oppose this bill. Indeed the opposition has been very cooperative in working with the government to ensure its speedy passage. It is important that we deal with the bill now because of forthcoming elections for the City of Melbourne.

This bill reflects the unique nature of Melbourne City Council as a council for the state's capital city, therefore some unique provisions apply, including the capacity for corporations, or at least their owners, to exercise a vote. This has been a longstanding practice, as has the capacity of students to vote in the city council elections. This is an issue unique to the City of Melbourne. Notwithstanding the longstanding practice, some concerns have been raised about the legality of the existing provisions, and this bill seeks to confirm those provisions to ensure that the doubts thrown up by

legal advice are put to bed, and it is important this be done as quickly as possible. That is why the opposition has been supportive of both the bill and the process.

Clause 3 of the bill provides that a person who is a resident occupier of a rateable property within the city of Melbourne, and not otherwise entitled to be enrolled on the voters roll, may only apply for enrolment if he or she has occupied a rateable property for at least one month. This requirement is consistent with state legislation, and for that reason opposition members do not oppose it. As I said, this provision reflects the unique nature of Melbourne as a capital city and the need to ensure that there is broad representation on the voters roll. For that reason the opposition will not oppose this bill.

Mr BARBER (Northern Metropolitan) — The Greens will also support this bill. Whenever a bill races through both houses in a period of days or less, naturally we become concerned and want to give it a great deal of scrutiny. The particular issue covered by the bill has arisen from a debate that has been occurring in and around Melbourne City Council about the eligibility of various voters. The way in which that debate was originally raised was quite unfortunate, and the Greens want to be sure that the reasons for this bill being brought forward are proper reasons and that the face value of what the bill does is in fact exactly what the bill is intended to do, no more and no less. As a result of some discussions I have had with those who would know about this matter, I have satisfied myself that that is the case.

The bill relates to various ways that one can be entitled to vote in a Melbourne City Council election. Since the brave new world introduced by the Kennett government in relation to the Melbourne City Council, this has been an interesting area of discussion and debate. Even in my short time in this place, those provisions have had to be tweaked on a regular basis to deal with some rather perverse effects. I am talking about people who might have owned strata-titled car parking spaces. The effect of many thousands of car parking spaces being strata titled resulted in the owner of each one suddenly becoming eligible to vote. That was possibly not the effect of the legislation, but simply because the City of Melbourne is different to many other councils. I am talking about the large number of non-resident voters and their entitlements.

As you would expect, owners of rateable property are able to vote, but a mechanism was set up by the Kennett government whereby some occupiers of rateable property in the form of corporations are now required to be hunted down and forcibly enrolled to

vote. This leads to the sort of preposterous situation where a mobile phone tower gets a vote, and the vote is given to the CEO of an international telecommunications company domiciled in Singapore, Hong Kong or somewhere else. Along with many other strange examples such as that, at times that provision approaches being similar to that of a rotten borough, and the view of my party is that major reform is required.

However, that is not what we are doing today. We are not making a major reform; we are simply amending section 9B of the City of Melbourne Act 2001 so that persons who are not otherwise enrolled — that is, they do not fall under the category of being a local resident or an owner or occupier of property — who are not less than 18 years of age and are entitled to be enrolled because they are an occupier of rateable property, will have that entitlement as long as they occupy that property for one month prior to the date on which they are to be enrolled.

Business interrupted pursuant to standing orders.

QUESTIONS WITHOUT NOTICE

Higher education: TAFE funding

Mr LENDERS (Southern Metropolitan) — My question without notice is to the Minister for Higher Education and Skills, Mr Hall. Yesterday in the house the minister said he would take on notice the question of whether TAFE boards are obliged to follow the same principles as company boards under the requirements of the Australian Securities and Investments Commission, and I wonder whether the minister has an answer for the house.

Hon. P. R. HALL (Minister for Higher Education and Skills) — No, I do not have an answer at this point in time. I have asked for advice on that from my department, and I will furnish Mr Lenders with that advice when it is received.

Supplementary question

Mr LENDERS (Southern Metropolitan) — I thank the minister for his refreshing frankness, but I would have thought the threshold issue of whether TAFE boards could trade while insolvent was one that would have generated a little bit more urgency from the minister, given the cuts that are in place. My supplementary question to the minister is: when will he be able to advise the house and, more importantly, the TAFE boards on whether or not they have acquitted

their obligations as company directors if potentially trading while insolvent?

Hon. P. R. HALL (Minister for Higher Education and Skills) — As I have said, I will do that in a very timely fashion. It is a serious issue that I intend to address. The legal advice that I have sought was not available within the 24-hour time period, and it is not the sort of issue that I want to give a superficial answer to. That is consequently why I have considered this in some detail, and I will provide a more fulsome answer in due course.

I want to make this point with respect to the urgency of the matter. I say very clearly that there is no issue in regard to any immediate threat of insolvency from any of our TAFE institutes. The annual reports that were tabled in this Parliament just a matter of a month or so ago clearly show that while there were three or four, if my memory is correct, that traded in deficit over the last 12 months, there were none that were by any means at all approaching the definition of being insolvent. It is an issue of importance, absolutely — —

The ACTING PRESIDENT (Mr Finn) — Order! The minister's time has expired.

Manufacturing: food processing

Mrs PETROVICH (Northern Victoria) — My question is to the Minister for Manufacturing, Exports and Trade, Mr Dalla-Riva. Will the minister outline to the house the importance of food processing as a key sector for generating jobs and investment in Victoria, especially in Northern Victoria Region?

Hon. R. A. DALLA-RIVA (Minister for Manufacturing, Exports and Trade) — I thank the member for her question and her interest in the food manufacturing sector and its importance to jobs and investment in northern Victoria. Obviously food processing and the manufacturing industry are facing a number of challenges, as I have said before, in terms of the high dollar, global competition and the higher energy costs that will be approaching as a result of the carbon tax. We know that these pressures are common to all manufacturers.

The food processing sector is very important in our regional communities. Up to 28 000 people are employed in food processing in regional Victoria, and one in three of all manufacturing jobs in regional Victoria are in the food processing sector. We know that food processing is also our largest export earner. Exports from Victoria in the 2010–11 year were worth \$6.3 billion, and in Victoria they accounted for 25 per

cent of Australia's total food exports, Victoria being Australia's largest exporter, exporting to over 100 countries.

It is always good to see an exciting future for Victoria's food processing and manufacturing industry. Our recent trade visits to India, Korea and Japan confirmed that Victoria is seen as a very strong area for clean and green food because of our reputation around the world in that regard. Obviously with Asia's middle class growing dramatically there are exciting opportunities in emerging sectors.

This is complemented by our \$58 million manufacturing strategy and the \$50 million trade engagement strategy. What we are able to do is ensure that we offer opportunities for companies — food processing companies in particular — to expand their product and their customer base. As I have said before, the success of manufacturing will be determined by the capacity of those in manufacturing to adapt to changing market conditions, certainly by innovating, by identifying new markets, products and services and obviously by improving their productivity and competitiveness.

It is interesting to note that when I raise the issues of productivity and competitiveness they are the two words that those opposite are struggling to understand, because they just do not get it. It is interesting to see. If you want an example of that, there could not be a worse time for the food processing industry to have the additional cost of a carbon tax imposed on it.

Likewise, there could not be a worse time to risk the viability of the industrial base in northern Victoria by cutting water entitlements. What we know, as my colleague the Minister for Water, Mr Walsh, has indicated in response to the latest draft of the commonwealth's Murray-Darling Basin plan, is that the plan poses significant risks or threats to food and fibre production in northern Victoria.

Basically at stake in this draft plan are tens of thousands of jobs, billions of dollars in exports and the security and prosperity of 52 towns and 2 cities in the state's north. The latest plan would potentially close down large areas of food production, specifically in the dairy industry, which produces our most successful food processing exports. Communities across the basin rely on the economic activity and jobs generated by these important industries. It is not the time to introduce a plan that will subject them to a death warrant.

I say to those opposite that it is time they learnt to stand up for the interests of all Victorians, be it on the matter

of the carbon tax or this latest draft water plan. They should be talking about not supporting these policies; they should get on the phone and stop —

The PRESIDENT — Order! The minister's time has expired.

Teachers: enterprise bargaining

Mr LENDERS (Southern Metropolitan) — My question without notice is to the Minister for Higher Education and Skills. Yesterday the minister told the house that despite there not being a legal obligation, or advice he was aware of, that the government is fully meeting the support required by TAFE institutes in Victoria by funding the current enterprise bargaining agreement (EBA) commitments, essentially until the end of the year. I am advised that TAFE directors have received legal advice from the minister's department that under provision six, an expiry provision, of the notes in the 2009 Victorian TAFE enterprise bargaining agreement, it states:

If a successor agreement is not agreed to by 30 September 2012, there will be a further salary increase for all teachers equal to the escalation rate under the then operative departmental funding model from 1 October 2012.

Given that the agreement ends in October this year, and given that under the agreement there is an escalator for next year if no future agreement is reached, will that be funded?

Hon. P. R. HALL (Minister for Higher Education and Skills) — Mr Lenders is right, and I confirmed it yesterday: current vocational education and training EBA agreements expire on 30 September. That will leave a minimum of three months for TAFE institutes to negotiate new EBA arrangements. As Mr Lenders also said, the government is committed to providing TAFE institutes in Victoria with the current funding arrangements at the same rate between now and 1 January, apart from new enrolments and subsidy levels for those new enrolments. Mr Lenders asked whether, in the absence of a new EBA being able to be negotiated before 1 January, the government would fund that 2.5 per cent rollover provision, which is contained within the award. That is an issue we will address if and when it arises.

Supplementary question

Mr LENDERS (Southern Metropolitan) — I thank the minister for his precise answer, but my supplementary question is: TAFE boards need to make decisions now both for the financial year and the calendar year, which is halfway through the financial

year, based on government funding. TAFE directors, I am told, are saying they have no certainties, so this last 2.5 per cent from the end of October to 1 July next year is uncertain. Will the minister commit to fund that 2.5 per cent if no EBA is settled by the end of the current period?

Hon. P. R. HALL (Minister for Higher Education and Skills) — I have answered a question in this house before which outlined the process TAFE institutes are currently engaged in — that is, financial planning, business modelling and the way they are going to transition towards the new funding arrangements for vocational training in this state. At the very outside the date that has been set for the conclusion of that particular process is 30 September this year. I would think some TAFEs would like to present their business planning case to the government before that time. As a result of that process, the government will be aware of the needs of TAFEs. Once those needs are identified, then those matters, including the one Mr Lenders raised, will be addressed.

Geelong: work and learning centre

Mr KOCH (Western Victoria) — My question without notice is to the Minister for Housing, the Honourable Wendy Lovell, and I ask: can the minister provide details of the exciting partnership between the Baillieu government and Northern Futures in delivering a work and learning centre in Geelong?

Hon. W. A. LOVELL (Minister for Housing) — This is a very exciting project that we are delivering together with Northern Futures and the Brotherhood of St Laurence in Geelong. I am pleased to advise the house that the official opening of the Geelong work and learning centre took place last week. I particularly thank my colleague David Koch, who opened the centre in my place when at short notice I unfortunately needed to attend a funeral and deliver a eulogy for a very close friend.

It is fitting that it was Mr Koch who opened the centre, given the incredible advocacy he has shown for the Geelong work and learning centre and also given his incredible advocacy for the communities in Corio and Norlane. Mr Koch has been an incredible advocate for the Geelong work and learning centre for good reason. Northern Futures is partnering with the Brotherhood of St Laurence to run the government's second work and learning centre. These work and learning centres are focused on providing employment and training opportunities for people who are living in high-density public housing areas.

The house has heard about my excitement for these initiatives and the outcomes they have already achieved, and in Geelong this gives us something to really be proud about. Since beginning its operation a few months ago, Northern Futures has been able to use its links to form partnerships with 33 local employers. It is this level of local knowledge that has enabled 174 clients to be assisted. Of those 174, 52 clients have already found employment and 65 have taken up training opportunities. These are real opportunities with real employers, and include the provision of 10 traineeships in business administration at the Transport Accident Commission, 5 job placements for aged-care graduates with Barwon Health, and 8 paid work experience placements and 4 graduate jobs with Target.

Honourable members interjecting.

Hon. W. A. LOVELL — I know opposition members do not care about jobs. They do not want to hear about this because it is a good news story, but I will continue to talk about work and learning centres because they are delivering real jobs for disadvantaged Victorians,

We are also delivering in the Norlane area through the government's \$80 million New Norlane initiative. This will provide an even greater opportunity for locals to be employed with local businesses so that they can gain training as these new homes are built. My thanks go to Peter Dorling, the chair of Northern Futures, for his vision and enthusiasm for this project. The location of the next three work and learning centres will be announced later this year, and I look forward to them being as successful as the one in Geelong.

Vocational education and training: funding

Mr LENDERS (Southern Metropolitan) — My question without notice is to the Minister for Higher Education and Skills, Mr Hall. Parents of VET (vocational education and training) students are asked to make a contribution of around \$800 towards their VET in Schools education, but this is not always possible due to financial hardship. Any shortfall is often covered by schools so that students can still receive vocational education and training. As the government has cut VCAL (Victorian certificate of applied learning) funding, which is how many schools subsidise the VET programs, and now the EMA (education maintenance allowance) has been cut, and given that the latest cuts to TAFE will result in course closures and TAFE fee hikes of 100 per cent to 400 per cent in some cases, can the minister therefore outline what effect these cuts will have on VET in Schools, and what

impact his cuts will have on students currently undertaking VET courses as part of their VCE (Victorian certificate of education) or VCAL studies?

Hon. P. R. HALL (Minister for Higher Education and Skills) — Secondary school students studying VCAL or VET in Schools are provided with funding for those particular courses through the student resource package, or SRP. There has been no change in funding arrangements for the delivery of those programs in schools.

Supplementary question

Mr LENDERS (Southern Metropolitan) — Last year in the budget the VCAL coordinator funding was cut, which was used by schools to subsidise VET courses at \$800, and this year there have been cuts to the TAFE institutes and fee increases, which means they no longer have the ability to cross-subsidise the VET students, who were a feeder source for TAFEs. My supplementary question to the minister is: with his cuts to VCAL, his cuts to TAFE and his cuts to the EMA, can he guarantee that schools will not cap or cut VET places?

Mr Ondarchie interjected.

Hon. P. R. HALL (Minister for Higher Education and Skills) — As Mr Ondarchie asks behind me, ‘What is the difference in that question?’. The point of this matter is that Mr Lenders makes some big assumptions that there is a level of cross-subsidisation between the delivery of VCAL and VET programs in schools from other funding sources, including by those who may be contracted to deliver those programs in schools.

For the information of Mr Lenders and to clarify the matter for members of the house, the decision as to who delivers the VET and VCAL programs in schools is undertaken by the school itself. In some cases there are qualified teachers within the staffing profile of the school who deliver those VET and VCAL programs. Some schools contract outside organisations to deliver on their behalf. Schools are funded for the delivery of those programs. How they choose to deliver those programs, and by what staff resource, is a decision that they take.

Planning: Northbank development

Mr O’BRIEN (Western Victoria) — My question is to the Minister for Planning, the Honourable Matthew Guy. Can the minister inform the house —

Hon. M. P. Pakula interjected.

Mr O’BRIEN — Mr Pakula should get on board instead of talking down a local Geelong manufacturer. If he cares about jobs, as a former transport minister he should open his mind instead of scoffing. Through you, President.

The PRESIDENT — Order! Mr O’Brien should confine himself to his question.

Mr O’BRIEN — My question relates to any new infrastructure works being planned for Melbourne’s Northbank precinct and how any infrastructure upgrades in this area will be delivered.

The PRESIDENT — Order! I ask Mr O’Brien to take it from the top because I did not hear the question. I do not want to hear the editorial again; just the question, please.

Mr Somyurek — Just the diatribe.

The PRESIDENT — Order! Mr Somyurek!

Mr O’BRIEN — Can the minister inform the house of any new infrastructure works planned for Melbourne’s Northbank precinct and how any infrastructure upgrades in this area will be delivered?

Hon. M. J. GUY (Minister for Planning) — I thank Mr O’Brien for his very important question about Melbourne’s Northbank precinct. I would like to inform the chamber today of the government’s initiative with the City of Melbourne to launch the construction and naming of Melbourne’s newest icon, which will go from Docklands to the north bank of the Yarra precinct. It is a new bridge at a total cost of \$18 million which for the first time will link the CBD area with Docklands, from around the ANZ building to the former World Trade Centre site. It will be known as the Jim Stynes Bridge.

I think all members of this chamber, irrespective of what party they are from, would acknowledge that the suggestion from the public to name this new piece of infrastructure — this iconic bridge for Melbourne — the Jim Stynes Bridge is a worthy tribute to a very worthy Victorian. The new bridge will trace the life of Jim Stynes, from being someone who, like so many Australians, came from overseas to settle in this new country to his participation in AFL football, to his work through the Reach Foundation and philanthropy, and indeed to the courage he and his family showed in the latter years of his life. Walking down the bridge will be a journey through his life. The public competition that we ran to seek suggestions, both through the *Herald Sun* website and also directly to the state government,

has produced what I believe will be a long-lasting and worthy tribute to a very worthy Australian.

The Northbank precinct of the Yarra River — and I was down there yesterday with the Lord Mayor, Robert Doyle, and with Jim Stynes's wife, Samantha — will see great revitalisation over the next one or two years. I would like to take this opportunity to place on record a lot of credit not just to this government but indeed to previous governments — the Kennett government for the foresight to plan out the Docklands precinct and the north bank of the Yarra River area and indeed the Bracks government but more particularly the Brumby government, which also put a lot of work into the revitalisation of Melbourne's Northbank precinct. That has been continued under this government. We see the Northbank precinct of the Yarra River being able to rival the Southbank precinct in a number of years time.

A number of governments and the City of Melbourne have put a large amount of work into what will be a great precinct for Melbourne into the future. The addition of the Jim Stynes Bridge will be the icing on the cake for the Northbank precinct, and it will be a huge addition for infrastructure between Docklands and the CBD.

I conclude by putting on the record my appreciation to the City of Melbourne for its tireless work in the success of the Northbank precinct, which will be commencing in the next few months, to the previous government for its work in changing the north bank and indeed to the Kennett government for having a vision for Northbank and the Docklands. What we will see is a fitting piece of infrastructure named after a worthy Victorian. Governments have come together to make Northbank, as it will be, a great icon for Melbourne in the future.

Apprentices: employer incentive payments

Mr LENDERS (Southern Metropolitan) — My question is to the Minister for Higher Education and Skills, Mr Hall. I refer to a media release and congratulate the minister on a \$300 000 one-off funding package for employer incentive payments to assist out-of-work Gippsland apprentices. Will this assistance be provided to other out-of-work apprentices in other parts of Victoria and in particular out-of-work Qantas apprentices?

Hon. P. R. HALL (Minister for Higher Education and Skills) — Last week I was pleased to join my colleagues from the other place, the members for Morwell and Narracan, to announce this fine initiative, which is being funded through a Regional Development

Victoria program and therefore my colleague, the Deputy Premier. It is in recognition of the commitment under the assistance that both the previous government and the current government have provided for restructure in the Latrobe Valley.

I am pleased to be part of a government that continues that support through the Latrobe Valley Advantage Fund, which I think was initially set up by the previous government. That commitment has been met and extended by the current government, and that is a good thing. The announcement of providing some employer subsidy support for taking on out-of-place apprenticeships is a good idea and one that has been welcomed down there. We hope it will lead to some employment prospects for up to 300 apprentices.

In respect of the provision of this particular program to other parts of Victoria, that has not been considered at this point in time, but we will look at the success of the Latrobe Valley project and learn from it.

Supplementary question

Mr LENDERS (Southern Metropolitan) — I wish the minister well in the learnings from that, but I urge him and the Deputy Premier to go beyond their own electorates in Gippsland and use the sources of that fund for people like the Qantas apprentices at Avalon, which the Regional Infrastructure Development Fund allows for. I ask the minister specifically: in the next round, will Avalon get the same treatment as Gippsland?

Hon. P. R. HALL (Minister for Higher Education and Skills) — I find it offensive that the Leader of the Opposition suggests that this was undertaken as a matter of favouritism because it was close to the electorate of the Deputy Premier and part of my electorate. As I said before, this was a recognition of need that was identified by the previous government. This government has worked through that need and extended upon it, so I take offence that there is any sort of parochial view in terms of where this program has been implemented.

As I said in my original response to Mr Lenders, we will evaluate this particular program and see whether it is taken up and is effective in finding positions for those 300 apprenticeships. If it is, it may be a model that can be applied in other areas, but it is one that the government and in particular the Minister for Regional and Rural Development, the Deputy Premier, will consider, because it is funded through his portfolio.

Aboriginals: health strategy

Ms CROZIER (Southern Metropolitan) — My question is directed to the Minister for Health and Minister for Ageing, Mr David Davis, and I ask: can the minister inform the house of recent actions in the area of Aboriginal health?

Hon. D. M. DAVIS (Minister for Health) — I am pleased to respond to the member's question by indicating that the government has recently released *Koolin Balit — Victorian Government Strategic Directions for Aboriginal Health 2012–2022*. Koolin Balit is part of a whole-of-government approach to improving Aboriginal health and an important part of our overall health strategy. Koolin Balit is from the Bunurong language and means healthy people.

I pay tribute to the large number of people who have been involved in putting this strategy together, in particular Jill Gallagher, the chief executive officer of the Victorian Aboriginal Community Controlled Health Organisation, Janet Laverick in my department and my Parliamentary Secretary for Health, Nick Wakeling, who is the member for Ferntree Gully in the Assembly. A number of people have worked very hard, and a reference panel has worked with them to develop Koolin Balit, a strategy that looks to the future.

I was pleased to launch this strategy at a conference on 25 May that was the first of its type in Victoria. It was a conference devoted to Aboriginal health and better health outcomes for Aboriginal Victorians in particular. The strategy has a series of priority areas focusing on key life stages, from pregnancy and early childhood through to caring for older people. It also addresses key risk factors and prevention and the management of chronic conditions.

We know that Aboriginal health outcomes are not equal to those of other Australians, and we know that a great deal of work needs to be done. This is a practical strategy bringing together all the disparate activities and seeking to provide an integrated approach to furthering the objectives that I think are shared across the community. That morning I was particularly proud to meet with the CEOs of a number of our key health services. I asked them to sign a statement of intent, as the CEO of their health service, to indicate their commitment and the commitment and preparedness of their health service not only to work with the strategy but also to work towards the improvement of the health of Aboriginal people in their community.

I also asked them to reach out and work with Aboriginal and indigenous groups in their area. Of

course many of them already do that and do that in a very constructive way, but I have asked each of those CEOs of major health services to reach out and build stronger links with the indigenous community in their particular areas. This is a practical approach that improves the coordination of health care and seeks to make the larger health services more welcoming and accessible to indigenous Victorians.

Substantial goodwill has been generated through this process. I note also the able chairing of a number of the sessions by Dr Jeff McMullen and the presence of the Aboriginal and Torres Strait Islander social justice commissioner, Mick Gooda.

I place on record my thanks to the section in my department led by Janet Laverick, which put in an enormous amount of work and showed great leadership in achieving this. I also pay tribute to Jill Gallagher for the work that her organisation has done in partnership with the department to lead this important process. As I said, Koolin Balit means healthy people, and this strategy is a clear recognition that the government and, through the government, the community are taking these matters seriously and are prepared to work cooperatively to achieve these outcomes.

Higher education: TAFE teachers

Hon. M. P. PAKULA (Western Metropolitan) — My question is to the Minister for Higher Education and Skills, and I refer to an advertisement in the *Age* newspaper of 2 June from the private RTO (registered training organisation) ASCET Institute of Technology, which reads:

Don't waste another year. Join the \$84 billion education industry today. Start training to be a TAFE teacher now! Enrol to commence training prior to 30 June to avoid price rise.

Given that there are something like 2000 TAFE jobs on the chopping block, the law of supply and demand to which the Liberal Party clearly subscribes would seem to suggest that it is not the most opportune time to be putting up the cost of a TAFE teachers course. Can the minister tell the house how much more a TAFE teacher training course will cost after 30 June and what possible incentive any student would have to pay the extra money?

Hon. P. R. HALL (Minister for Higher Education and Skills) — I have to say that I am struggling a bit to understand how a private provider and its commercial operations in terms of offering courses is my direct responsibility, given that this advertisement from which Mr Pakula quotes is from a privately owned and

operated RTO. Yes, it does have a contract with Skills Victoria to deliver training, and in that regard there might be a link to my responsibilities.

I point out to Mr Pakula — and he knows very well — that as part of the refocusing of vocational training we have set subsidies for each of the 1056 training programs in the state of Victoria. One of those is a certificate to enable people to get the qualification to teach at TAFE, and in that respect this particular organisation which he quotes is making a commercial decision as to what fee levels it will ask of people to participate in a program it is offering.

Supplementary question

Hon. M. P. PAKULA (Western Metropolitan) — Despite the fact the minister's cuts to TAFE make it interesting that anyone would be advertising for people to start training to be a TAFE teacher now, of all times, he claims that it is not his direct responsibility. Given the 2000 jobs on the chopping block at TAFE, can the minister advise the house when someone who started training to be a TAFE teacher now would have any chance of actually getting a job in TAFE?

Hon. P. R. HALL (Minister for Higher Education and Skills) — I suggest that I am being asked to offer an opinion here and to make a guess as to whether somebody who is undertaking a qualification now is likely to get a job in the future. Let me respond by saying that the employment functions of those who deliver training is a matter for them, whether they be publicly owned or privately owned. Therefore, they will make those employment decisions. I have no influence on the employment decisions they make.

Small technologies: Parkinson's disease monitor

Mrs COOTE (Southern Metropolitan) — I have a question this afternoon for the Minister for Technology, the Honourable Gordon Rich-Phillips. Can the minister inform the house of how the uptake of small technology is assisting with Parkinson's disease?

Hon. G. K. RICH-PHILLIPS (Minister for Technology) — I thank Mrs Coote for her question. I know of her great interest in the work that she does as Parliamentary Secretary for Community Services and her great interest in disability services more generally. I am pleased to receive this question from Mrs Coote.

Last year I was pleased to release Victoria's technology plan for the future, which focused on the development of the ICT, biotechnology and small technology sectors in Victoria. A big part of that plan was to drive

technology-enabled innovation in the Victorian economy. Within the small technology stream of the plan is the Small Technologies Industry Uptake Program (STIUP). This is an innovative program designed to encourage Victorian organisations through a voucher program. Vouchers of up to \$250 000 are available under this program. It is designed to encourage Victorian entities to harness the potential of small technologies — newly-developed nanotechnology — and build those into their products.

Global Kinetics Corporation (GKC) is the first recipient to develop a product after receiving a \$250 000 voucher under STIUP. Last week I was delighted to attend a demonstration of a Global Kinetics Corporation product at the Melbourne Brain Centre at Parkville. The company has developed the Parkinson's Kinetograph, also known as the PKG device, which is a wrist-worn device similar to a wrist watch and which contains a number of sensors to monitor the condition of Parkinson's sufferers. This allows clinicians to track in real-time the effects of Parkinson's disease on a sufferer and also to measure the impact of medication on a Parkinson's sufferer.

One of the issues that was highlighted in the demonstration last week was the way in which ongoing reliance on medication ultimately affects various functions of a Parkinson's disease sufferer, so it is important that they are not over-medicated as part of their treatment and that appropriate levels of medication are applied throughout their treatment.

This device goes a long way towards allowing clinicians to accurately track the impact of Parkinson's medication on as well as the progression of Parkinson's disease within an individual sufferer. It has substantial potential to improve the lives of Parkinson's disease sufferers. GKC has taken this \$250 000 grant and leveraged more than \$3.5 million of additional investment, which will allow them to undertake global clinical trials this year with a view to beginning export sales within about six months. This is a substantial outcome from this small investment by the Victorian government through this program.

It is worth recording that more than 15 000 Victorians suffer from Parkinson's disease, as do more than 65 000 Australians and more than 12 million people worldwide. Here in Australia alone the cost of Parkinson's disease is more than \$8 billion. This is a significant issue for the Australian community, and the development of the PKG device by Global Kinetics Corporation will go a long way towards assisting Parkinson's sufferers. This is a win-win for the Victorian technology sector in commercialising and

developing a device for export, and it is a win-win for the community in providing ways to assist people who are afflicted with a terrible disease.

- (b) is not less than 18 years of age or is less than 18 years of age but will attain the age of 18 years on or before election day; and
- (c) is an owner or occupier of any rateable property in the municipal district —

is entitled to apply to be enrolled on the voters' roll in respect of that rateable property.

QUESTIONS ON NOTICE

Answers

Hon. D. M. DAVIS (Minister for Health) — I have answers to the following questions on notice: 373, 416, 420, 450, 454, 747, 755.

CITY OF MELBOURNE AMENDMENT (ENROLMENT) BILL 2012

Second reading

Debate resumed.

Mrs PEULICH (South Eastern Metropolitan) — I rise today to speak in support of the City of Melbourne Amendment (Enrolment) Bill 2012, and I thank the opposition and the Greens for taking a constructive approach to this legislation, given that it is time sensitive. It is a short and straightforward bill that clarifies arrangements for the eligibility of people with certain types of vote in the Melbourne City Council voter franchise to apply to be on the roll ahead of the close of the roll.

I understand the minister's office was alerted to the issue of a possible question being raised over the enrolment cut-off used for the construction of certain specific voters on the Melbourne electoral roll. The matter was also raised with the minister's office by the Lord Mayor of Melbourne City Council in mid-May.

The voter franchise in Melbourne is quite unique. The two categories of voters that will be affected by this amendment are those who rent property in Melbourne but are registered at another place on the state roll and those who are not Australian citizens but who reside in Melbourne. The issue at hand is that of the need to be a resident for 30 days before being eligible to apply to be on the Melbourne voters roll. If we turn to the bill before us, we can see that with the addition of a fourth paragraph to section 9B(3) of the original act, such a person is entitled to apply to be enrolled.

Section 9B of the City of Melbourne Act 2001 says:

9B Persons entitled to apply to be enrolled

(1) A person who on the entitlement date —

- (a) is not a person referred to in section 9A; and

It goes on to talk about joint owners being entitled to be enrolled in respect of any one rateable property and also joint occupiers being entitled to be enrolled in respect of any rateable property.

The bill before the house proposes to add new subsection (4) to section 9B of the act:

“(4) For the purposes of subsection (1), a person who is an occupier of a rateable property is not entitled to apply to be enrolled unless the person has occupied the rateable property for at least one month immediately before the entitlement date.”

The need to be a resident for 30 days before being eligible to apply to be on the Melbourne voters roll is essentially what this bill is about. This requirement was initially in the Local Government Act 1989 but was removed in 1993 when we undertook some of those reforms. The use of a 30-day requirement has been by convention, and there has been some concern that this needs to be clarified. This amendment achieves that. The convention has been supported by the legislative framework of the state roll, but it has not been specifically articulated in the Melbourne act for resident occupiers. This bill will amend the City of Melbourne Act 2001 to clarify that provision, enabling the application of section 9B of the act. Again, currently the provision is not clear in setting out the minimum time for which a person must occupy a property before they can be entitled to make an application.

It is important to note that not many people are affected by this provision of the act. It does not affect people who are already on the state roll or in the Melbourne City Council area, but it includes residents who are not Australian citizens and part-time residents of the city who are enrolled on the state roll elsewhere. The amendments will not in any way amend the current arrangements used to determine eligibility; rather, the bill puts beyond any question or doubt the need for consistency with provisions in the Melbourne act and those that apply for eligibility on the state electoral roll.

The new provision allows people who own or occupy a rateable property in Melbourne who are not otherwise entitled to be on the Melbourne roll to apply to be on the roll. The bill changes those arrangements. A person may only apply for enrolment as an occupier under

section 9B if that person occupies the property for at least one month before the roll is closed. The integrity of our rolls is a very important part of our democratic system, and I believe this bill enhances that.

In relation to the need for urgency with this legislation, as local government election rolls close on 31 August for the upcoming elections in October this year, certainty is needed as soon as possible. Mr Barber was out of the chamber earlier, but I thank him as well as the opposition for facilitating the speedy passage of this amendment. The application of the 30-day residency rule means that a person who takes up occupancy within the city of Melbourne after the end of July will not be entitled to enrol or to vote. To remove any doubt about such entitlements, the amendment must be in effect before the end of July, and there being no parliamentary sittings in July the speedy enactment of this provision into law through both houses was required this month.

It is obviously preferable to give residents and all those involved in the construction of the Melbourne roll the maximum amount of time to have this certainty, and considering the fact that we are simply removing any legal doubt about the process that council officers use, in particular the chief executive officer, who has that responsibility, passage as soon as possible is the right thing to do. I thank the house for supporting the speedy passage of this legislation, and I look forward to a favourable outcome for good governance in the City of Melbourne elections later this year. I commend the bill to the house.

Motion agreed to.

Read second time.

Committed.

Committee

Clause 1

Mr BARBER (Northern Metropolitan) — It has been stated in the debate that we are fixing a legal anomaly. I have been informed by the minister's departmental advisers that Melbourne City Council has had a long-term practice of using a one-month residency requirement but that it is not currently enshrined in law. Can the minister confirm for me that it is his understanding that Melbourne City Council has been using one month of residency as the requirement for a number of years?

Hon. M. J. GUY (Minister for Planning) — Before I begin, I seek leave to have Mrs Peulich accompany me at the table.

Leave granted.

Hon. M. J. GUY (Minister for Planning) — In relation to Mr Barber's question, I understand that that has been used to date by the City of Melbourne as a convention.

Mr BARBER (Northern Metropolitan) — Is the minister able to tell me the broad quantum of how many voters have traditionally been enrolled via this entitlement?

Hon. M. J. GUY (Minister for Planning) — I believe that would need to be put to the CEO of the council; it is not information the state government would be mindful of.

Mr BARBER (Northern Metropolitan) — It is important because we could be talking about a dozen people or thousands. I agree that we are in the run-up to the elections; therefore it would be important if it were a huge number of people. It would be important for us to know whether or not this new requirement is going to affect their entitlement and the practicality of their enrolment. My understanding from the information I have been given by the minister's departmental staff is that the number of people who have been enrolled under this entitlement is in the tens, but I need the minister to confirm for me that that is broadly a correct number.

Hon. M. J. GUY (Minister for Planning) — The best thing I can do for Mr Barber is to take it on notice and then provide him with an answer, but I understand that the department has given him an indication that it is in the tens of people. As I said, it is probably a question best directed to the City of Melbourne itself given that it is managing that process, but I will see if I can provide any further clarification by the end of this debate. I am not sure I will be able to at this stage; however, I will try.

Mr BARBER (Northern Metropolitan) — I am out of questions, so I guess that means the minister is out of time.

Clause agreed to; clauses 2 to 4 agreed to.

Reported to house without amendment.

Report adopted.

Third reading

Motion agreed to.

Read third time.

Sitting suspended 12.51 p.m. until 2.02 p.m.

BUDGET PAPERS 2012–13

Debate resumed from 3 May; motion of Hon. R. A. DALLA-RIVA (Minister for Employment and Industrial Relations):

That the Council take note of the budget papers 2012–13.

Mr SCHEFFER (Eastern Victoria) — Listening to the Treasurer start on his second budget speech more than four weeks ago I was momentarily seduced into thinking maybe, just maybe, this budget would not be as bad as we expected. I found myself agreeing with the Treasurer when he acknowledged that Victoria faced what he called real and substantial challenges. The Treasurer reminded us that the Victorian economy has been hit by the slowdown in world growth; sovereign debt and contraction in Europe — ignoring the position in the United States; the high Australian dollar, which of course is now falling slightly, and its negative impact on manufacturing, education and tourism; as well as subdued household spending, arising I think from moderating house prices and the fluctuating value of superannuation.

I also found myself agreeing with the Treasurer that global and national economic factors have contributed to a softer economy and reductions in government revenue, and that while families and businesses are under pressure we should not passively accept these challenging circumstances. The Treasurer told us that these challenging realities cannot be ignored and that the government would set out a clear plan to take advantage of Victoria's current and future opportunities — and here is the point — through driving economic activity, productivity and jobs. The Treasurer said that we should address our economic challenges through driving economic activity, productivity and jobs.

Suddenly the cloud of despair lifted and I was cautiously optimistic that maybe, just maybe, this government had at last returned to the Liberal Party of Rupert Hamer and was distancing itself from its recent contractionary rhetoric. The Treasurer went further. This budget, he told us, would be about investing in infrastructure, enhancing front-line services, protecting

the vulnerable and meeting community needs in health, education and community safety.

Despite all these fine words, this budget is in fact contractionary at a time when there should be balanced and strategic public investment that keeps people in work, creates opportunities for skills development, reinvests in manufacturing and supports innovation so that we grow ourselves out of this downturn.

This is what strong and strengthening economies do and what Labor has always done. The message — as celebrated Nobel award-winning economist Paul Krugman, a writer for the *New York Times*, reminds us — is that the boom, not the slump, is the right time for austerity and that no economy has ever got itself out of a slowdown through a saving program alone. The fundamental problem that the opposition has pointed to again and again is that this government has no jobs plan. Last year the Treasurer said that Victoria would create 55 000 jobs a year, but instead Victoria is losing 900 jobs a week, with no prospect of a turnaround. Yesterday's jobs figures show that unemployment in Victoria continues to creep up, rising from 5.3 per cent a month ago to 5.4 per cent now, and that is 3900 jobs lost in the last month alone.

Labor's treasury spokesperson, Tim Holding, in his budget reply referred to a comment from Tim Colebatch writing in the *Age* that there was nothing resembling a jobs plan or anything that would get the economy moving again and that this was part and parcel of a Premier and a government that do not know what they stand for and do not know where they are going.

As a result of this failure to find direction, Victoria now has an unemployment rate of 5.4 per cent, and this is impacting very heavily on regional Victoria. The rising tide of concern in regional Victoria, including Gippsland, is — or should be — truly alarming the government, and it should be listening very carefully, but the fact is it is not.

Andrew Broad, former president of the Victorian Farmers Federation, said a week or two prior to the budget that this government has failed to deliver on some critical election promises that would have removed some of the difficulties faced by young farmers, for example, who were attempting to make a go of their fledgling businesses. He cited stamp duty exemptions, the first farm grant, a rural youth movement and an agriculture exchange program.

As it turned out, the budget cut the \$205 million Future Farming strategy as well as cutting vital business,

welfare and health support for rural and regional families. For a Liberal-Nationals coalition government, this very public loss of faith from a key stakeholder is devastating for the government, and it adds to the growing list of very prominent business leaders — eminent people such as Bank of Melbourne chair, Elizabeth Proust — who have been repeatedly calling on the government to lift its game.

One of the questions I have is: what are The Nationals thinking in the middle of all this? How can Peter Ryan, the Deputy Premier and member for South Gippsland in the Assembly, Peter Hall, the Minister for Higher Education and Skills, and Russell Northe, the member for Morwell in the Assembly, allow their coalition partners to effectively trash country Victoria and Gippsland in particular? How can they allow what is their core constituency to be so stood over by their Liberal partners? They know, and everyone in Gippsland and the Latrobe Valley knows, that voters are watching them very closely to see whether and how strongly they stand up for regional Victoria. Of course the Deputy Premier's credibility, already dented by his sordid involvement in the plot to undermine and topple the former Chief Commissioner of Police, is now under close scrutiny because he is the underwriter-in-chief of this contractionary Liberal budget.

Tragically Minister Hall has also provoked the ire and condemnation of thousands of his constituents over his failure to defend the TAFE system when he knew that what his Liberal colleagues were doing was just plain wrong. Many people have expressed their deep disappointment and shock because they believed Mr Hall had integrity and that he would defend the interests of Victorians and defend the right of people across the state to the best educational provision possible.

This is no small thing. I had not realised that I had inadvertently allowed the fact that I have known Peter Hall for nearly 10 years now and worked with him in Parliament to lead me to underestimate the strength of feeling in Gippsland about what he has done. Voters in Gippsland over the last few weeks have delivered me a reality check. Person after person has communicated their anger and disgust that Mr Hall could on the one hand repudiate and publicly rail against what the Liberals are doing to TAFEs in Gippsland, yet on the other hand deliver and even defend the most savage cuts to TAFE ever seen. To put it bluntly, people are furious and frustrated that no-one on the government side appears to respond to the emails that constituents have been sending them.

This attack on the technical and further education system comes at the very time when investment is needed, and this obsession with surpluses and so-called small government and the uncritical extolling of the market are ideas we associate more with the political and economic agenda of the hard right, not a party that looks to a moderate liberal tradition. Of course in that context we think of Margaret Thatcher and the philosophy of Friedrich von Hayek, who suspected that government should play virtually no role at all in economic decision making.

This takes us to the centre of what is wrong with this second budget of the Baillieu coalition government: its failure to respond to the economic downturn in a way that builds the economy of the state and that has a humane regard for the welfare of Victorians. Across the Western world we are seeing an anti-austerity sea change as progressive voices gain traction and coherence. A recent United Kingdom poll showed that 30 per cent of people in the UK agree with the direction in which French President Hollande is moving, with only 20 per cent of UK residents who were polled supporting the Conservative-Liberal Democrats alliance that is led by Prime Minister David Cameron in their own country — and he, of course, is the mouthpiece of the City of London. In addition only 16 per cent supported German Chancellor Merkel's approach.

The election of President Hollande in France is hugely significant and bolsters the legitimate claim of progressive forces in Greece that in working towards economic reform the country should not be trashed and the terms of debt repayment should not prevent reconstruction. Of course President Obama has now stepped up to support the winds of change blowing across Europe. We need only think of the indignados in Spain, the millions who voted against the coalition conservative government in the UK local elections, the progressives in Greece and even the Occupy Wall Street movement in the US to see that all of this represents a change of gear across the world.

The point of these examples is that Australia is highly integrated into the European Union, which is, besides China, the largest investor in Australia. Even a small country like the Netherlands is the fourth largest investor in this country. The point is that the global world in which we now operate is a connected world. What goes on in Victoria and Australia, and the views and philosophies and understandings we have about how the economy operates here, is connected globally. The economic debate in Victoria and Australia is not immune from those wider debates. We have a responsibility to understand them and we should see

some of that reflected in the budgets of Victorian governments.

This budget hits regional communities directly and is causing people to suffer in their day-to-day lives. In the last six months 15 000 regional Victorians lost their jobs, and those people are one and a half times more likely to lose their jobs than are people living in metropolitan Melbourne. This is why the lack of a jobs plan is critical. Keeping a focus on regional Victoria, the coalition effectively scrapped the \$205 million Future Farming strategy, drawing criticism from a former Victorian Farmers Federation president, Andrew Broad. The government has also scrapped the first home bonus, making it harder for young regional families to own their first home, and this discourages people from staying in regional communities.

Other reductions include ending the School Start bonus that provided \$300 grants to help parents cover school costs; abolishing the education maintenance allowance, making less financial support available to vulnerable students for uniforms, textbooks and excursions; cutting funding for Rural Midwife consultants — consultants who train rural midwives to provide support to new mothers living in regional and rural Victoria; and cutting the \$9.4 million provided for free financial counselling services in rural and regional areas. Rural and regional Victorian families are the big losers in this year's state budget.

I want to comment briefly on the extraordinary anxiety that the imminent commencement of the carbon pricing scheme is causing amongst some members of the government. Yesterday, for example, we heard Mrs Peulich attribute almost every challenge facing Victoria to the carbon price, ignoring the fact that it has not even commenced yet.

The overwhelming fact is that in contrast to the Victorian economy, the national accounts released yesterday show that the national economy is powering ahead. The annual 4.3 per cent gross domestic product growth left the federal opposition reduced to silence, something that is very unusual. All Joe Hockey could say was that the figures spoke for themselves. The figures must surely put an end to the baseless attacks from the Victorian opposition because it is plain for everyone to see that investment is growing and that no-one is taking any notice of the greenhouse gas emissions trading scheme as it is already factored in, and it is not harming business.

The nonsense spouted by Mrs Peulich yesterday was based on an incredibly discredited Deloitte study. We should hear no more of this. The carbon price will not

result in the 35 000 fewer jobs that the Deloitte report argued. It will not result in — —

The ACTING PRESIDENT (Mr Elasmr) — Time!

Mr BARBER (Northern Metropolitan) — Victorians are crying out for a government with a vision and a plan for this state. They are not getting it in the form of this budget, nor are they hearing it from the Labor or Liberal parties. This is not the first time that the government has faced economic, financial and budget problems, and it will not be the last, but that is no excuse to let go of a vision for this state. It is like anything in life: if you want to achieve something, you have to have a plan and work consistently towards it. Nobody in Victoria right now can tell us what this government's plan is, nor have they heard anything from the opposition.

The lack of confidence in the future of Victoria is written all over these budget papers. It is almost as if a receiver has been appointed to wind up Victoria. Many essential functions that must be provided for in every budget are being hacked into with no thought as to what that may mean in the medium and long term. It is like hacking into your own basic organs.

I do not know what government MPs are going to say as they go back to their electorates tonight. The government has put three times as much into new prisons as it has into new school projects. It has clawed back \$2.50 a month from the compensation paid to people for their winter energy bills. Government members have cut into their own kids' future and the skills base of the economy. There is not one increase to tram, train or bus services for the city or for V/Line. We are told that some new V/Line trains are coming sometime in the future.

Apparently the budget went down a treat at a fundraising event organised by the Liberal Party where the top end of Collins Street meets the bottom end of Spring Street. We know the government is constantly telling people that we need to live within our means. Every citizen of Victoria already understands that, and the poorer their means, the better they understand it. It is not something on which the ordinary citizen wants to be lectured on by the government. People want to know what the government's plan is to take us through this difficult time and on into the future.

In fact it is a financial crisis like this, a global economic crisis, that really tests a government's political priorities. In this budget you will see the government clawing an extra \$90 million from poker machine taxes,

money that comes from some of the most vulnerable people in Victoria. I had a lot of difficulty finding a public transport project in the budget papers. There was the reworking of the car park down at Warragul and another \$150 million being tipped into myki by this government on top of the blow-outs of the previous government. It is more from pokies, more from public transport tickets and more from our water bills, and on spending it is roads, prisons and subsidising coal-fired pollution. The government's priorities here are absolutely clear.

All the key cycling programs that have been running for years have received no funding in this budget. That includes the VicRoads programs and the metropolitan trail network along our rivers and through our parks. All we are seeing in this budget is the leftovers of previous projects being delivered and then nothing for the future.

My colleague Colleen Hartland, the Greens MLC from the western suburbs, was surprised to see Premier Ted Baillieu on his first visit to Footscray the other day. Colleen was taking the train to work at Parliament, as per normal, and saw the Premier arrive in his chauffeur-driven car to deliver armed guards for the railway station. Ms Hartland uses that station every day. She says she does not believe it is a dangerous place. The danger we are now seeing on the public transport system is the overcrowding, accidents and trips and falls due to the lack of new services.

As I said, in this budget there is not one increase to tram, train or bus services, city or country, despite public transport fares being lifted 8.6 per cent on 1 January and, we now hear, by another few per cent before 12 months is out. The money spent on those armed guards would be better spent putting staff on every station, so you would see a friendly face who could also give you directions and sell you a ticket, which would help reduce the levels of fare evasion that are allowing millions of dollars to go out the door.

On education, it is just incomprehensible that the government seems to be determined to destroy our TAFE system. This race to the bottom was set up by the previous Labor government, and now our TAFE institutes will have to compete with every fly-by-night operator who sets up a tertiary course. The Minister for Education will end up sounding more like the Minister for Consumer Affairs in that he will have to warn people about something that is a significant investment in their lives — applying for a tertiary course and paying significant fees to get into it.

Unfortunately this competitive model, which was commenced by the previous government and which restricted access to subsidised fees, makes it harder for people to retrain. So the necessary mobility in our working lives, or the adding of extra skills, has become even more difficult just over the last few years, and certainly not just in this budget alone. That has been a huge blow to the TAFE system, which many people have used to get a new start in life. To those people it is something that they love. Of course in country areas the regional TAFE is well known and respected, and many people expect that their future will be to go to that TAFE when they leave school. Now it is all becoming a bit of a mess.

Quite sadly, amongst those stories there were the cuts to the Auslan course — that is, the Australian deaf sign language course. So far the government has not been able to assure us that that course is going to continue. It is the only one of its type that we have here in Victoria, and that makes it extraordinarily difficult, not just for people who want to learn to be sign language interpreters but also for deaf people themselves to access a whole range of opportunities. These are some of the very unfortunate stories coming out of the government's budget, but what we are yet to hear is a vision for the state. That vision must encompass a long-term investment in the things that we need here in Victoria to plan for our future.

On education, we are currently the lowest spending state in Australia. Whether it is an economic strategy or just the right thing to do to encourage social equality, we must boost our education spending up to at least the national average, but if we want to compete with the world, then we need to start looking at the sort of investment that other countries make in education.

In health, we have a number of crises, but the most noticeable one is dental health, with waiting lists getting longer and longer. At the federal level the Greens were able to negotiate \$500 million to go into a program to cut dental waiting lists. What we need to hear from this state government is that it will not use that as an excuse to cost shift through this budget, that it will cooperate with the federal government to develop a plan to help cut those lists and that it might even see it as a great investment to put more money into public dental health programs, because as anyone who has had a long-term problem with their teeth will be able to tell you, it affects all parts of your life.

Across the health sector — and we see very little investment in health in this budget — we have a whole range of preventable problems. If we address those at the beginning with some small but significant sums, we

would avoid the spiralling costs associated with chronic ill-health at the acute end in our hospitals. I am talking about the so-called SNAP factors — that is, smoking, nutrition, alcohol and physical activity — all of which need to be addressed if we are to create a healthy and happy population, and for that matter an economically productive population.

On the environment, we just see a big fat nothing from this government. Any program that was making a difference to reducing our greenhouse gas emissions has been cut and subsidies keep pouring into the coal-fired generators in their last-ditch effort to fight off the growing and bountiful renewables sector. Before its first term is over this government is going to have to explain what it has done for the environment — and that is not just addressing climate change — which is becoming a critical and pressing need, and this is a matter which a significant proportion of Liberal Party voters actually list as a key concern for them.

The government must also explain how it is addressing issues around our natural environment here in Victoria, which is one of the most ecologically damaged states. We have critical ecosystems in decline and on the edge. If urgent action is not taken, we will see an increased number of species extinctions. By the way, if it wanted to, the government could address two of these environmental problems in one — if it ended the woodchipping of native forests, it would reduce a huge amount of carbon going into the atmosphere and at the same time secure those species and the water supplies that come out of our mountain forests.

On taxation, you would not expect and you will not see any reform in this budget to state taxes. The Henry review, which we worked very hard on and the Greens continue to promote, talks about the different state taxes and the distorting effects that they have on the economy. But no state premier is putting up their hand to drive that process, and it would need to be a national process.

There are a whole range of state taxes that are burdensome and have negative economic effects, but the worst of all is the more than \$1 billion that the state government collects from poker machines. There should be a policy of limiting poker machines to a \$1 bet per spin. That may have some impact on state revenues, but that would be money that is currently coming out of the pockets of some of the most vulnerable people in our society — that is, the people who have become hopelessly addicted to poker machines.

On transport and energy, I suppose I could speak for hours. Both our energy and our transport systems have been run down and neglected over decades by a succession of governments, both Labor and Liberal. I see no sign of any action being taken on either of these. Our electricity bills keep going up and up, and that is being largely driven by the costs of running the distribution of electricity — the poles and wires. Those are monopoly privatised companies which seem to get their way every time. They need to be controlled and our bills need to be brought back under control.

A government report that has been prepared — but is hard to find even for a government website — suggests that more than \$400 million a year coming from our bills, flowing through this budget and going to those monopolies would be avoidable if we set up renewable energy options and energy efficiency and made it easier for people to feed back into the grid, but there is no law reform promised in that area, and as a result the cost of providing concessions to low-income electricity users is growing very fast in this budget. There would be both a general public benefit and an ordinary consumer benefit to changing this monopolistic privatised system by which our electricity is delivered. If you ask the state Minister for Energy and Resources about it, he will say, 'Don't ask me. I'm negotiating some rules with the federal government'. He controls the Electricity Industry Act 2000, and he has a strong role to play here. It is something in opposition that he said he would do.

On transport, it is another one of those areas where there just is no long-term plan, no medium-term plan and nothing but a grab bag of short-term priorities and very little by way of new services or new projects in this particular budget. Transport is fundamental. It does not matter if you are in an area on the outer edge of the city, at the end of the line in a country area or right in the CBD — where you have the opposite problem of traffic congestion and overcrowding — transport is fundamental. It is absolutely essential for you to be able to access all the other opportunities, whether they be to visit a doctor, get a job or study and improve your prospects. Without transport, and particularly public transport as the most efficient way to move people around, we have a big problem socially, we have a big problem environmentally and we have a big problem economically.

The public wants to hear from politicians about all of these fundamental issues, but so far only the Greens are putting forward practical and affordable solutions in this area. We have brought legislation before this Parliament to try to achieve some of them, but we are knocked back regularly. We are not hearing an alternative vision being put up by either Labor or the

Liberal-Nationals coalition. The next state election is going to come around sooner than people think, and I can assure the government that right now the public is waiting to hear from members of the government about what their vision is. On these important issues — the ones we would expect any budget to cover — members of the public are not hearing anything from the state government, and they are despondent about that. They are not hearing anything by way of an alternative from the opposition, and so far it has been only the Greens who have put forward practical and affordable solutions.

Mr ELSBURY (Western Metropolitan) — It is with pleasure that I rise to join the debate on the motion to take note of the budget papers 2012–13. It has been interesting to hear the contributions made in the chamber this afternoon. When Mr Scheffer was talking I was waiting for him to burst into song with *Solidarity Forever* as he spoke about his socialist comrades in far-flung Europe. Honestly! How does he think those people got into the trouble they are in? It was through overspending without having the income to cover that spending. This is the exact problem the Baillieu government is attempting to rectify in Victoria before things get out of control and we have a problem in our cash flow that cannot be solved without having to take even more drastic measures, such as having to ask for a federal government bailout as we had to in the Kennett era. At that time Victoria had to ask the federal government to help us out of the sticky mess left to us by the Cain and Kirner governments.

Then we heard from Mr Barber, who basically just blurted out emotive tripe. I need to take one moment to clarify the record. The Greens are currently running a campaign based on the claim that the Premier has only just turned up in Footscray. That is an utter lie. The Premier was in Footscray only a few weeks after being elected. He did not make any fanfare about it or get any television coverage, and no newspapers were invited. He was out in the west doing his job, listening to the community about the problems that people are having to face on a day-to-day basis in Footscray. I am sorry that did not turn up in the *Age* or on ABC News, but the Premier has already been out to Footscray.

The Greens have also started a campaign against me. Basically they have said that comments that have been reported in the local newspapers about me being stoked about the budget somehow reflect that I do not care about items not funded in this budget. I have a lot to be stoked about when it comes to this budget, because the western suburbs of Melbourne will benefit in spades from this budget.

I will start with the \$14 million in funding for upgrading Galvin Park Secondary College, a school left by the Labor Party to rot. The school has an air-conditioning and heating system that is completely useless. Because of mould that would have caused illness across the school, it has been shut down for some years. Then the roof collapsed because water got inside the ceiling cavity and created too much weight for it to bear, which was the straw that broke the camel's back. Action was needed, and the coalition government has acted by providing funding of \$14 million to upgrade the school. I am very proud of the work I did on that particular issue and the work done by this government.

I am also proud that the coalition is giving \$13.7 million to the Melbourne Zoo and the Werribee Open Range Zoo. The open range zoo component is the one that I am most excited about because my family visits the zoo on a frequent basis. As a friend of the zoo and someone who is proud of what we have been able to achieve as a community at the Werribee Open Range Zoo, I say that this is a good investment that will allow us will to provide better facilities for people to enjoy the educational and entertainment aspects a zoo can provide.

Funding of \$14 million has been allocated to the West Gate Bridge to ensure that that vital piece of transport infrastructure continues to provide the people of the western suburbs with access to the CBD and beyond. Also welcome is funding of \$12.5 million to upgrade the West Gate Freeway, which will improve traffic management systems. I also welcome the federal government's contribution of \$12.5 million to that project, which will ensure that this major arterial link to the city and across metropolitan Melbourne remains open and runs efficiently.

I am pleased to see funding for four new short-stay psychiatric beds at Sunshine Hospital. Unfortunately the western suburbs region faces the ongoing issue of mental illness across the communities that make up that fantastic part of Melbourne. We are trying to provide those people who have a rough time with the help they so desperately need.

The Baillieu government has also provided \$4 million for the regeneration of Laverton College, including demolition works to be undertaken and the construction of a new gymnasium. The demolition works also pave the way for an autism school to be co-located at that site, allowing the facilities provided at Laverton College to be utilised by the students who attend the autism campus.

The budget also provides for a closure that I am happy about — that is, the closure of a film studio which is going to be converted into an intensive care unit (ICU) for Sunshine Hospital. For 11 years the people of the west have waited for this intensive care unit to be provided. It was a coalition government that in 1999 first said that an ICU was required at the hospital and had it designed, and it is again a coalition government, under the leadership of Ted Baillieu, that is delivering an intensive care unit for the people of Melbourne's west. This project will also provide two beds for maternity patients who experience difficulty in the delivery of their child, something that is vitally important to the ever-growing and ever-expanding community of the western suburbs.

On a broader level I am proud that this government is delivering a 3 per cent reduction in WorkCover premiums. Considering the massive amounts of industry that we in the western suburbs rely upon for much of our employment, it only makes sense that when you reduce the costs to business, businesses have more scope to employ. When businesses employ, they expand, and — strangely enough — that increases the ability of people to get a job. The government is then able to take a little bit more tax because people are working instead of having to take welfare or participate in government employment programs — those people are out there earning some coin of their own. Imagine that: people out there and able to get a job.

I do not think anyone will be surprised to hear that one of the big imposts on industry across the western suburbs will be the carbon tax. It is interesting to note that in all the paraphernalia being put out by the federal government about the household assistance package, there is no mention of why it is needed. The very reason that this household assistance package — with the very benign title it has been given — is required is that the federal government is going to slug us all with a great big new tax. It is something that is going to impact on every single household.

I have here a letter that has been sent out by Origin Energy to its customers with a paragraph headed 'Factors influencing your electricity prices' that says in part:

It's important to be aware that increases to your energy prices are influenced by a number of factors, including —

and the first dot point is —

an increase in the cost of energy, including the impact of the federal government's carbon price.

That is the first dot point in this letter. How can members on the other side put their heads in the sand and ignore the impact that the carbon tax is going to have not only on households but certainly on businesses right across the western suburbs and in fact across the state? It is complete insanity.

It is the Baillieu government that is continuing with planning works for the east–west link project which will open up a vast transport corridor through our city. It is apt that we call it the east–west link because I believe everybody should be coming out to the western suburbs. We do great business and we do a great job, and they should all be coming our way. The link should be from the east to the west because that is where things are happening, that is where it needs to be done. The government has already allocated \$15 million in this year's budget to develop a business case and undertake preliminary planning for the east–west link. It is something that needs to be done not only for efficiency reasons but certainly for the environment.

The Greens will scoff, saying, 'We don't need the east–west link. Why are we putting more cars on the road?'. I hate to tell members of the Greens this, but even if we are burning more clean fuels, such as new ethanol or biodiesel, or driving cars that run on electricity — which strangely enough comes from burning coal in the Latrobe Valley, but apparently if you move the pollution it does not matter — in any case we are still using a personal vehicle of some description. Whether it be a Prius, one of those Honda hybrids that zips around or a new electric car that Holden has developed, we still need road capacity for those vehicles. We still need the capacity for those vehicles to move. In fact even with a fossil-fuel-burning car, if you have an efficient road network, less fuel is actually being burnt. I cannot fathom why the Greens are so hell bent on not supporting new road projects.

The coalition government is continuing to work on the Melbourne Metro project. It has made some changes to what the previous government wanted to do — and you would want to do that — because it has a different way of looking at it. The project has been rescoped to deliver it in a single stage with a shorter tunnel to connect the northern and south–eastern lines, and the new alignment to South Yarra will connect the north and west rail corridors with the south–east via the Melbourne CBD. That will improve the efficiency of our rail network and it will improve the capacity to get more trains on the tracks. I can tell Mr Barber that it will also improve our ability to use our public transport network efficiently. It is a plan to get the job done properly.

This budget also delivers an operating surplus of \$155 million. It provides an infrastructure spend of \$5.8 billion. Net debt will decline to 6 per cent of gross state product by June 2016. That is consistent with maintaining our AAA credit rating, which is something that the South Australian Labor government can no longer claim, having recently had its rating reduced to AA-plus. We have protected our economy, and we have protected our AAA credit rating through measures that have been necessary to keep Victoria's doors open for business. Our South Australian friends have instead allowed their economy and budget to get out of control, which has meant that South Australia has lost its AAA credit rating.

As has already been mentioned, we have global pressures currently impacting on us. One of the big changes between our budget and those of the previous government has been the amount we have allowed for annual expenditure to grow. In Labor's last budget in 2009–10, growth occurred at just over 12 per cent. In this budget expenditure growth will be below 3 per cent. On average the revenue that the state was receiving under Labor grew by 6.9 per cent while its expenditure continued to grow at 7.3 per cent. Revenue has reduced, which has been mentioned by the Treasurer, and it is down to 4.1 per cent. We have reduced our expenditure in kind to 2.9 per cent.

With that I commend this budget as a responsible budget for the people of Victoria and for the benefit of generations to come.

Mr ELASMAR (Northern Metropolitan) — I rise to contribute to the debate on the motion to take note of the budget papers 2012–13. But before I address the ramifications of the Victorian coalition government budget on my electorate, I ask: why did the government not deliver a better deal for the northern suburbs? That was a question that was asked of me. My constituents' expectations of a healthy financial future, in particular for the youth of my region, have been cruelly shattered by this heartless budget.

The unkindest cut of all is the cut to the TAFE system, and for the Treasurer to say that 200 000 TAFE enrolments are unsustainable is ridiculous. With \$300 million slashed from the TAFE system some TAFEs will have to close, while others will be severely limited in the course options available to young people seeking training to enter the job market. It is not easy without education and training opportunities. The disadvantaged within our community will always be disadvantaged. Without jobs there is no chance of a better life, and without education there is no future.

Without manufacturing there is nowhere for skilled and semiskilled people to work.

This budget is very simplistic: cut, cut and then cut some more; cut 4200 jobs in the public sector. Unhappy teachers who were promised salaries superior to those of teachers in other states in this country are still waiting for parity, never mind the promise of being the best paid teachers in Australia. Will the government force them to take sustained industrial action before it bows to pressure and does the right thing? We saw the big rally today.

In this state budget there is no vision evident or forward planning for the economic future for all Victorians. Once again the coalition government clearly discriminates against voters in the northern suburbs.

Mr Tee — They hate the northern suburbs.

Mr ELASMAR — Correct, Mr Tee. The people in the north want jobs. They want a higher standard of living than their parents had. They want properly resourced schools so that their children can receive an education that will give them a fair start in life. As I said, the coalition government has laid waste to TAFEs by slashing \$300 million from institute budgets.

This budget has once again failed voters in Northern Metropolitan Region and all voters in Victoria. It shows no new initiatives, no job creation schemes and no updates to public transport facilities, other than funding for protective services officers on railway stations. As far as economic growth is concerned, we in Victoria are losing 900 jobs a week. This is after the Treasurer last year promised us 50 000 new jobs a year.

Cyclists too have been completely ignored in this budget. There are no upgrades or funding for cycling infrastructure. Cyclists in the north are doing their bit to relieve traffic congestion and their reward is zilch. There are no new bike paths or cycle lanes, and there is no new bridge across the Yarra between the two trails from Alphington to Kew. In other words, there is no positive encouragement to cyclists to continue to do their bit in saving the environment or public transport seats on overloaded trams, trains and buses in this state. What a shame!

This budget has failed to address the needs of parents, workers and millions of Victorian voters. We need new infrastructure and jobs, and we need them now before a Victorian recession is triggered by these simplistic, penny-pinching budget allocations for our state. We need growth, not stagnation; we need hope, not despair.

Mr O'DONOHUE (Eastern Victoria) — I am pleased to rise after my colleague to rebut some of the erroneous suggestions that I am surprised he made in his contribution. I will start off by quoting from a press release issued by the Treasurer yesterday, which is headed 'Victorian economy records steady growth despite global challenges'. It states:

Victoria's economy continues to show solid growth despite the weakening global economy, Treasurer Kim Wells said today.

Mr Wells said the release of the Australian Bureau of Statistics' *National Accounts* showed state final demand increased by 1.8 per cent over the March quarter and 2.7 per cent over the year.

'These results validate the actions the Victorian coalition government is taking to strengthen the state's finances, lift productivity and generate jobs', Mr Wells said.

...

By contrast New South Wales, Queensland and Tasmania all recorded a decline in state final demand over the March quarter ...

The coalition government is managing the Victorian economy in a prudent, responsible fashion in the interests of Victorians. The media release I have just quoted from reinforces the budget, which is the subject of this debate. The government has delivered a prudent budget that delivers a surplus, and it gives business a tax cut with the WorkCover premium reduction. The government has taken some difficult decisions in difficult times, and I am proud to be part of a government that has done that. I congratulate the Treasurer, Mr Wells, the Premier, Mr Baillieu, and all those associated with framing the budget on having the courage to make some difficult decisions and on putting together a responsible budget in difficult times.

I am also proud to be part of a government that has made such a significant investment in vulnerable children. The package put together by the Minister for Community Services, Ms Wooldridge, with able support from her excellent parliamentary secretary, Mrs Coote, demonstrates the priorities of this government. Whilst there are some difficult decisions, the government is also investing in the most vulnerable in our society. I congratulate the minister and her parliamentary secretary on that investment.

In referring to some of the comments made by previous government speakers, it is interesting to see just how all over the place the Labor opposition is. Mr Lenders was absolutely desperate to make his budget reply speech on budget day. He came in here and said, 'This is the biggest taxing budget in Victoria's history'. Then we heard Mr Scheffer talk about the rising tide against

austerity. He spoke in glowing terms about President Obama, the progressives in Greece and the Occupy Wall Street movement.

It is interesting to note the contradiction between the contribution made by the Leader of the Opposition and those made by Mr Scheffer and Mr Elasmar. We had absolutely contradictory positions taken by opposition members. But that is not surprising, because the position taken by opposition members is a moving feast depending on what suits their political interests. They have no consistency, they take no responsibility and, as a result, they are absolutely all over the place.

Mr Barber made an interesting remark in his contribution. He said — and presumably this is about government members, but he made it as a generic comment — 'I do not know what MPs are going to say as they go back to their electorates tonight'. Mr Barber makes an enormous assumption that MPs in this place live in their electorates. We know that a number of MPs, particularly those on the opposition benches, do not live in their electorates. Interestingly Mr Scheffer talked about the Occupy Wall Street movement and the rising tide against austerity in Greece and Spain and in other places, but he made very few specific references to his electorate. We know that when Mr Scheffer goes home tonight he will not be going home to his electorate; he will be going to Mrs Coote's electorate, because Mr Scheffer and Mrs Coote used to share the former electorate of Monash Province.

The speech given by Mr Scheffer and the contributions by Labor members in this place demonstrate their lack of connection to their electorates, because many of them do not live in the electorates that they purport to represent. That is borne out by Mr Scheffer's generic comments attacking excellent members like the member for Morwell in the other place, Mr Northe, and the Deputy Premier, Mr Ryan, without any evidence of connection to the issues he purports to be so outraged about.

Moving to the impact of the budget in Eastern Victoria Region, I am very pleased that in these challenging times the government has delivered on so many of the commitments it made prior to the last election. In this budget the government is providing funds to deliver on its promise to the Warragul community to redevelop the Warragul station precinct. The budget provides \$10.7 million to deliver additional car parking and a bus interchange, which is very important for the growing Baw Baw community.

The budget also delivers additional funds for the Koo Wee Rup bypass, which is a critical connection for

people from the Bass Coast and South Gippsland through to the M1 corridor, but most importantly it will take all of the trucks out of the small township of Koo Wee Rup. Mr Scheffer spoke in generalities about jobs. As a member representing Eastern Victoria Region I understand that the Koo Wee Rup bypass will be critical for those who wish to access the abattoirs in Pakenham, the livestock exchange and the other growing businesses along the Pakenham bypass corridor that are generating jobs and economic activity that is so important to those growing outer suburban hubs that Pakenham has become and that Officer is about to become. As I said, that is critical.

I am also pleased that the government has made some outstanding investments in education in the electorate. We heard the prophets of doom on the other side; I think it was Mr Elasmar who said, ‘Cut, cut, cut’. I am pleased that there is significant investment in new education facilities in Eastern Victoria Region.

One that is particularly close to my heart is the Officer special school. For 11 years Labor did nothing to deliver a new special school for the Cardinia community. Prior to the last election the then shadow minister and now Minister for Education, Mr Dixon, promised \$10 million for a new special school in Officer. After coming to government the location for that school was changed from the inferior site that Mr Scheffer had advocated, that Ms Graley, the member for Narre Warren South in the Assembly, who lives in my electorate of Eastern Victoria Region, had advocated and that Ms Lobato, the former member for Gembrook in the Assembly, had advocated. It was a small site north of the highway in Officer.

Minister Dixon has relocated the school to the Officer town centre closer to the railway station and he has invested \$15 million in the new school, and that is a really exciting development for parents with children with special needs. It will be a fantastic outcome for the Cardinia and broader Casey-Cardinia community. Advice from Minister Dixon in response to an adjournment debate matter is that he anticipates construction will start on the school later this year. It will be a fantastic development.

In addition to that special school, the minister has also provided through this budget \$2 million for the promised Officer secondary school. This will allow full planning and design up to the commencement of construction over the coming period as a result of that allocation. That school will be co-located with the special school. A really innovative and exciting precinct will be developed, and Officer will continue to become an educational hub in the south-east. It is very exciting.

An amount of \$15 million was also secured for stage 2 of the Boronia K–12 College. Stage 1 is virtually completed and this will facilitate stage 2, which will see the completion of the redevelopment of the school and the completion of the master plan. Boronia K–12 College will be an outstanding educational facility in the Knox area. Again it is very exciting. Additional investments have been made in schools in Bairnsdale and Mirboo North and in other parts of Eastern Victoria Region.

It is fair to say that education and infrastructure have received a significant degree of investment in the Eastern Victoria Region. When you consider the international financial environment, the challenges Victoria faces — given we are not part of the mining boom that Western Australia in particular is experiencing — and when you consider the legacy issues we have inherited, I believe the government has delivered a very responsible and good budget in difficult times that will secure increased productivity and significant jobs through the record investment in infrastructure, and that will really assist constituents in my electorate.

Before I conclude I want to remark a little bit on some of the legacies that this government has put right. We all know about the disaster left by the previous government, which included Mr Pakula as a former minister, in relation to the myki ticketing system. Labor cannot manage money; Labor cannot manage IT projects. We all know about the additional black holes left by the regional rail link that had to be re-examined by the government when it came to office and about the two level crossings that had to be removed at Anderson Road in Sunshine.

As I remarked before, when Mr Lenders became the Treasurer in the previous government, he referred to himself as a safe pair of hands. The Auditor-General had a different view. When the Auditor-General examined the sale of electronic gaming machines by the previous government, he found that Victorian taxpayers had missed out on potentially billions of dollars. That is despite the Department of Treasury and Finance and other state agencies raising with then Premier Brumby and then Treasurer Lenders their concerns about the proposed options system that they had implemented. Mr Lenders ignored that advice and went ahead anyway, and as a result the Victorian Treasury, the Victorian taxpayers and the Victorian community have missed out on potentially several billion dollars.

This budget, the next budget and many budgets after that will unfortunately miss out on that revenue that Victorian taxpayers could reasonably have expected

from the sale of that significant asset. It is an absolute disgrace. Mr Lenders should be ashamed; he should apologise. Members of the previous government should also apologise for the failings with projects such as the Wonthaggi desalination project.

Notwithstanding all the challenges of the legacy and failures of the previous government, the financial environment in which Victoria finds itself, the challenges with a high Australian dollar and other impacts of the mining boom that do not necessarily benefit Victoria, the drop-off in GST revenue and the way the commonwealth government has retracted investment from capital projects in Victoria, the Victorian government is delivering a budget surplus. It is delivering tax cuts to small business, in particular through the WorkCover premium reduction. It is delivering a record capital investment in infrastructure. In very challenging times it is delivering a responsible budget that is focused on productivity growth, on job creation and on being responsible. I am pleased to lend my support to this take-note motion on the budget papers, and I congratulate the Premier, the Treasurer, the Minister for Finance, the Assistant Treasurer and all others associated with putting together this document.

Mr EIDEH (Western Metropolitan) — I begin with a personal apology to the house. Last year I believed the Baillieu-Wells budget was the worst in the history of our great state of Victoria, but I was very wrong. I had not then — of course — seen this year's budget.

Mr Barber — Acting President, I draw your attention to the state of the house.

Quorum formed.

Mr EIDEH — As I was saying before the call for a quorum, I was very wrong, as I had not then seen this year's budget. If there were ever an assault on the people of Victoria — on schools, on hospital, on workers, on mothers and fathers, on families, on children and on the Western Metropolitan Region — this is it.

The government seems to be far more interested in funding a significant amount of money to a private company to hire protective services officers for our train stations than in repairing school buildings that are falling apart, funding Western Health's dental service, ensuring that the deadly rail crossing in St Albans becomes a thing of the past or beginning planning for a much-needed hospital between Melton and Wyndham.

Mr Elsbury — How did you go with that crossing? You had 11 years and did nothing about it. It was planned in 1999.

Mr EIDEH — I remind Mr Elsbury that his government has promised it would fix it — but that would take vision, which is something that this government lacks. I do not make this claim with any malice, because there are some very fine members in this government, including my electoral colleagues Mr Elsbury, and Mr Finn.

As our honourable President has stated, and I hope that I do not misinterpret his words, there is no funding in this budget for two very critical parliamentary committees — one to oversee the Independent Broad-based Anti-corruption Commission and one for FOI. There is also paltry consideration for the physical conditions in which we work as representatives of the community, and I refer to the physical state of this building — but then maybe this gives us a better idea of how schoolchildren feel in Strathmore and in Essendon, where they are trying to learn and remain healthy in cold, draughty buildings where the walls are falling apart.

This budget was supposed to be a key document directing our state towards further growth and prosperity from the great years of Labor in government, when every ratings agency was upbeat and positive about the state Labor government. Then we had budget surpluses built on successful economic management, as compared to what we have today, which is more of a drunken swagger across our state affecting and the welfare of our citizens, with an attack on TAFEs such as we have never seen, which deeply offended the Honourable Peter Hall, the Minister for Higher Education and Skills. It is an attack which threatens to sound the death knell for courses and training and thus has impacts on industry that will have repercussions for decades to come.

This Baillieu-Wells budget is a confused document falling somewhere between a tornado-like destructive force sweeping across the state and an inability to provide real leadership. What else can any rational, thinking person believe when pondering the logic for refusing to proceed with the port of Geelong or the new port taxes, partnered with the axing of the Future Farming Strategy and its consequent detrimental effect on the rural sector that has always played a key part in the economic prosperity of our state?

With great respect to members of The Nationals, Premier Baillieu cannot govern without their support. They have the power in the other place to demand that he place far greater importance on our rural sector than he has done in these past two years, and I urge them to do so. Without their vote he would not be Premier.

Maybe then we would not have the massive throat slashing of the environment that this budget has brought about by way of cuts to resources and services that were put in place to protect our fragile natural world. Maybe then we would not see hospital waiting lists hitting record highs, or hundreds of jobs being lost in tourism when so much energy has been expended building our great tourism industry.

This budget has lifted speeding fines to new heights, increased automobile registration fees beyond the rate of inflation and hit every other fee with Dynamic Lifter to grow it beyond recognition. Everything that Premier Baillieu attacked when he was Leader of the Opposition he now supports. I am a Victorian who cares passionately about our state and who fears that this budget and the Baillieu government is leading us into a dark mist of horrors.

Mrs COOTE (Southern Metropolitan) — It gives me an enormous amount of pleasure to speak on the second budget of the Premier, Ted Baillieu, and the Treasurer, Kim Wells. The really important thing is to acknowledge why the budget was presented in the context it was. We in government were faced with enormous international pressures and pressures from the national capital in terms of the amount of GST money that we were forced to forgo, together with a reduction in house prices which led to a reduction in stamp duty.

Simplistic as it might sound, I would like to remind members that it is important to understand what the structures of the budget are and why it was so important to have and maintain a AAA rating. I ask members to relate the budget to their household budget. What would happen if members suddenly maxed out their credit cards, overdrafts and every financial avenue they had? How would the bank treat them when they went to obtain a loan for a new house or car? The bank would say, 'These people cannot support their own expenditure. We are not going to give them any more money. In fact we are going to put them on a caution list'.

That is exactly the same principle that could be applied to a state budget. We have had a major issue with what was left to us by the Brumby government. That is why Treasurer Kim Wells is to be congratulated. He maintained the AAA rating and our reputation within the finance sector across the world in these exceedingly difficult times.

To do that we had to cut our cloth accordingly, just as you would have to do with a home budget. You would have to live within your means and do the things that

you needed to do and within those parameters make certain that you honoured the commitments you were responsible for and stopped spending beyond your means. But unlike household debt the legacy left to us by the Labor Party was almost overwhelming.

Let us start with the basics. During its final 10 years in office Labor let state expenses grow by 7.3 per cent while revenue grew by only 6.9 per cent. You do not need a degree in rocket science to see there is an inequity here and that over 10 years it added up. It goes back to actually facing up to that bank manager. The fundamental economic decisions made by the Labor Party were wrong. It was going in the wrong direction, and that is before you start looking into some of the overruns. I will remind members of a just a few of those.

The Wonthaggi desalination plant is going to cost Victorians billions upon billions of dollars for decades. In his gratuitous budget reply Mr Barber was talking about what the legacy of this terrible Baillieu government will be for our children. Let me just remind Mr Barber about the legacy left by Labor by way of the desalination plant. I acknowledge the Greens did not like the desalination plant either, and I feel the same way. We should have had a new dam; that would have been better. The reality is that the desalination plant is going to be the legacy for Mr Barber's children and grandchildren. They are going to be paying that debt for a significantly long time. My advice to Mr Barber would be to save up his own funds because any children or grandchildren of his are going to so busy paying off state debt that they will not be able to look after him when he gets to the nursing home.

Another overrun was the regional rail link. This blew out to \$1.1 billion. Members should just stop and think for a moment about that \$1.1 billion and how it could have been better used for rural and regional Victorian infrastructure. It is not hard to imagine how many roads and bridges could have been built for our communities. But no, it was wasted.

There is also myki. What else needs to be said about myki? When myki has been discussed at other times we have heard that the Oyster and Octopus card systems, which operate so successfully in London and Hong Kong, were developed by a Western Australian company. Why is it that an Australian company could develop a system that works so successfully in other countries, but in this state the last Labor government absolutely and utterly messed it up?

Those opposite were totally irresponsible when it came to myki. I remind the chamber of what happened with

the funding for myki. It was under the jurisdiction of the former Minister for Public Transport, who had control of the finances. We have seen many reports that say that Labor just kept throwing money at myki. If there was a problem, Labor would throw money at it. One of the reports — and I am not sure if it was from the Ombudsman or the Auditor-General — said that there seemed to be a culture of reward for financial mismanagement.

When the Baillieu government came in it took financial control from the Department of Transport and gave it to the Department of Treasury and Finance. Therefore the people from the Department of Transport had to go to the Department of Treasury and Finance and say, ‘We need money for this program. This is how it is going to be working. This is how it is sustainable. This is what is going to happen’. In other words, they had to be accountable. The Labor Party had all those years to do it and did not do a thing.

Other issues that demonstrate waste include HealthSMART, the database which requires a further \$80 million to complete. Going back to the analogy I started with about the household budget, it would be as if you had a rogue teenager in your household who had a blow-out on their phone bill and you had to come up with some type of arrangement with the providers of that phone to make certain it was paid off. Or perhaps one of the other teenagers in the house had smashed up the car and you had to pay it off. These are the sorts of legacies we have had to deal with in this state due to total and utter mismanagement.

However, difficult times often lead to innovative ideas. The Minister for Community Services, Ms Wooldridge, has looked at what needs to be done in relation to vulnerable children in this state. Care for these children goes back a long way — to the Premier’s concern for children in this state. It goes back to his very earliest families statement, which was given to this Parliament whilst he was in opposition. He identified that families are an absolutely integral part of the structure of our community and that children who are vulnerable need to be protected within those families. Minister Wooldridge, against a backdrop of huge financial strain, has delivered an extraordinary package for vulnerable children.

This budget delivers a \$336 million reform package to help Victoria’s vulnerable children. It builds on the \$98 million invested in the last financial year. It is important to understand that there is a strategy here of building, planning and looking into a sustainable future — something the Labor Party was just not able to do. It is such a point of demarcation. This is part of a

multifaceted approach to child protection. We had the Cummins report, and instead of being like the former government and waiting for ages for some sort of funding to eventually turn up, Minister Wooldridge and the Premier came out at the same time as the tabling of the Cummins report and announced a huge financial package to enable the recommendations from Phil Cummins to be implemented.

This budget delivers \$52 million to increase support for families, including the expansion of the very successful Child FIRST service and other family services. It invests \$70 million to improve outcomes for children in state care, including extra residential care placements. There is going to be \$80 million invested in strengthening child protection, and an additional 42 child protection workers are going to be hired. If we are going to help vulnerable families within our community, we need to make certain that child protection workers are trained, have a workload that is manageable and can go out and do the very important work they do in the most effective way possible.

Minister Wooldridge said at the time of the budget:

Ultimately we are defined by the choices we make, and when times are tough the choices that we make show where our priorities are. That is clear with this government. Although this is a tough budget, it invests significantly in vulnerable children and vulnerable families to get their lives back on track. That has been a clear priority of this government with this budget.

I would like to commend the Premier and the minister for putting their money where it is important, because if we get the children in this state into a position where they can have good lives, be safe, be protected and go forward into the community with confidence, we are building the future. We are laying down the foundations for a future that is going to pay off for all Victorians.

It was also very interesting today to see the teachers on strike. How absolutely irresponsible! It has been extremely interesting to listen to call-back radio today; people are saying, ‘This is just not acceptable’. We have people who are losing their jobs due to manufacturing closing down in this state because of the threat of the carbon tax — an iniquitous tax being brought in by the federal government — and we have teachers who are so irresponsible that they are just not turning up to school today. Why? Magically we have a long weekend looming, so they are virtually going to have a five-day weekend. What about the people who have to take their children to work with them today or take time off? What about their productivity? What about their jobs? This was a very selfish action.

If we had a look at what the government is asking of these teachers, most of us in this chamber would agree with it. For most it is about merit. It is about the merit of the people who are teaching our children. It is about making quite certain that there is a progression in rewards for people who are teaching in a way that enhances the learning of their children they are employed to educate. Personally I would say that most teachers do a very good job, but I would have to agree that they need to be much more merit orientated, and I believe the structures that Mr Dixon, the Minister of Education, has put in place are a very good move in the right direction.

In my own electorate it is extremely interesting. Recently a public meeting was called in relation to the hysteria about school places in and around Albert Park. The very interesting thing is that the mayor of the City of Port Phillip, Rachel Powning, got up and said how atrocious it was that the state government was not doing anything and that my colleague Georgie Crozier and I did not care about overcrowding in schools. She also said that the demographics would prove that these schools were going to be overcrowded.

We were unable to be at that meeting, but the most important thing is that I had actually briefed the mayor in a very detailed manner that afternoon. I had explained to her that we are very aware of what the demographics are saying and of what the demographics in and around Albert Park and Fishermans Bend are going to mean as far as education is concerned. We are aware of the pressures on the Elwood school and on Albert Park College. It was a very misleading, hysterical council-led public forum.

However, the people of Albert Park will get the truth. They will see that we are doing some major planning to look into the problem of available school places, both secondary and primary, within the Albert Park region and the wider inner city area. We cannot look at this in isolation. Peter Martin, the principal of Port Melbourne Primary School, will be the first to tell you that there are people who come to his school from across the river. We have to look at where the catchments are and where the pressures are. No amount of hysteria is going to solve that. It was a very cheap shot by the mayor of Port Phillip, and I hope she will give us a public apology when she sees what the truth is.

We have also put an enormous amount of money into other areas in the budget, and many members here in the chamber have already enunciated a lot of those. In many ways this budget delivers important services right across the entirety of my electorate of Southern Metropolitan Region, including Burwood, Bentleigh

and Albert Park. If it had not been for federal Labor's cuts to the GST revenue for Victoria and the black holes left behind by the previous state Labor government, the budget would have been able to deliver even more for my community. The Premier, the Treasurer and the Assistant Treasurer, in cooperation with the rest of cabinet, have presented an excellent budget, and I commend that budget.

Mr Barber — Acting President, I draw your attention to the state of the house.

Quorum formed.

Ms PULFORD (Western Victoria) — That teachers in this state have no right to take lawful industrial action is just an outrageous assertion from Mrs Coote.

Mrs Coote — Why don't they do it on school holidays?

Ms PULFORD — They took lawful industrial action. There was a ballot undertaken in accordance with the laws of the land in this state. There were months of notice given on the date, and the suggestion from Mrs Coote — —

Honourable members interjecting.

The ACTING PRESIDENT (Mr Ramsay) — Order!

Ms PULFORD — Thank you, Acting President. Mr Elsbury was obviously somewhere else at lunchtime, because there were an unbelievable number of people out the front.

The school that my children go to was closed today because there was such a high take-up of participation in this dispute. The yes vote in favour of support and the participation of Australian Education Union members in that ballot was extraordinarily high, and the government would be well advised to take its head out of the sand on this issue because investing in education and supporting teachers, and indeed keeping election promises, is something that the Victorian public value. So I start by responding to that.

Mrs Coote talked about the families statement. We would love to see the 2012 families statement. The 2011 families statement talked about setting a whole lot of benchmarks and commencing a process of consultation and communication with the Victorian public about how this government was going to look after Victoria families, and believe me we would be extremely excited on the Labor side of this house to see the 2012 families statement, because the things that this

government is doing to Victorian families are disgusting and those opposite should be ashamed of themselves. Victorians and Victorian families have been let down by this budget.

Mr P. Davis — On a point of order, Acting President, I apologise to the member for interrupting her speech, but I observe from where I am sitting that there is a political poster in the chamber inappropriately, and I would ask that the member remove it.

The ACTING PRESIDENT (Mr Ramsay) — Order! I ask the member to remove the poster.

Ms Hartland interjected.

The ACTING PRESIDENT (Mr Ramsay) — Order! I ask Ms Hartland to remove the poster.

Ms Hartland — It is turned over. You would have to have X-ray vision to see it now.

The ACTING PRESIDENT (Mr Ramsay) — Order! The Clerk.

Ms Hartland — It is not visible now. It has been turned over.

The ACTING PRESIDENT (Mr Ramsay) — Order! I ask Ms Hartland to remove the poster.

Ms Hartland — So you want me to walk out of here with this, which was turned over, because you are too embarrassed — —

The ACTING PRESIDENT (Mr Ramsay) — Order! Ms Hartland is out of order.

Ms Hartland — No TAFE cuts.

Ms PULFORD — I was going to get to TAFE cuts, so thank you to everyone involved in that interchange for the opportunity for me to gather my thoughts. Without wanting to be accused of kvetching, I will take the opportunity to outline my concerns about the Baillieu-Ryan government's second budget.

Victorians I believe were hoping for a budget that would deliver jobs, that would create jobs and that would provide strong protection for jobs in the sectors of our economy that are experiencing great challenges. They hoped for a budget that would provide much-needed support, and indeed after the confident assertions by members of the Liberal Party and The Nationals in the lead-up to the 2010 election I think they probably expected some relief on cost of living.

Let us start with how regional Victorians have been let down by the Baillieu-Ryan government's second budget. Famously branded the toenails of the state by Ted Baillieu's hero and mentor, former Victorian Liberal Premier Jeff Kennett, it would appear that the Premier has heeded advice in regard to how to deal with regional Victoria.

Mr Baillieu and Mr Ryan have used this budget to rip money out of regional Victoria. The 2011–12 budget provided for \$182.3 million in the regional and rural development portfolio, but this year's budget provides significantly less, at \$175.2 million. There are a range of programs that Mr Ryan at the Public Accounts and Estimates Committee hearing last year said would continue and this year said will not continue. The Regional Growth Fund is absorbing programs when regional Victorians were told that it would be doing new spending.

The Baillieu-Ryan government budget slashes 600 public sector jobs in addition to the 3600 announced in the pre-budget update. This is a total of 4200, from a Premier who said he would cut no public sector jobs. This has caused great anxiety right across Victoria, but particularly in regional communities in my electorate, about where the axe will fall next.

When asked in Parliament, Mr Walsh, the Minister for Agriculture and Food Security, who is also the Minister for Water, refused to rule out job cuts in the Department of Primary Industries or to say which regional towns and cities would be next affected by the razor gang. The government has announced that DPI offices will close, and indeed in the year of the farmer in the last six months 14 800 regional Victorians have joined the unemployment queue. Regional Victorians are one and a half times more likely to have lost their job in the last nine months than Victorians living in Melbourne, and the government has no response, no job plan and a forecast zero employment growth.

The government has abandoned the flagship \$205 million Future Farming strategy, which was a broad program of specialised support for farmers and farming communities, including the National Centre for Farmers Health in Hamilton, which of course the government is now trying to shove onto the federal government as its responsibility. This is a wonderful organisation that does great work for the benefit of many people in our electorate of Western Victoria Region, and the government needs to continue to support it.

The regional and rural first home bonus that promoted and encouraged new home construction in regional

communities has been scrapped, and I have heard firsthand from builders that their businesses were able to continue during the global financial crisis plainly because of this very direct intervention by the Brumby Labor government to create jobs in regional communities, which is of course one part of what that bonus provided — the other being, of course, a toehold into the property market for first home buyers.

Funding has been slashed for the rural midwife consultants program. That program trained rural midwives to provide support to regional and rural mothers. Mrs Coote said that budgets are about choices, and she quoted the Premier by saying, 'We will be judged for the choices that we make'. I encourage any member of the government who is yet to speak in this debate to explain why cutting services to rural midwife trainers and educators is a good thing, why that is a highly valuable, sensible and reasonable decision. The government's rhetoric just does not match its actions in our regional communities.

This year's budget gives us a much clearer insight than last year's budget, as Mr Eideh said, in terms of what the government is about. Last year's budget seemed pretty appalling at the time, but it was a light version compared to what has been revealed about the choices and values held by members of the government this year.

There has been \$9.4 million slashed from free financial counselling in rural and regional areas in this budget. The Nationals and its leader, Mr Ryan, have failed to protect the interests of regional Victorian communities from their Liberal Party coalition colleagues. The budget is not just about robbing the regions to give to the cities; this budget hurts all Victorians.

In the lead-up to the 2010 election the Premier and his colleagues told Victorians that they had listened to their concerns, that they understood and would take action to bring down the cost of living. However, instead the government has delivered a horror budget for all Victorians. It does not set up Victoria for the future; far from it. It is a budget of excuses, which is another day at the office for this government. In addition to the first home bonus being removed, the School Start bonus is gone and the education maintenance allowance (EMA) has been slashed. I suggested earlier this morning that of all the things the government has done, the one that disgusts me the most is the cuts to the EMA. I am open to other suggestions from my colleagues, but cutting critical education support to some of the least affluent members of our society, some of the poorest families in the communities we represent is really disgusting.

The government is taking more taxes from the pockets of Victorians than ever before. Revenue is up to a record \$55 billion, and the government now holds the title of the highest taxing government in Victoria's history. Congratulations to the small government Liberals! This is coming from the same people who said that they were committed to driving down the cost of living.

Pensioners will get an increase of 2 per cent, despite inflation being forecast at 2.75 per cent. The highly ambitious employment growth target of zero is something the Treasurer was unable to confirm. This is a government that aims to fail or aims to break even; it has only a wishy-washy commitment to meeting those aims. The previous year the Treasurer and the Premier indicated that there would be 55 000 jobs created each year, and this budget shows that to be a cruel hoax on Victorians. The government is aiming to achieve less investment. It is aiming to have less overseas visitation and fewer jobs created, and in so many respects the government has set itself up to fail because its highest, loftiest ambition for Victorian communities is to fail.

The budget will do nothing to create and secure jobs, to grow the economy or instil in Victorians the confidence that we need to meet the challenges we face. There is no plan to create jobs, and to the extent that government can directly influence employment as an employer, it is taking an axe to the public service. The TAFE institutes are estimating losses of the order of 2300 jobs, and that is a phenomenal loss of skills and the transfer of skills to future generations.

In my region of western Victoria the three very large TAFE providers have been hit hard in this budget. The University of Ballarat TAFE has campuses in Ballarat, Ararat, Horsham and Stawell, and will see student numbers enrolled in the TAFE programs at these campuses slashed from approximately 8500 students to around 6000 students. The majority of those regional students were the first in their family to enrol in tertiary study. Most continue to live in or take up employment in the regions following completion of their programs. The projected TAFE funding cuts to the University of Ballarat will be approximately \$20 million. That is a 40 per cent decline in UB's TAFE funding. It offers over 350 courses, and these cuts will see between 50 and 60 of those courses cut. There will be significant job losses at these campuses as well, and I noted with interest that this week in question time Mr Hall refused to rule out asset sales at TAFEs.

The Gordon Institute of TAFE has campuses in Geelong and Geelong West, and the budget will slash an estimated 14.9 per cent from its budget. Staff

numbers will be reduced there as well. South West Institute of TAFE has campuses in Glenormiston, Hamilton, Portland, Sherwood Park and Warrnambool, and cuts will see 80 per cent of courses receive reduced government funding.

What this budget highlights is that this government does not care about Victorians, about their jobs or about their families. It is little wonder the government has been too embarrassed to bring forward the 2012 Victorian families statement as promised.

The School Start bonus has been abolished for thousands of families whose children start school in prep or year 7 from 2013. Last year the government means tested this bonus, so we know this is a direct hit on some of the families in Victoria who can least afford it. Contrary to the government's rhetoric of saying that it spoke to and listened to Victorians and their families, the budget shows it did not listen, and now all Victorian families are paying the price for this extraordinary arrogance.

This is a horror budget for Victorians. Victorians were hoping for a budget that would protect jobs and bring down the cost of living. Jobs are being lost, taxes and charges are higher, services are being slashed and Victorians will have to wait longer and longer for vital infrastructure projects. This government has been asleep at the wheel. As Mrs Coote said, Mr Baillieu said that ultimately they will be judged by the choices they make, and budgets are about choices. They are an opportunity for the government of the day to make clear its priorities and what it says are the important things for the future. This budget reveals the true colours of the Baillieu-Ryan government. It ought to be ashamed of the choices it has made in this budget.

Labor budgets were consistently in surplus. Under Labor, Victoria always enjoyed a AAA credit rating, was able to invest in infrastructure to create jobs and to protect and support the most vulnerable in our community, all the while supporting education to record levels. Government spending invested in Victoria's future.

Mr Barber — Acting President, I draw your attention to the state of the house.

Quorum formed.

Ms CROZIER (Southern Metropolitan) — It gives me great pleasure to rise and speak on this debate. I congratulate the Treasurer and the Premier on delivering the coalition government's second budget, which was framed around difficult financial circumstances that Victoria has been facing at both an

international level and from a national perspective. I will return to that particular issue later in my contribution.

I am pleased to say that the budget, despite what some of the opposition members have said, has a strong focus on a number of service areas, including health care, transport improvements and education.

We have been hearing a lot about education today and in previous days in the lead-up to today's teachers strike. As Mrs Coote said, the strike is being undertaken in a very convenient time frame, with the upcoming long weekend and tomorrow's curriculum day. One has to be a little bit cynical about the timing.

Nevertheless, I am pleased to say that this budget delivers in a number of those very important service areas and makes improvements right across Victoria's revenue forecasts. We are improving on the bottom line. We all know that events at the international level have had some significant implications; we hear it day in and day out. Some national figures were released yesterday that should be looked upon very positively and favourably, particularly the figures coming from those states to the north and west of us that are contributing significantly to the nation's overall fortunes. That needs to be acknowledged.

In Victoria we have a Treasurer, a Premier and indeed an entire government that is very conscious of the amount of expenditure that occurred under the 11 years of the previous Labor governments. As one of my colleagues said, it was very much about spending: every time there was something to be done, more money would be thrown out. That is not a prudent way to manage one's fiscal responsibilities, whether it be a government, a business or one's own personal circumstances.

I again congratulate the Treasurer on taking the state's finances very seriously and framing a budget that will improve services and allow us to live within our means. Mr Barber made comment about us living within our means, and I think that is something that should not be spoken about lightly. It is a serious thing that we must live within our means, especially when we have rising debts.

We needed to pull the expenditure undertaken by the previous government back into line. We have been left the significant legacy of a number of project blow-outs, which we have heard much about. We know what those projects are: myki, the desalination plant and ICT services. These project blow-outs have been an extraordinary waste of taxpayers money, and that is the

legacy we are dealing with now. It is just another factor that the government had to take into consideration when putting this budget together, along with those other national and international aspects that I have already mentioned.

It is difficult to make tough decisions. It takes a government with a little bit of backbone and calibre to do that rather than just spending and being a look-good government to all and sundry. We have seen that at a national level with \$900 cheques going out willy-nilly. What are we then left with? When the tough times come again the kitty is bare. One should be very worried about the amount of expenditure that is occurring at a national level currently and since the federal Labor government came into office.

Ms Pulford talked about Victoria's AAA credit rating and the surpluses that were consistently delivered under the former Labor governments. As Mrs Coote interjected, it was because previous Labor governments had significant GST revenue from a federal government that was very fiscally prudent and managed the nation's economy exceptionally well. I am pleased to say that we will be delivering a surplus in this budget and that it is a fiscally responsible budget.

In my own electorate of Southern Metropolitan Region some very good announcements have been made, including within the area of education. I refer to the significant amounts of money being spent on Ashwood College, Coatesville Primary School and a feasibility study looking at secondary education facilities in the Prahran area. There is also expenditure in other areas, such as the construction of fire station in Malvern, which is very important to that community. There is also \$15.8 million for the planning and development of the Monash Children's hospital, which services many constituents within my electorate.

In her contribution Mrs Coote mentioned a public meeting that was called last Thursday by the mayor of the Port Phillip City Council. I want to add to her comments about that meeting, because there has been significant media attention in relation to the need for further education facilities within that area. The mayor of the City of Port Phillip wrote to me and Mrs Coote. I am led to believe that at that meeting she made reference to the fact that she had contacted the government but heard nothing from us. That could not be further from the truth. As Mrs Coote said, she met with the mayor on the Thursday afternoon and briefed her on the situation, and I responded to the mayor by letter. My understanding was that she had also written to the minister, and I said that the minister was considering the issues that she had raised. What she

said at the public meeting was inaccurate, to say the least.

Mrs Coote — Outrageous!

Ms CROZIER — And outrageous — thank you, Mrs Coote. It was outrageous and quite misleading to that community.

The population increase in the state of Victoria was somewhere in excess of 800 000 in the 10 or so years of the previous Labor government, and there was very little planning around all these areas we are talking about, including education, health and transport. Saddled with the legacy left to us by Labor — the desal plant and myki — our fiscal position reduces our ability to deliver on those services. We are fixing the mess, as we said consistently last year. We are still in the process of fixing many of Labor's messes. We are looking at those issues, whether it be in Port Phillip or other areas.

While I am speaking about the area of education there is a matter I would like to take up. The member for Brighton, Louise Asher, now the Deputy Leader of the Liberal Party and the Minister for Innovation, Services and Small Business, probably for more than 10 years called for former Minister for Education Bronwyn Pike to provide funding for Brighton Secondary College. From 2001 Minister Asher made numerous requests for funding for the Brighton Secondary College. Her requests fell on deaf ears, either because it was not convenient or because the former government did not see it as a priority and just did not think it was warranted. Not one cent was spent on that facility in the time that Labor was in government.

I have to say that indeed this government is looking at those areas of need, whether they be in Brighton, the city of Port Phillip, Oakleigh, Prahran or wherever. This is something that this government is very focused on — delivering services in the area of education. The ministers responsible for education across the spectrum are doing an enormous amount of work, and I think they should be congratulated for the work they have undertaken so far.

I am also pleased to say that there was record expenditure in the area of infrastructure — \$5.8 billion. One of those areas of infrastructure was the Webb Dock, which lies in the area of Port Melbourne. Webb Dock has huge economic benefit to this state. It will provide greater movability for exports and imports, and that will only strengthen our economic ability in this state. In terms of providing jobs, whether it be locally, in the metropolitan area or regionally, where a lot of produce is grown, manufactured and transported, it will

add enormous benefits. So I am pleased to say that out of that there are significant spends right across the board, with that being only one.

As I said, I am very pleased to have been able to speak on the budget papers. I can only say in conclusion that this budget will deliver for my constituents in Southern Metropolitan Region. It delivers to those people right across the board in and around areas like Port Melbourne, Oakleigh and Prahran, and most importantly it delivers for all Victorians. I commend the bill.

Mr SOMYUREK (South Eastern Metropolitan) — I rise to speak on the budget papers 2012–13, particularly with regard to the effects the budget will have on the state's manufacturers and its consequences for my constituents in South Eastern Metropolitan electorate. It will be hard to find a budget speech that contains more contradictions than the one handed down by the Treasurer in May.

This is a budget in which the gap between the rhetoric of the speech and reality, as reflected in the figures, was great. This is a budget that the Treasurer claimed is about securing the future of Victoria's manufacturing industry whilst simultaneously announcing the slashing of jobs. This is a budget that purports to assist Victoria to take full advantage of current and future opportunities while simultaneously cutting funding to public education. This is a budget that is supposedly driving economic activity while simultaneously scrapping grants for new home buyers and, in doing so, heralding massive downturns in construction, especially in the outer suburbs and regional cities and towns.

With respect to the manufacturing sector, it is what the Treasurer left out of the budget that says so much about this government. Local content targets to drive manufacturing — where are they? They are not there. Evidence of government procurement being used to boost local manufacturing — where is it? It is not there. A boost in funding for programs to assist local businesses — where is it? It is not there. Extra funding for skills and training — where is it? It is absolutely not there. In fact it is the reverse; it is gone.

Instead what we have is evidence of a government that continues to spruik a sink-or-swim attitude to local manufacturers while mouthing platitudes about support. We have a minister who has slashed 32 industry support programs and has replaced them with five new initiatives that are at best very vague, and he has provided just a fraction of the industry support previously available to manufacturers.

The government is in the unique position of being the key driver of manufacturing in this state by recognising the procurement capacity of the state. It can utilise the \$15 billion procurement capacity of government to support local manufacturing by investing in infrastructure and developing and constructing visionary projects. However, instead of grasping the wheel and driving manufacturing forward in this state, the Minister for Manufacturing, Exports and Trade has hopped into the back seat and is merely a passenger looking on. Apparently he is still under the illusion that being the Minister for Manufacturing, Exports and Trade is a spectator sport in which he and the government only need to provide a running commentary.

The Baillieu government and the Minister for Manufacturing, Exports and Trade need to understand that they are not mere spectators or commentators. They are active participants. They are on the field, they are in the game and they are players. They are not spectators. They are blind to the fact that manufacturing underpins this state's economy. In fact they still have not realised the importance of the manufacturing sector for the economic and social wellbeing of Victoria, which is the manufacturing hub of Australia.

On 10 May at the 2012–13 budget estimates hearings of the Public Accounts and Estimates Committee (PAEC) we heard the fixation of the Minister for Manufacturing, Exports and Trade on labour productivity. At the hearing on 10 May he said:

... even a small improvement in labour productivity of just 0.1 per cent in the manufacturing sector would result in Victoria's gross state product being \$8.3 billion higher over a 15-year period.

We know how keen the minister is to blame others — the working people, for example — for lack of productivity, but I suggest that before he points the finger he should himself take action on these very few things the government can actually do to boost productivity.

I ask the minister to read the transcripts of this year's budget estimates hearings of PAEC and in particular to read what Mr Howard Ronaldson, the Secretary of the Department of Business and Innovation, had to say at the hearing for the portfolio of manufacturing, exports and trade. I refer the house to the transcript and to some comments of Mr Ronaldson, who said that there are three things a government can do to improve productivity at a state level: cut red tape, improve access to infrastructure and ensure the ready availability of skills to industry. How do the government's budget measures add up on these three criteria? In the next

section of my contribution I will examine just how the government measures up in delivering productivity according to the criteria of the secretary of the minister's own department.

In terms of infrastructure, the government has reneged on its promise to the people of Geelong to boost the capacity of the ports. Other infrastructure projects highlighted by the Treasurer in his speech, such as hospitals and roads, illustrate once again the gap between rhetoric and reality as reflected by the figures. While the government has talked up these projects it has delivered, they are basically just preliminary design funding rather than funding for actual capital works. This is more disappointment for the manufacturers in this state as further opportunities to support jobs and create manufacturing opportunities once again go begging.

On the issue of skills for industry, the budget delivered a terrible blow for manufacturers with drastic cuts to TAFE. In addition to the previous cuts to Victorian certificate of applied learning funding, these cuts will make it harder for businesses and manufacturers to access the skilled labour force they so desperately need. At a time when more than ever before the pace of technological progress dictates that skills acquisition and upgrading needs to be more responsive to the needs of manufacturers, this government has inflicted on the people and manufacturers of Victoria what will be a critical blow to them and to TAFE institutes. TAFE institutes play a key role in delivering training and skills to business in general and in particular to the manufacturing sector of our state.

Here we are, on the three markers the department is looking for, the three things the government should be doing to improve productivity. According to Mr Ronaldson, the Secretary of the Department of Business and Innovation, we have had not one, not two, but three comprehensive failures. According to Mr Ronaldson's criteria the government has failed in all three areas.

While the government is spending almost as much on its international engagement strategy of \$50 million, which is not a bad thing in itself, the problem is that its industry assistance plan is only getting \$58 million at this critical moment in Victorian manufacturing history — \$50 million versus \$58 million! It is good that the government is investing \$50 million in international engagement, but I put it to the minister that in terms of the ratio between what is being done for international engagement and actual support for Victoria's manufacturing sector, there should be more of a disparity in favour of support for local industry.

My suggestion for the minister is that more needs to be done to engage with business in Victoria, such as in Dandenong in my electorate. While Victoria is the manufacturing hub of the nation, let me drill down a little bit further and say that Dandenong is the manufacturing hub of Victoria. At a local government or suburban level, Dandenong is probably the manufacturing hub of Australia, but the unemployment rate is around double the national average. The minister would do well to give some attention to businesses in and around Dandenong, Noble Park, Frankston, Clayton, Braeside, Springvale and Mulgrave. These areas are all in my electorate and are where businesses and the people employed in the manufacturing industry are looking for leadership and direction.

The minister and the government are displaying a great deal of inertia at the moment. Needless to say, people in the manufacturing industry are very disappointed. While waxing lyrical about export opportunities, the minister and government members fail to realise that for Victoria to be a great manufacturing exporter Victorian businesses need skilled labour. We need strategic and effective government assistance programs and government procurement policies that drive local manufacturing. We need a commitment to the lifelong education of the state's workforce to keep pace with technological change, yet these criteria, which are so essential to manufacturing, are the very things the government has failed to support in this budget.

The ramifications of this budget for the residents of my electorate, especially those experiencing disadvantage, are very severe. The halving of the education maintenance allowance and the abolition of the schools bonus, which hits those in need who are striving to provide a decent education for their children, will hit hard.

In its response to the budget the Victorian Council of Social Service said that the budget demonstrates too little investment in critical services. Lack of funding in the crucial areas of health, education and public transport will affect the capacity of my constituents to participate in opportunities for work and study. To deprive people, especially those experiencing disadvantage, of the critical support to enable them to achieve their potential and become full and contributing members of society is a disgrace.

The Minister for Manufacturing, Exports and Trade needs to understand that the skills of our local manufacturers need to have their inception in the home by ensuring that families have access to services and to great education. Some young people in my electorate today will be manufacturing workers in tomorrow's

Victoria. They will need to be adaptable, skilled, flexible and technologically savvy, but they will only be so if the government accepts its responsibility to ensure that families get the support and children get the education they need and deserve.

By cutting back on essential services the budget demonstrates the government's lack of commitment to fulfilling its obligations. This budget represented an opportunity for the government to show leadership and direction, to invest in services, to create a strong, vibrant economy and to show some understanding of the multitude of difficulties faced by local manufacturers by delivering targeted, well-thought-out, comprehensive and generous support programs. Instead we have a litany of rhetoric and a vacuum of ideas plus cuts to those who most need government support. Victorian manufacturers are disappointed in this budget, and my constituents are devastated by it. I am disheartened that on this government's watch opportunities to strengthen our economy and our manufacturing sector in particular have gone begging.

Mr Barber — Acting President, I draw your attention to the state of the house.

Quorum formed.

Debate adjourned on motion of Mrs KRONBERG (Eastern Metropolitan).

Debate adjourned until later this day.

APPROPRIATION (2012/2013) BILL 2012

Introduction and first reading

Received from Assembly.

Read first time for Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) on motion of Hon. M. J. Guy; by leave, ordered to be read second time forthwith.

Statement of compatibility

For Hon. G. K. RICH-PHILLIPS (Assistant Treasurer), Hon. M. J. Guy tabled following statement in accordance with Charter of Human Rights and Responsibilities Act 2006:

In accordance with section 28 of the Charter of Human Rights and Responsibilities Act 2006 (charter act), I make this statement of compatibility with respect to the Appropriation (2012/2013) Bill 2012.

In my opinion, the Appropriation (2012/2013) Bill 2012, as introduced to the Legislative Council, is compatible with the

human rights protected by the charter act. I base my opinion on the reasons outlined in this statement.

Overview of bill

The Appropriation (2012/2013) Bill 2012 will provide appropriation 'authority' for payments from the Consolidated Fund for the ordinary annual services of government for the 2012–13 financial year.

The amounts contained in schedule 1 to the Appropriation (2012/2013) Bill 2012 provide for the ongoing operations of departments, including new output and asset investment funded through annual appropriation.

Schedules 2 and 3 of the bill contain details concerning payments from advances pursuant to section 35 of the Financial Management Act 1994 and payments from the advance to Treasurer in 2010–2011 respectively.

Human rights issues

1. Human rights protected by the charter act that are relevant to the bill

The bill does not raise any human rights issues.

2. Consideration of reasonable limitations — section 7(2)

As the bill does not raise any human rights issues, it does not limit any human rights and therefore it is not necessary to consider section 7(2) of the charter act.

Conclusion

I consider that the bill is compatible with the Charter of Human Rights and Responsibilities Act 2006 because it does not raise a human rights issue.

Gordon Rich-Phillips, MLC
Assistant Treasurer

Second reading

Ordered that second-reading speech be incorporated into *Hansard* on motion of Hon. M. J. GUY (Minister for Planning).

Hon. M. J. GUY (Minister for Planning) — I move:

That the bill be now read a second time.

Incorporated speech as follows:

Introduction

The 2012–13 budget is shaped by the economic challenges of the present.

But its focus is on securing the future.

Victoria's challenges are real and they are substantial.

Global and national economic factors have resulted in a softer economy and significant reductions in government revenue.

These forces are placing real pressure on Victorian businesses and families and on the government's capacity to meet community needs.

The government cannot ignore those realities. But nor can we afford to passively accept them.

This budget sets out a clear plan to meet these challenges and position Victoria to take full advantage of current and future opportunities.

The budget is about driving economic activity, productivity and jobs.

It is about rebuilding the state's finances.

It is about investing in state infrastructure, enhancing front-line services, taking new measures to protect the most vulnerable Victorians and meeting the community's needs in health, education and community safety.

This is a responsible and necessary approach.

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

The economic and fiscal context

Victoria's economy is being affected by significant global and national factors.

World growth has slowed. The eurozone recession, and concern about sovereign debt, has affected local consumer and business sentiment.

The Australian dollar remains high by historical standards, placing significant pressure on Victoria's manufacturing, tourism and education sectors.

Household spending is subdued, impacting on the retail industry.

These factors have resulted in significant revenue write-downs.

Compared with the estimates made in late 2010, Victoria has lost \$6.1 billion in GST revenue over the four years from 2012–13.

Much of this is due to slower consumption growth, but some is due to the reduction in Victoria's share of the GST.

Revenue estimates from GST and stamp duty on land transfers have been reduced by \$7.6 billion over four years.

This represents an average of \$1.9 billion a year, or around 7 per cent of Victoria's revenue from state taxes and GST.

This is a bigger revenue hit than occurred during the 2008 global financial crisis.

However, from 2008, the commonwealth government provided Victoria with significant stimulus funding.

By contrast, at present the commonwealth government is withdrawing that funding and leaving a range of national partnership funding programs in doubt.

This is the biggest fiscal challenge to confront Victoria in two decades.

But the fiscal practices of the past decade left Victoria vulnerable to this shock.

Over the decade to 2010–11, expenditure growth averaged 7.3 per cent a year.

Revenue growth averaged 6.9 per cent.

Between 2008 and 2010, an increasing share of the annual capital spend was being funded from additional borrowing.

A number of projects faced significant cost overruns.

It is simply not an option for Victoria to continue down this course.

If spending growth continued at the levels of the past decade, we would today be looking at an operating deficit for the 2012–13 year of \$4 billion. Net debt would rise to almost \$60 billion in just four years time.

This would be completely unsustainable, irresponsible and inconsistent with a AAA credit rating.

It would undermine the government's capacity to fund infrastructure, schools, transport, hospitals and police.

Strong state finances

We had to change course, and we have.

Last year's budget achieved \$2.2 billion in savings and constrained spending growth to 3.2 per cent on average over the forward estimates period.

Last December, we announced a further \$1.9 billion in efficiencies focused on public service back-office and administrative functions.

In this budget, the government is achieving a further \$1 billion in savings over four years.

These measures require difficult decisions.

The 2012–13 budget delivers further targeted departmental efficiencies. In addition, savings will be made in a range of program areas. These savings will lead to a further reduction in staff numbers by around 600. The government will continue to protect front-line service delivery.

It is important during challenging times that the community knows its elected representatives and senior public servants' remuneration is consistent with community expectations. Today I announce that parliamentary and ministerial salaries will be limited to a maximum 2.5 per cent increase for the next 12 months. In addition, allowances paid to the Premier, ministers and parliamentarians will be fixed at their current terms and conditions for the next 12 months. The legislative nexus between the salary of a commonwealth parliamentarian and that of a Victorian parliamentarian will be severed. A review will be conducted of the salaries, allowances and other arrangements for parliamentarians.

The salaries of senior public servants will be limited to a maximum increase of 2.5 per cent for the next 12 months. In addition, the government will review the executive bonus

scheme. Instructions will be issued that where bonuses are paid, attention should be shown to the need for restraint.

The government is constraining expenditure growth to an average of 2.9 per cent over the forward estimates. This compares with revenue growth of 4.4 per cent.

Despite global uncertainty, a softer economy and a significant fall in revenue, the 2012–13 budget will be in surplus by \$155 million.

The budget projects surpluses in every year.

The forecast surplus will grow over the next four years to \$2.5 billion by 2015–16.

Surpluses are not an end in themselves.

Surpluses are important because they build the capacity to fund infrastructure and better services. They reduce our reliance on debt and they help protect Victoria against future economic shocks.

In 2010–11, more than half of the state's infrastructure program was funded by debt. Under the measures taken by the government to improve the sustainability of our finances, we will rely less on debt to fund new infrastructure.

General government sector net debt is forecast to fall from a peak of 6.5 per cent of GSP to 6 per cent by June 2016.

In the face of economic challenges, it is vital to restore strong state finances in order to build infrastructure, ensure sustainable service delivery and keep our taxes competitive.

It is not a realistic option to simply spend money that Victoria does not have.

Strong finances underpin the government's economic strategy, improvements to front-line services and measures to protect the vulnerable.

Economic activity, productivity and jobs

The 2012–13 budget promotes economic growth to generate jobs and improve living standards for the Victorian community.

It funds a record state infrastructure spend, cuts business costs, keeps taxes competitive and invests over \$1 billion in skills.

It funds new programs to drive productivity growth in Victoria's manufacturing industry and enhances the competitiveness of our agriculture and food sector.

And it unveils a new strategy to drive international engagement — to help Victorian businesses realise the export and investment potential flowing from the rise of Asia and other emerging economies.

Productivity-enhancing infrastructure

High-quality infrastructure is a key contributor to productivity growth.

The 2012–13 infrastructure investment of \$5.8 billion, after excluding the impact of fiscal stimulus projects, is the biggest ever.

This includes important new projects with an estimated value of \$2.7 billion.

Overall, in 2012–13 there will be \$41 billion in public sector capital projects, including public-private partnerships, under way in Victoria.

The new projects funded in this budget include important transport investments which will help ease congestion, reduce bottlenecks and increase the efficiency of the supply chain for Victorian businesses.

The development of a container terminal at Webb Dock, funded by the Port of Melbourne Corporation and the private sector, will increase capacity and competition at the port and confirm Melbourne's status as the leading container port in Australia.

The 2012–13 budget funds solutions to three of Melbourne's most significant transport bottlenecks. Level crossings at Springvale Road, Springvale, and Mitcham and Rooks Roads in Mitcham will be eliminated.

At present, during the 2-hour morning peak, the boom gates at Springvale Road are closed for 50 minutes — around 40 per cent of the time.

At Mitcham Road, they are down for 45 per cent of the time, sometimes for up to 7 minutes at a stretch.

It has been estimated that the removal of these level crossings — funded with \$350 million over the next three years — will reduce travel times in the area by up to 25 per cent.

In addition, the 2012–13 budget funds the Dingley bypass.

This vital road link will help reduce the burden caused by heavy trucks in residential areas in the south-east.

It provides the final link in the arterial road connecting the manufacturing hubs of Moorabbin and Dandenong.

Currently, one of the biggest infrastructure programs under way in Australia is the regional rail link, building dedicated rail lines for trains from Bendigo, Ballarat and Geelong into Southern Cross station. When we came to government, this project was beset by cost pressures, including the glaring omission that no rolling stock had been costed into the overall project budget.

The government is delivering the project with enhanced scrutiny under the high-value high-risk process. Tenders have been let and work is commencing.

The 2012–13 budget will fund new rolling stock for the regional rail network.

This will allow us to realise the benefits of the rail link, reduce overcrowding and improve services across the whole of V/Line's network.

The government will push for this rolling stock to be manufactured locally.

This represents a major boost to the livability of our regional centres and a major boost to Victoria's manufacturing industry.

A further \$172 million will be spent on regional rail maintenance, improving the infrastructure which supports both our freight and passenger services.

A series of road upgrades will improve safety and reduce bottlenecks, particularly in high-growth areas:

the Koo Wee Rup bypass will be built with a \$66 million investment;

\$49 million will be provided to upgrade the Narre Warren-Cranbourne Road;

\$38 million will construct the Ballarat western link road and a further \$42 million will continue the duplication of the Western Highway between Beaufort and Buangor.

It is important to ensure that Victoria's road network keeps up with a growing population and keeps people and freight moving efficiently across the state.

CityLink was a major transformational project in the mid-1990s. EastLink has improved the network by linking Dandenong and the south-eastern suburbs to the Eastern Freeway.

But in the long term, more needs to be done. We need to link the Eastern Freeway to the Tullamarine Freeway to create a seamless freeway network and reduce the congestion currently seen at Hoddle Street and Alexandra Parade.

And we need to reduce the strain on the West Gate Bridge by progressing a second river crossing to link the Western Ring Road to the port.

The 2012–13 budget commits money to complete a business case on the proposed east–west link.

The government will immediately commence engineering survey work and geotechnical drilling as part of this process and will progress relevant statutory approval processes as a matter of urgency.

The business case is expected to be finalised in 2013, allowing a funding decision to be taken. This project is large and has the potential to transform Victoria's transport network. It requires a commonwealth government contribution and possible private sector involvement.

The government will be working hard to advance this project in the interests of all Victorians.

In addition, the budget provides a further \$50 million for planning and development work in relation to the Melbourne Metro rail project.

And \$4 million has been provided to commence planning for the development of Hastings as a container port.

The government has implemented more rigorous processes to improve infrastructure project delivery and reduce cost pressures which have affected major projects in the past. The government has also taken decisive steps to improve productivity in the construction sector through the new guidelines for the building and construction industry to drive value for money for Victorian taxpayers.

Medium-term fiscal strategy

Delivering the infrastructure needs of the state is costly. It requires the government to maintain strong finances to deliver projects without incurring unsustainable debt.

The 2012–13 budget sets out a medium-term fiscal strategy to help make this a reality.

The strategy involves the following key parameters:

infrastructure spending of 1.3 per cent of GSP as a five-year rolling average;

reducing net debt as a percentage of GSP over the decade to 2022;

fully funding the unfunded superannuation liability by 2035; and

running an operating balance of at least \$100 million and enough to be consistent with the infrastructure and net debt parameters.

These parameters are interlinked. More infrastructure can be funded if the state's finances are kept strong.

Cutting business costs

A stronger financial position allows taxes to be kept competitive.

Today I announce that WorkCover premiums for Victorian employers will be reduced by 3 per cent from 1 July 2012.

This will generate savings for Victorian businesses and entrench our competitive position as the state with the lowest workers compensation premiums in Australia, in addition to an outstanding workplace safety record.

This is on top of the government's commitment to cut red tape, particularly benefiting small business.

Supporting key industries and exports

The budget funds new programs to enhance productivity, secure jobs and support Victorian industries.

Manufacturing is central to Victoria's economy and will continue to play a major role as a source of employment and economic output into the future. The sector is the largest source of full-time employment in Victoria.

The industry is facing challenges — including a high Australian dollar and the new impost associated with the carbon tax. The Victorian government is strongly committed to manufacturing and has a detailed strategy to improve the industry's competitiveness.

Last year, the government released its manufacturing blueprint, *A More Competitive Manufacturing Industry*.

That document outlined a new model of industry support based on lifting firm-level productivity through closer grassroots business engagement. The Department of Business and Innovation is opening new government business offices in Ringwood and Tottenham.

An additional \$58 million will be provided to support manufacturing, including:

working with medium-sized manufacturers to help them achieve world-class service standards including through certification;

\$25 million to provide incentives for local manufacturers to invest in transformative new technologies — effectively using the strong dollar to their advantage in retooling for the future;

additional support for business-to-business networks to assist with the sharing of knowledge, information and technology;

\$9 million for small manufacturers to provide better access to information and government programs.

The budget also funds additional support for Victoria's highly successful agriculture sector.

The budget injects \$61 million into a new agriculture and food industry plan to help the sector maximise the opportunities from improved prices and better climatic conditions.

The strategy focuses on improved biosecurity, as well as innovation and productivity across our dairy, grains, red meat and horticulture sectors.

As the global population grows, and incomes rise, Victoria's agriculture and food producers are well positioned to benefit.

But they are not alone. Opportunities will emerge from the rapid growth in the Asian middle class. New markets, new possibilities, even new industries will emerge over the coming decades.

It is vital that Victoria be well positioned.

The government is taking steps to unlock Victoria's energy resources in order to boost exports.

The government has also strengthened trade and investment ties with China, India and the Middle East, including significant trade missions.

The 2012–13 budget commits \$50 million to an international engagement strategy to further support businesses in their efforts to tap into new export markets and attract new investment.

Investing in skills

A key to increasing productivity and generating jobs is a skilled workforce.

The budget commits \$1 billion over four years to Victoria's training system. This funding helps to meet the massive growth in enrolments which has occurred since the move to a demand-driven model.

The previous government introduced that demand-driven model, but failed to forecast its true cost.

Between 2008 and 2011, enrolments increased by 44 per cent. Expenditure on training subsidies also increased by 50 per cent over that period.

This trend was financially unsustainable, and it was not clear that the spending was being well targeted to deliver the right outcomes for students or the economy. So in addition to

making a substantial new investment, the government is ensuring that funding is sustainable, focused on quality and promotes competition.

High-priority courses will see an increase in their funding rate. Funding for certificate III and IV courses in skills like carpentry, bricklaying, plumbing, engineering, automotive, children's services, aged care and disability will rise.

All apprenticeship courses will see an increase in funding.

Other courses will have their funding levels reduced, reflecting the massive growth in enrolment in recent years.

Quality oversight will be improved, and the funding rates for TAFE and private training organisations will be aligned to promote competition and choice. The government will work with our TAFE institutes to help them adapt their business models where necessary, helping to ensure a strong future for our TAFE system.

Supporting regional and rural Victoria

The government is proud to include strong representation from regional and rural Victoria.

More than one in every four Victorians lives in a regional or rural area and they deserve strong representation in government.

The government's strategy has as its centrepiece the \$1 billion Regional Growth Fund.

The strategy includes a focus on major regional centres, but it also extends beyond them to towns and small country communities.

The 2012–13 budget continues the government's record of investing in regional Victoria, with a particular focus on generating economic growth and employment — building stronger and more resilient regional communities.

The agriculture package, the manufacturing strategy, purchase of regional rolling stock and the large commitment to regional rail maintenance are examples of this approach.

In total, \$199 million is committed to upgrading regional and rural hospitals.

The 2012–13 budget commences phase 2 of the Northern Victoria Irrigation Renewal Project.

The budget provides additional funding for forestry roads and continues the successful mode shift incentive scheme to encourage freight to be carried on rail rather than road.

Regional Victoria has a diverse economic base, incorporating agriculture, tourism and manufacturing.

The outlook for our regions is strong, and the investments being made by the government, through the Regional Growth Fund and continued in the 2012–13 budget, are vital to realising those opportunities.

The government's package of economic measures — a record infrastructure spend, a better transport network, reduced WorkCover premiums, a manufacturing strategy, the agriculture plan, the international engagement strategy and the \$1 billion skills package — all contribute to growing the

economy, boosting productivity and generating jobs across the whole state.

Better front-line services

Ultimately, a strong economy and strong government finances underpin the ability to fund services for the Victorian community.

It is our efforts to deliver a responsible budget position, despite tough conditions, that are the key to maintaining high-quality, efficient, sustainable services.

In order to enhance those services, we need to be efficient — removing waste and mismanagement and focusing on priorities.

The government has always put priority on service delivery.

We need a strong front-line workforce, backed up by efficient and streamlined head and regional offices.

Under the previous government growth in head office numbers outpaced the growth in front-line workers and the population as a whole.

The government is reducing the headcount of the VPS in non-front-line roles.

The government is also working to improve the flexibility of our workforce. It is important to keep our experienced, high-quality staff on the front line and give them avenues for promotion and advancement that don't force them into administrative roles.

This is particularly the case in areas like child protection and teaching.

More must be done to free up local decision making and service delivery.

To help achieve this, the government recently announced the Better Services Implementation Taskforce.

The task force brings together experienced executives from the public and private sectors to oversee revitalised services that will deliver better outcomes for all Victorians.

These measures will empower staff and give them autonomy and flexibility, to ensure that Victorians have access to services which meet their individual needs. In particular, this approach is vital to meet the needs of indigenous and culturally and linguistically diverse communities.

Health

It is important that services keep pace with a growing population.

The budget provides an additional \$1.5 billion for health and aged-care services.

Over the next four years, \$883 million is provided in increased funding for the public hospital system. The budget also provides \$364 million of new infrastructure investment for health and aged-care services.

The government will fulfil its election commitment to continue and expand the Vision 2020 initiative to raise awareness about eye health.

Mental health service capacity will be boosted through a range of investments, including to modify, refurbish and redevelop community-based mental health infrastructure.

Key health investments include:

further development at the Sunshine Hospital to improve services for people living in the western suburbs of Melbourne;

a new purpose-built facility jointly funded with the commonwealth will replace the Charlton hospital, which was extensively damaged in the 2011 floods;

the Frankston Hospital emergency department will be expanded and reconfigured to improve its capacity to meet current and future demand;

a \$93 million major upgrade of Geelong Hospital; and

additional beds and a helipad at Ballarat base hospital.

A better justice system and safer communities

The government is taking steps to meet growing pressures in the justice system and to strengthen community safety.

Last year's budget funded 1700 additional police and 940 protective services officers to increase community safety.

The 2012–13 budget funds additional capital upgrades to accommodate these additional Victoria Police personnel, supporting them in their vitally important work.

A new police station will be completed at Waurn Ponds, co-located with the SES. There will also be a new 24-hour police station at Emerald.

The budget also addresses much-needed upgrades in Victoria's corrections system.

It funds an additional 395 prison beds across Victoria's existing prisons, as well as a new 500-bed male prison.

It also provides more than \$113 million over four years for stronger management of known serious sex offenders.

Further funding will strengthen the justice system through measures to increase access and efficiency, including funding for Victoria Legal Aid.

The safety of Victorian communities during bushfires and other emergencies is also a paramount concern for the government.

The budget delivers a range of measures to strengthen our outstanding volunteer firefighting workforce in rural areas, regional centres and on the urban fringe.

This includes additional funding for the Country Fire Authority for more firefighting vehicles and construction or upgrade of CFA rural fire stations.

The planned burning program will be expanded to reduce fuel load and protect communities.

The government will provide an additional \$200 million to progressively replace the highest risk powerlines with safer technology.

Emergency communication will be enhanced through upgrades to computer-aided dispatch infrastructure for the Emergency Services Telecommunications Authority.

Schools

A package of \$200 million for school capital projects will modernise and regenerate government schools, providing new schools and school upgrades across the state.

This includes important upgrades to Seaford primary, Mirboo North Secondary College and Golden Square primary.

A new school will be built at Doreen South to cater for a growing population and further land acquisition will occur in growth areas to plan for the future.

Victorian schools will benefit from an additional \$40 million in 2012–13 to fund enrolment growth.

And an additional \$30 million over three years will support specialist education.

In total, the 2012–13 budget delivers \$1.4 billion in new funding for early childhood development, education and training.

Protecting vulnerable children

Last year, the government commissioned the independent Protecting Victoria’s Vulnerable Children Inquiry. That inquiry made a number of stark findings about the plight of vulnerable children and recommended actions to start addressing the issues.

The government is developing a response to the findings of the Protecting Victoria’s Vulnerable Children Inquiry. To be released in 2013, this broadbased strategy will focus on early intervention, education and care, health services and the legal system as well as core child protection services.

In this budget the government will provide \$336 million over five years to deliver front-line service improvements across the health, education, justice and human services portfolios to help meet the needs of Victorian children and families in crisis.

This includes three new multidisciplinary centres where police, child protection workers and specialist counsellors will be co-located and work closely together to address the needs of victims.

Reform of child protection court processes to be less adversarial and more child friendly is also a priority. In addition the government is funding a new Children’s Court at the Broadmeadows court.

Helping vulnerable families and children before they reach crisis point is a priority for the government, with ongoing support for early intervention, community-based care and education programs.

Environment and community assets

The budget also funds a range of measures to improve Victoria’s water management and promote strong environmental outcomes.

The budget provides:

\$100 million to improve the environmental condition of the state’s high-priority rivers, wetlands and estuaries;

\$50 million for sustainable water management, monitoring and reporting systems; and

\$10 million to promote improvements to the state’s urban water use and establish the Office of Living Victoria.

The government is committed to cleaner coal technology that promotes economic development while managing Victoria’s response to the commonwealth’s Clean Energy Future reforms.

The government continues to invest in community services and infrastructure.

Community infrastructure investment includes funding to maintain the State Athletics Centre at Lakeside Stadium, the Melbourne Sports and Aquatic Centre at Albert Park and the State Netball and Hockey Centre at Royal Park.

The Anzac centenary strategy will fund expanded facilities at the Shrine of Remembrance to help the shrine meet growing demand ahead of the centenary of Anzac and World War I.

Zoos Victoria will receive \$13.7 million over two years to improve outdated infrastructure at Melbourne Zoo and Werribee Open Range Zoo.

A stronger Victoria

Victoria has great strengths — a flexible, knowledge-based economy, a skilled workforce and a diverse multicultural community.

The 2012–13 budget helps position Victoria to meet present challenges. It strengthens our finances and better insulates Victoria against future downturns.

It promotes growth, productivity and jobs despite the economic pressures which many of our industries are now experiencing.

The government will continue to vigorously promote Victoria.

And the government will advocate for Victoria against decisions or proposals which have the potential to disadvantage the state or compromise our future.

That is why the government will continue to argue for a fairer distribution of GST revenue.

If GST was distributed on an equal per capita basis, Victorians would receive \$900 million a year more than is currently the case — \$900 million for additional roads, schools, hospitals or police.

The government will continue to push the commonwealth government to commit to ongoing funding of expiring national partnership agreements where they have clearly increased ongoing service demand.

The government will not sign up to the current proposal for harmonised legislation for occupational health and safety. It offers little benefit for Victoria to offset the \$3.4 billion of estimated costs, the majority of which falls on small business.

Victoria will continue to work towards best practice legislation.

Conclusion

President, tough economic times and reduced revenue call for discipline and careful decisions about expenditure.

The government's spending priorities are focused on driving economic growth, generating jobs, improving front-line service delivery and protecting the state's most vulnerable citizens.

This can only be done when the finances are sound.

There will be no compromise when it comes to delivering a responsible budget.

Victorian families know that in challenging times you have to act responsibly and eliminate waste. They expect their governments to improve efficiency, deliver better services and build a stronger foundation for the future.

I commend the bill to the house.

Debate adjourned for Mr LENDERS (Southern Metropolitan) on motion of Mr Leane.

Debate adjourned until Thursday, 14 June.

HEALTH (COMMONWEALTH STATE FUNDING ARRANGEMENTS) BILL 2012

Introduction and first reading

Received from Assembly.

Read first time for Hon. D. M. DAVIS (Minister for Health) on motion of Hon. M. J. Guy.

Leave refused for second reading forthwith.

Ordered that second reading be made order of the day for next day.

DUTIES AMENDMENT (LANDHOLDER) BILL 2012

Introduction and first reading

Received from Assembly.

Read first time for Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) on motion of Hon. M. J. Guy.

Leave refused for second reading forthwith.

Ordered that second reading be made order of the day for next day.

STATE TAXATION ACTS AMENDMENT BILL 2011

Introduction and first reading

Received from Assembly.

Read first time for Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) on motion of Hon. M. J. Guy.

Leave refused for second reading forthwith.

Ordered that second reading be made order of the day for next day.

LOCAL GOVERNMENT (BRIMBANK CITY COUNCIL) AMENDMENT BILL 2012

Introduction and first reading

Received from Assembly.

Read first time on motion of Hon. M. J. GUY (Minister for Planning).

Leave refused for second reading forthwith.

Ordered that second reading be made order of the day for next day.

BUDGET PAPERS 2012–13

Debate resumed from earlier this day; motion of Hon. R. A. DALLA-RIVA (Minister for Employment and Industrial Relations):

That the Council take note of the budget papers 2012–13.

Mrs KRONBERG (Eastern Metropolitan) — I rise proudly to join the debate on the motion to take note of the budget papers 2012–13. I congratulate the Treasurer on this fine contribution to the economic wellbeing and sustainability of the economy for the state of Victoria. There has never been a more important or critical time for a sound budget, and this budget exemplifies just what a coalition government can do when the need is great for prudence in the formulation of a budget and not to risk all sorts of temptations to indulge in high-spending priorities to which the Labor Party continually succumbs.

This budget prioritises the need to have a clear plan to meet Victoria's challenges. It also positions the state to take full advantage of current and future economic opportunities. There has never been a more critical time to undertake the rebuilding of the state's finances. In

order to take advantage of economic opportunities and investment in infrastructure, the plan must be well directed. This year a record amount of money has been allocated to infrastructure development. The contributions made to this debate by non-government members have been interesting in that they have jointly skipped around acknowledgement of the raft of funding allocations for infrastructure development in this state. How convenient to leave out one of the most important and obvious elements of the budget!

In my electorate of Eastern Metropolitan Region and very importantly for people in the lower house seat of Eltham, particularly those who belong to the Montmorency Primary School community, \$305 000 has been allocated for the planning of works that will lead to the rebuilding of that school. Parenthetically, it is worth reading this comment into the record, because interestingly enough this is the school that over time has asked Steve Herbert, the member for Eltham in the Assembly, to help it fund its rebuilding — it has some pockets of sadness and disrepair — and his response has been, ‘Go across the road to the RSL and ask them if they will help you put a lick of paint on it’.

The next thing I am delighted to emphasise is the \$2.5 million allocated for the refurbishment of specialist teaching facilities at Templestowe College, a further \$3 million for the refurbishment of classrooms and administration and multipurpose facilities at Birralee Primary School in Doncaster, \$3 million for the construction of new learning areas at Ringwood North Primary School, \$350 000 for planning work at Eastwood Primary School and \$300 000 for planning work at the Mountain Gate Primary School.

A substantial amount of money has been put aside for rectifying some of the most irritating aspects of moving around Melbourne. There is a contribution in the budget for the removal of road and rail intersections — grade separations — at Springvale and also to address two important areas where the Lilydale and Belgrave lines provide transport. People in Eastern Metropolitan Region will see a portion of the \$349.8 million allocated for the three grade separations in metropolitan Melbourne. There are two level crossings at Rooks Road and Mitcham Road, which is most welcome.

The grade separations will make an enormous difference to the movement of traffic and activity in the area, and that will make a great contribution to reducing the pollution of cars idling at boom gates. Furthermore, we have the completion of a sparkling new premium station at Mitcham, and we have \$11.75 million for the duplication of Stud Road between Boronia Road and Mountain Highway.

The prudent approach taken by the coalition government underpins Victoria’s reputation and provides future assurances, of which many Victorians are unaware. I would like to underscore the importance of and the emphasis that Treasurer Kim Wells placed on Victoria maintaining its AAA credit rating. Many people probably glance over its importance, but there has never been a more important time to maintain a AAA credit rating to underpin our credibility and creditworthiness as a sovereign state.

When the South Australian budget was presented just a couple of weeks ago, that state lost its AAA credit rating; it has been notched down to AA-plus. This follows the downgrading of Queensland’s credit rating from AAA to AA-plus at the end of 2009. Tasmania’s credit rating has been downgraded from AAA to AA-plus. Tasmanians carry an extra burden because they have the intervention of a Greens member in the cabinet — no wonder their credit rating is plummeting! I would say the configuration of the government of Tasmania is enough to make any credit rating agency very nervous. That is a double whammy and a cement overcoat for the people of Tasmania. What we see is common to Queensland in 2009 and South Australia and Tasmania now — they are all down. What do they have in common? Labor cozying up to the Greens in a death dive.

It is an appropriate time to quote the Treasurer’s comments when he delivered the budget:

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

That is important.

I will turn now to some other elements that underpin the future security, prosperity, sustainability and vibrant economic outlook for this state. Nothing is more important than energy security in Victoria, and that will be underpinned by very clever allocations of \$33.7 million over five years for new measures that will provide stronger government oversight for the rollout of the smart meter program. We have seen a huge consumer backlash against it because consumers have had to deal with lots of loose ends. There was an abundance of thoughtlessness during the early heady days of the rollout of that metering program.

This allocation for energy security will protect Victoria’s interests, especially during the introduction of the federal government’s carbon tax, which is going to hit the Australian economy in a few weeks, on 1 July. That such unbridled, careless and thoughtless

conduct has actually been instituted will make 1 July a very sad day in the history of this country.

I find it astounding that people do not look to other examples; they are so myopic and so inwardly focused. The lack of governance and central oversight over the rollout of the smart meters has been overturned by the coalition government, which has provided improved support for the project's implementation. This benefits consumers as a top priority of the smart meter program. Previously the program only ever received piecemeal funding from Labor. Consumers will now be able to access greater pricing choices through flexible pricing options.

In its first tranche of a \$200 million parcel over 10 years, the government has allocated \$62.5 million to progressively replace the most dangerous powerlines with new technology. We have also got \$9.5 million over three years to assist in the offsetting of the implications of the carbon tax by way of energy security and mine site reliability. I wonder if the Greens ever think about mine site reliability? They only think about closing mines. It will mean that we are better informed about and resourced for the decisions and actions of our advocacy for householders and businesses in Victoria, especially in the Latrobe Valley, as our energy sector transits through the impact of the carbon tax.

I am delighted to see the investment in the development of a business case and other forms of analysis that could lead to a \$6 billion urban development project called E-gate. We will see land taken up in West Melbourne and an old rail yard site put to better use. This will add vibrancy to that part of the inner metropolitan area, with a long-term strategic plan and the opportunity for thousands of jobs, extra floor space and lots of accommodation for people. I would like to go back to what a AAA credit rating means.

Ms Pennicuik interjected.

Mrs KRONBERG — I am not prepared to enter into a debate about how the world respects credit rating agencies. I am hearing quite a lot of uninformed nonsense from a Greens member on my right who knows nothing about such matters. I will remain polite and dignified, and I will not respond — otherwise it could get ugly.

I quote from a press release dated 16 February from the office of the Premier. It states:

Moody's Investor Services has reaffirmed Victoria's AAA credit rating, citing the state's disciplined fiscal management ...

That is something that is unheard of. You never hear those words from the Greens or from Labor. Disciplined fiscal management — fancy that! The press release continues:

... financial flexibility, and sound financial performance in its analysis.

Premier Baillieu is quoted as saying:

Moody's has also identified the position of Victoria's finances relative to other states ...

We are a standout when compared with Tasmania, South Australia and Queensland. We have put the right strategies in place to improve Victoria's long-term financial position. Efficiency measures of \$1.9 billion have been introduced in the mid-term budget update, reducing average expenditure growth to 3.1 per cent. This is what those agencies are looking for — that you are actually in control of your own destiny and you know what you are doing.

When it comes to arresting Victoria's productivity slump, which we need to acknowledge became acutely negative from 2005–06 through to 2009–10, what is common about that? It was a Labor government presiding over a productivity slump. Victoria's productivity performance lagged in comparison with other Australian states as a whole over almost the entire period of the Bracks and Brumby governments, particularly from 2000–01 through to 2009–10. What will happen in the future? This is why have the AAA credit rating. Our budget will generate stronger surpluses to fund major productivity-enhancing infrastructure.

As a hand-up to industry, which is dealing with the competitive pressures of the global marketplace, a high Australian dollar and a slump in consumer confidence, WorkCover premiums are going to be cut by 3 per cent. This will drive down the cost of doing business and, importantly, the cost of employing people. The budget will deliver a \$58 million manufacturing strategy focused on lifting individual firms' productivity and, importantly and critically, investing in technological innovation. Importantly, we have funding for new international engagement strategies to expand Victoria's export markets, especially the Asian and South Asian markets. We will be investing in programs to boost agricultural industries, focusing not only on productivity but also on issues of biosecurity, which are so important in protecting what we are growing in this country.

We will also be boosting apprenticeships and providing encouragement for students to enter into

courses to acquire qualifications in high-productivity, skills-shortages qualifications. Our reform agenda is based on four pillars of economic reform, creating — —

The ACTING PRESIDENT (Ms Crozier) — Order! The member's time has expired.

Ms TIERNEY (Western Victoria) — I will also make a contribution in relation to taking note of the 2012–13 budget papers. In preparation for my budget response today, I revisited my response to last year's midyear financial report and the economic and social environment that the state was in at that time. It is true to say that the editorials of the major newspapers and commentary from key business leaders and other political commentators were making calls in the public domain for this state government to take action, particularly in the area of infrastructure. Twelve months on and another budget brought down, and what do we have? We still do not have any action. Social commentators, economists and community leaders warned that without this government taking a leadership role in this area, the business community was hardly going to be inspired to play its critical role in facilitating and providing investment. The Treasurer, Kim Wells, and the Premier, Ted Baillieu, have ignored this advice.

I remember also stating that as jobs continued to slide through our fingers, this government was engaged in conversations with its bellybutton — because no-one else seemed to be involved in any of the conversations that are required to ensure that jobs stay in this state. The government continues to refuse to even discuss a jobs plan for the state. I remember stating that shaking frustration had gripped business communities and families. They were either living in fear that there might not be a job to go to the next day or they had already lost their job and were desperate for a future. Today nothing has changed; in fact it has actually got worse for Victorian families. The government remains silent on the issue.

If we fast-forward to May this year when the Baillieu government handed down its budget with the eyes of all Victorians on it, it had to face up to its responsibility, when it, for fixing the downward spiral that it has put this state into and the state of investing in this state to create jobs for Victorians and to stimulate the economy. What we saw — —

Mr Ramsay — On a point of order, Acting President, I cannot hear Ms Tierney, and if I cannot hear her, I cannot interject. I wonder if you could ask her to speak up.

The ACTING PRESIDENT (Ms Crozier) — Order! Is your microphone on, Ms Tierney?

Ms TIERNEY — It is now. I look forward to Mr Ramsay's interjections. What we saw with the budget that was handed down in May this year was a list of excuses and reasons for this government doing nothing in making sure that families are secure, that there is job security in this state and that there is infrastructure spending.

While this state continues to leak jobs, one of the most devastating things contained in this budget was the \$290 million that has been earmarked to be cut from the TAFE sector. As we know, that will result in over 2000 staff being sacked, courses being cut all over the place and diminished opportunities for students and retrenched workers. At a time when Victoria is seeing jobs fall through its fingers, this government has determined that its response will be to ensure that retrenched workers will not get the opportunities to be retrained and move into alternative employment, because the very training providers that deliver that sort of training will not be able to do so.

It is widely written in the media and it is the belief held by the overwhelming majority of Victorians that the Baillieu government has made a very grave mistake with respect to that decision. It also feeds into the view of many Victorians that this government is essentially lazy and it lacks vision. Here is a government with a leader who gives every indication that he does not essentially want to be the Premier of this great state. The government simply does not know how to run the state.

In the area of jobs, 600 workers are worrying about their jobs at Alcoa and 113 workers at Avalon have already been told they will lose their jobs, and unfortunately there is more to come. We have also seen 300 workers lose their jobs at Toyota. We have an environment in which jobs are being slashed at our TAFEs and in the public sector with the closing of regional offices of the Department of Primary Industries (DPI). There is a failure to invest in infrastructure to stimulate jobs growth in this state, and the government refuses to even have a conversation about how we can move forward and create jobs in Victoria.

As I said, when families are doing it tough out there and worrying about their jobs and the cuts to the education maintenance allowance, the government's response has been to scrap the school bonus as well as the education maintenance allowance. Those pools of money have been critical, particularly for struggling families. There

was also the \$19 500 which was ripped out of the first home owners grant. Whilst families with newborn babies are struggling under cost of living pressures, the Baillieu government's response has been to deny them and their newborn child access to free whooping cough vaccinations to protect newborns against the current whooping cough epidemic.

I have received a number of emails from people who say they have never contacted members of Parliament before. They are genuinely concerned about the whooping cough epidemic and what this government has decided to do in terms of cutting access to that vaccination. It is not just an epidemic that might be in the minds of some. It is real, and unfortunately it has also spread to New Zealand. Members of our parliamentary Education and Training Committee were in New Zealand recently as part of an inquiry into agricultural studies, and they came across a number of front page newspaper articles about the epidemic that is grabbing that country as well.

This government needs to understand the impact of its TAFE cuts, particularly with respect to TAFEs in western Victoria. I have mentioned those cuts in adjournment matters and various other contributions, whether it be members statements, opposition business in the last parliamentary sitting, or my contribution to the debate on statements on reports and papers yesterday. It is an enormous issue in the electorate, and if this government has not understood the impact that it is going to have on rural and regional Victoria, then it is completely out of touch.

On several occasions now I have also raised in this Parliament the funding cut to the National Centre for Farmer Health, which is an internationally regarded organisation doing enormous grassroots work with farmers as well as research work. It is appalling that this government has been so opportunistic as to cut its funding.

While we are on health, I might also mention that in the budget we did not see any mention of, let alone a cent directed at, the promised second hospital for Geelong. It was supposed to be in the Waurm Ponds area. I ask that the Minister for Health come clean on that issue as soon as possible and tell the voters in Geelong that this government is going to break that promise to Geelong and its outlying and surrounding communities. It is going to break that promise, and we will not see a second hospital in Geelong from this government.

The budget will also shut down a number of DPI offices in rural and regional Victoria. Apart from that being a dramatic reduction in much-needed services for

local farmers, it will mean the shedding of important jobs that add great value to local communities.

In the area of education, the Apollo Bay P–12 school has been waiting two years for a redevelopment which was promised by the member for Polwarth in the Assembly, Terry Mulder. The Baillieu government in this budget has yet again ignored that school. The Portarlington and Birregurra schools and the Geelong High School are in desperate need of upgrades, but the Baillieu government has ignored them. During my adjournment speech last night, I raised the issue of the Bannockburn K–12, and of course this government has ignored the Bannockburn community. Even when parents are searching for kinder vacancies for a child and kinders are doing everything they can to provide the required 15 hours of 4-year-old kinder by 2013, the Baillieu government does not invest one measly dollar in kinder infrastructure.

In the area of transport we see 20 000 commuters using Pioneer Road in Grovedale, waiting for four cycles of red and green traffic lights before they can make it through, yet the Baillieu government fails to deliver on its election promise of the much-needed upgrade. Further to this, after constantly talking about roads in the south-west whilst in opposition, the member for South-West Coast in the Assembly and the Minister for Roads are now missing in action in the south-west. This budget does nothing for that community, which was promised road upgrades by the coalition prior to the 2010 election.

When the people of Victoria look to the Premier and ask him what his vision is for Victoria he simply cracks a joke. What still escapes those sitting opposite is the fact that when you are elected to govern a state or a country it is your responsibility to lead the people within it, provide opportunities, retrain the worker who has lost his or her job, create jobs, build new infrastructure and take the state forward. But each and every day this government squanders that opportunity, just like it did with this budget. Victorians are paying the price, and that will not be forgotten.

Mr Barber — Acting President, I draw your attention to the state of the house.

Quorum formed.

Mrs PETROVICH (Northern Victoria) — I rise to speak on the budget. It is a pleasure to speak on the coalition government's 2012–13 budget, which delivers a responsible plan for economic growth in what is a difficult environment owing to what is happening internationally. This budget works to generate jobs,

deliver major infrastructure and improve community services for Victorians.

We are currently experiencing challenging economic times in Victoria. Global and national economic factors have resulted in a difficult environment and a soft economy. There is no doubt that the instability and incompetence of the federal government is having a negative impact on our economy, which is set to be further damaged by the ubiquitous carbon tax. The coalition understands the current pressures on Victorian businesses and families. We cannot ignore these economic realities; we must deal with them and plan for a stronger future for Victoria.

This is a responsible budget that aims to rebuild the state's finances in the wake of Labor's unsustainable and irresponsible approach to spending. I would like to highlight what has been Labor's legacy: a financial mess for Victoria. Over a decade the growth in expenditure under former Premiers Bracks and Brumby averaged 7.3 per cent a year. Revenue growth averaged 6.9 per cent per year, and that tells the story.

Between 2008 and 2010 an increased share of Victoria's annual capital spend was being funded from additional borrowing. When in opposition our Treasurer, Kim Wells, knew that the surplus that kept being talked about was actually a fabrication. It was simply not an option for Victoria to continue in this way. If spending growth had continued at Labor's level of the past decade, we would today be looking at an operating deficit in the 2012–13 budget of \$4 billion. Net debt would have risen to almost \$60 billion in just four years time. It would undermine this government's capacity to fund infrastructure, schools, transport and police. Many of us, as members of a government that is responsibly working through the issues created by Labor's ineptitude, are dealing with some of those difficulties on a daily basis now.

We remain focused on delivering responsible budgets and honouring our election commitments. The budget features a record \$5.8 billion for infrastructure, which will generate jobs and improve living standards in Victoria. I was particularly pleased to see the release of the first-ever rural and regional budget paper detailing delivery of key transport, infrastructure, agriculture research and development and better hospitals, schools and community safety initiatives across regional Victoria. My electorate of Northern Victoria Region is set to benefit from a range of infrastructure, health and education projects. The budget provides \$200 million for school capital works projects, with a further \$64 million allocated to schools in urgent need of upgrades and building projects.

I have been working with many schools in and just outside my area. Woodend Primary School is one that has been neglected for 11 years. It is a great shame that it missed out on federal money for a BAL (bushfire attack level) assessment. I am disappointed to see that there was an expectation created in Kyneton, which is not in my region but just outside it and ably represented by members in this chamber. The school there was set for a K–12 rebuild, and that is a fine thing except that there was no money set aside to fund it, which has been a great disappointment to that community.

Gisborne, in the Macedon Ranges where I live, will soon be home to a state-of-the-art indoor sports stadium thanks to a \$3.5 million funding allocation. The stadium will include two indoor multipurpose courts at the Gisborne Secondary College site, and there will be improvements to the existing outdoor netball courts, including changing rooms, meeting rooms and improved car parking.

I am working with those communities there. I was out there on Saturday morning with the Macedon Ranges netball association. It calls itself the Gisborne Netball Association, but it should really be the Macedon netball association because it is a very large club. There were 600 young women using those courts on Saturday morning. It is a fine thing to see young women participating in sport from a young age up until their early to late 20s and beyond. That is always a good thing too, even for us old girls. This funding is a huge boost for the fast-growing Gisborne area and will provide a fantastic facility for Gisborne residents and the wider community. I congratulate the indoor stadium working group and the local community.

There has been \$250 000 allocated to fund a feasibility study into the need for additional secondary education provision in the Romsey area. That was one of the great issues in the growth corridor area of the Macedon Ranges. Although the figures of the previous government did not show growth and did not show demand for additional school facilities, we really do not know where we are at. We need to go back a step and start to plan and have a vision, which the previous government did not have. This \$250 000 will allow us to look at those opportunities and see where we need to start to ensure that we have some vision for secondary education for the future of the Macedon Ranges.

The local community and the Macedon Ranges Shire Council lobbied Joanne Duncan, the member for Macedon in the Assembly, and the Labor government for years for a Romsey secondary college.

Honourable members interjecting.

Mrs PETROVICH — I would have to say that there are some interesting facts that have come out from her budget statement, Mrs Peulich and Mr Finn, which I will be going into in more detail at another time. The local community of the Macedon Ranges lobbied Joanne Duncan for a Romsey secondary college, but unfortunately their pleas fell on deaf ears. This funding announcement demonstrates that the coalition government is committed to proactive planning and is accommodating future population growth in the Macedon electorate. I am very pleased that the coalition government has delivered on this important election commitment to the people of Romsey and the Macedon Ranges.

Another important issue is one that was a topic of conversation just prior to the election. It was a late discovery for Ms Broad, who had ventured out to Ouyen P-12 College, which has now received \$5 million to construct new primary school facilities. Also in that funding round we have Castlemaine Secondary College, which received \$7 million to modernise its facilities, and \$5 million has been allocated to Golden Square Primary School to construct new administration and learning areas. In the same vein we have administration and learning areas to be constructed at Wodonga Senior Secondary College with a \$10 million funding allocation, while Belvoir Special School will undergo \$5.4 million worth of modernisation works.

As members can see, we are going through the system systematically, looking at where the demonstrated need is and funding as we go with what money we have available to us. In addition to this education infrastructure funding, \$1 billion will be invested in transforming vocational education and training, focusing on those skills most needed by Victorian businesses.

The coalition's record investment in infrastructure includes \$350 million to remove dangerous level crossings, which will help ease traffic congestion. There has been \$7.1 million allocated to build rural overtaking lanes as part of a number of projects across the state, including on the Melbourne-Lancefield Road. Standing on the back of a truck at the Lancefield show I was very happy in opposition to announce that that was an election commitment, and that can now be stamped as delivered, with additional money added to that election commitment.

We are working through the issues. The Melbourne-Lancefield Road has claimed many lives and has been lobbied about for many years by the community, by police and by people who have lost

loved ones on that road. Unfortunately, to the detriment of that community, there was no action taken in the term of the last government, so I am particularly pleased to see that delivered on the basis that it has been out there for a long time and neglected. The road is very much used by that community, and we are working towards the reduction of fatalities and the road toll around the state. This is part of the bigger picture, and I know that the community is very grateful. The community voiced very real concerns about this road, and we have listened. The coalition government has already delivered significant safety upgrades to the Melbourne-Lancefield Road, and it will be further improved as a result of this funding.

There has also been \$5.9 million allocated to upgrade rest areas along the Hume Freeway. I spend a bit of time on the Hume. It is a long stretch of road. It is a pretty good road, but it is important to make sure that you get off the road when you are a bit tired. That is a very important thing.

There are some important funding announcements in Minister Davis's health portfolio. As I said earlier, the Castlemaine hospital will benefit from a \$10 million upgrade to relocate and refurbish the urgent care department, upgrade essential statewide infrastructure, build a second theatre and redesign the day surgery ward and recovery area. This upgrade supports a larger development that is subject to an application to the commonwealth government for further funding, so I am certainly advocating for that and hoping that it will come through. The Castlemaine hospital has a long and proud history of serving the local community, and I am very pleased that this funding will allow urgent upgrades to be completed.

The coalition government is delivering on its election commitment to provide better hospital and health services to the Castlemaine community. The Castlemaine hospital provides service and backup for other hospitals in the area, and it plays a key role in the provision of services in the Central Goldfields area. The Kilmore and District Hospital will receive \$20 million in funding to redevelop and expand, including 30 extra beds. We have also committed \$10 million in this budget, while the commonwealth has committed to matching this funding, bringing the total investment to \$20 million. That is a great partnership for that hospital. As I said, the redevelopment will include 30 extra beds to double the hospital's existing capacity.

This is part of looking at growth areas and growth corridors. The Wallan-Kilmore area is growing exponentially, and we need to ensure that we accommodate growing demand for health services.

Seymour District Memorial Hospital will receive \$2 million in funding to enable it to open and staff four chemotherapy chairs. Having to undergo chemotherapy is a very tough gig for anyone, but to have to travel from a rural area and not be close to family is an added burden, so this will be a great boost for Seymour. Being forced to travel long distances affects cancer patients emotionally, financially and physically, and we have acknowledged that. As I said, it will be a great boon.

There has been \$18 million allocated to the Swan Hill hospital, which is something Mr Lenders has developed an interest in ever since he went to the opposition benches. It is a very important initiative for Swan Hill in its redevelopment of residential aged-care facilities and upgrades to infrastructure. The community at Charlton will also have a new hospital, with a \$22.7 million funding announcement. Once again those opposite have found interest in a hospital that was old and on a site that had flooded. We have taken our time to ensure that we find an appropriate site where the appropriate planning has been undertaken, and now we are delivering for that community as well.

The coalition government has also announced a \$54.5 million infrastructure commitment to the state's youth justice system, which will include 45 new beds at the Malmsbury Youth Justice Centre. Minister Wooldridge has overseen a significant feasibility plan, funded from the last budget, to improve the state's youth justice system, and much of the work Mary Wooldridge is doing is quite revolutionary in the fields of mental health, disability and also youth justice. She is to be commended for her hard work, as is the Parliamentary Secretary for Families and Community Services, Andrea Coote. The coalition government has taken responsibility and the necessary approach to strengthen the youth justice system and hold young offenders accountable for their actions while also providing an environment which assists those young people to have proactive rehabilitation. Hopefully this will reduce reoffending by those young people.

Residents in Northern Victoria Region will also benefit from statewide investments, which include \$10.58 million to accelerate innovation to boost the productivity and profitability in Victoria's grain industry, \$14.3 million to boost the productivity and profitability of the Victorian dairy industry, \$8.94 million to boost the productivity and profitability of Victoria's red meat industry, \$8.11 million to secure a long-term future for Victorian horticulture and \$19.5 million for buyer security programs.

I will have to conclude. I am very proud to be a part of this government. There is much more good news, and I

will have to ensure that my community understands all of the initiatives that we have taken.

Mr Barber — I draw attention to the state of the house.

Quorum formed.

Ms BROAD (Northern Victoria) — I rise to make a contribution to this take-note motion on the budget papers 2012–13. Constituents in northern Victoria are increasingly coming to the realisation that the choices being made by the Baillieu-Ryan government are choices that do not favour them. This is regardless of the fact that many constituents in Northern Victoria Region live in lower house electorates represented by MPs who are members of the Liberal and National parties. This realisation includes the fact that this budget delivers no jobs plan, a zero employment growth forecast and few projects coming down the pipeline, as government ministers instead are spending time cruising around regional Victoria, opening projects and cutting ribbons for projects initiated and funded by state and federal Labor governments.

Hon. M. J. Guy — Just like in 1999, just like CityLink, just like the new museum.

Ms BROAD — Indeed. That is the reality of politics, but sooner or later — and 18 months later perhaps is the time — the government of the day has to get over cruising around cutting ribbons and opening projects initiated and funded by the former government and take responsibility for actually starting a few projects, particularly in the northern half of Victoria.

Hon. M. J. Guy interjected.

Ms BROAD — I see that Mr Guy was very pleased recently to visit Swan Hill, a very important part of Northern Victoria Region, to announce some funding for a project to redevelop the riverfront at Swan Hill — a terrific part of my electorate, which I was pleased to visit after Mr Guy's recent visit — and the council was pleased to match that funding which he announced on his visit. The problem is that until he makes a decision as planning minister about the alignment for the new Swan Hill bridge — and I presume his government in the fullness of time will get around to also making some funding decisions — nothing else can proceed, including the master plan for the redevelopment of the riverfront in Swan Hill, which he has committed some funding for, but it cannot actually proceed until he makes some decisions.

To come back to other aspects of my contribution, the budget regrettably for my constituents in northern

Victoria delivers the abandonment of the Future Farming strategy, where funding of some \$200 million has been scrapped, which will impact particularly on rural constituents in Northern Victoria Region, and the abolition of the rural and regional first home buyers scheme. So for young families hoping to build a home in areas distant from the metropolitan area where building costs and just about all costs are higher, they are losing up to \$19 500 to help them get a start with their first home because of the abolition by the Baillieu-Ryan government of the first home buyers scheme for regional and rural families.

Statewide public sector job cuts of over 4000, not including TAFE jobs, which are beginning to impact across northern Victoria, are now being translated into service cuts for families in northern Victoria.

We are seeing, for example, the closure of the Department of Primary Industries offices and the removal of services and jobs for those in agriculture, those in Landcare groups and those who have relied on those small offices in small rural communities, and they are beginning to realise that these are public sector job cuts which they had been led to believe by some representatives of the Baillieu-Ryan government were not going to impact on rural and regional Victoria. They believed that they would somehow or other be protected, that the job cuts were not going to impact on front-line services and that they were not going to result in a reduction in jobs in small rural towns. In fact they are going to result in all of the above, and those people have been seriously misled because they wanted to believe those assurances that in some way they would be protected, that in some way they would be exempt, but clearly that is not the case.

In the time I have left I want to focus particularly on what is happening in the education space, and I could not say this any better than how it has been said to me recently in correspondence I have received from the Red Cliffs Secondary College school council. The council referred to the fact that on top of a significant increase of some \$238 million to non-government school funding in last year's budget, Red Cliffs Secondary College is suffering major reductions in its budget. No-one, in representations to me, is arguing against the government keeping its promises to non-government schools. What people are objecting to is the fact that these promises to non-government schools are clearly being kept at the expense of government schools through cuts to government schools which were not flagged in any shape or form by the Baillieu-Ryan coalition prior to the 2010 election.

The correspondence refers to the \$16 million which has been stripped from schools through changes to the education maintenance allowance and that Red Cliffs expects this will result in a likely shortfall in funds of around \$45 500. On my recent visit to Swan Hill, the Swan Hill College estimated that at that school it could amount to as much as \$60 000. These schools deliver education to families in communities with substantial disadvantage and use those funds to ensure that students from disadvantaged families are able to participate to the full regardless of whether or not their families are able to provide them with the basics to participate in school, such as uniforms, books and shoes. Schools also use these funds to ensure that children can participate in school excursions. These cuts are having a devastating impact on schools which are now coming to realise what this will mean for them.

There has been much discussion about the impact of the TAFE cuts. On a recent visit to Mildura I noted that some 26 positions have already been removed. That has a devastating impact on the individuals and their families. It will mean cuts to courses and increases in fees, and those increases are coming down the pipeline to be put in place by 1 July. TAFE colleges have to make up for those cuts by the Baillieu-Ryan government, and the main mechanisms open to them are to eliminate courses, to increase course fees or to reduce TAFE staffing, or some combination of the above. That will mean, and it is already being felt, fewer educational opportunities in communities which are already disadvantaged by the fact that they are a long way from the metropolitan area.

Mrs Petrovich referred earlier to Ouyen. I am pleased to talk about Ouyen, because shortly after the 2010 election the school at Ouyen raised its case with the Baillieu-Ryan government and pointed out that it was halfway through a school merger it had entered into, in good faith, to bring the primary and secondary schools together into a P-12 school. It said the merger would create difficulties for the school because a major highway separated the campuses, and the travelling backwards and forwards was putting students, staff and parents at serious risk.

The school took up its case with the local member for Mildura in the other place, Mr Crisp, and with the minister, and it was told in no uncertain terms that because no election commitments had been given to Ouyen, it was not a priority and would simply have to wait. After being told that it was not a priority and could wait, it was therefore extraordinary to see in the recent budget that, lo and behold, Mr Crisp, the minister and the Baillieu-Ryan government claimed retrospectively that this was an election promise after

all, and that they were now pleased to deliver on this retrospective election promise and commit funds to finish this very good project, which was initiated under the former Labor government and which seems will now be completed by the Baillieu-Ryan government.

I need to correct Mrs Petrovich on another point: \$5 million was not actually delivered in the 2012–13 budget. That was part of an announcement that over coming years \$5 million is to be delivered, but the amount that was actually delivered in the 2012–13 budget is less than a million dollars. Clearly a great deal more than that will be required to complete this very good project. I am very pleased for the community in Ouyen, which is now contemplating the loss of its Department of Primary Industries office, that this school project will be completed.

Many schools around northern Victoria are in similar circumstances — that is, they have school building projects which were initiated by the former Labor government and contributed to by the federal Labor government. They have taken great heart from the fact that the Baillieu-Ryan government is retrospectively claiming to have made an election promise that they told no-one about and denied when asked what it would do about their school's situation.

Schools at Merbein and Robinvale, just to take two examples, are taking great heart that perhaps, after all, the Baillieu-Ryan government might be prepared to invent a retrospective election commitment and get on with the job of finishing those school building projects as well. I would certainly urge the government to do that, because these communities deserve to have their school projects finished as well. These are communities which, similar to the examples I have already given, are facing a good deal of disadvantage, and students in those communities deserve to have the very best educational opportunities regardless of their family background or where they live. They deserve the chance of doing the very best they can, provided they are given decent school facilities and all the things they need to take advantage of opportunities that come their way.

Mr Barber — Acting President, I draw your attention to the state of the house.

Quorum formed.

Mrs PEULICH (South Eastern Metropolitan) — I am delighted to speak on the 2012–13 budget. I say at the outset that in my 16 years of serving in the Victorian Parliament — 10 years in the Assembly and 6 years in the upper house — this is the best budget for

the south-east I have ever had to sell or talk about, so I am delighted to have the opportunity to do so. Notwithstanding the broader environment of economic challenges, both international and domestic, it is a responsible budget. It focuses on productivity improvement, it underpins economic development and growth and it allows for the need for restructuring and industry transition.

The budget will deliver an operating surplus of \$155 million and a huge infrastructure spend, of which I am very proud, of \$5.8 billion. Net debt will be declining to 6 per cent of gross domestic product by June 2016, consistent with maintaining a AAA credit rating. We see our neighbours in South Australia under Labor losing theirs. The budget reduces business costs and protects the most vulnerable in the community; in particular funding has been made available for vulnerable children through a fantastic initiative emanating from the Cummins report.

I am sick and tired of members of the Labor Party claiming something was funded by Labor when it was funded by the state government. Separate to that, Labor members are more than happy to take or demand credit for good things — for which they may have made promises but we are delivering — but never ever do they put their hand up for all the things that were done that Victoria did not need. I will read a list of those at the end of my contribution to remind Victoria of how much money has been wasted, because if Labor had wasted less, Victorians would have had more. That is a simple message. Let me say that the south-east has certainly — —

Mr Elsbury — Listen to Johan: you don't need any economic credibility.

Mrs PEULICH — Labor does not have any. It has none.

Through this budget we are delivering a responsible plan to drive economic growth, generate jobs, deliver major infrastructure and improve community services for Victorian families. Obviously Labor has wasted enormous opportunities to invest and to leave a positive legacy in terms of infrastructure, but it has blown those opportunities. This budget goes some way to reversing the previous Labor government's reckless legacy of excessive spending and project cost blow-outs.

Despite these challenges, some of the initiatives that have been announced for the south-east include — and I am very proud and delighted to talk about this to the community — removal of the rail crossing at Springvale Road, Springvale, which is going to go a

long way to improving traffic movement and easing traffic congestion. I am sure that Mr Tarlamis would agree with that.

There is the provision of \$155.7 million to construct the Dingley bypass, linking South Road, Moorabbin, to the South Gippsland Highway in Dandenong South. Mr Tarlamis will know that his own party promised several times to deliver that leg of the Dingley bypass and never did, because the left wing caved in to the Greens all the time. Regrettably Mr Tarlamis is still out there trying to raise concerns about this major piece of infrastructure which has been marked in our *Melway* for 45 years. I hope he gets on board because the south-east needs this roads infrastructure.

More than \$20 million has been made available for local schools, including Noble Park Special School, and \$10 million for Dandenong High School. There is \$15.8 million for the Monash Children's hospital and \$765 000 to build the Lynbrook Integrated Community Centre. There will be more car parking at Merinda Park and Narre Warren railway stations. These are some of the things that we have already delivered and that we are delivering. There are the lights for night racing at Cranbourne Racecourse; the horse industry around Cranbourne is very important and a major provider of jobs.

There is \$49 million to duplicate Narre Warren-Cranbourne Road between Pound Road and Thompsons Road. Ms Graley, the member for Narre Warren South in the Assembly, who never said a word until the last election was on the doorstep, suddenly claims that she delivered it. She was not able to deliver it under her own Labor government, with Mr Pallas, the member for Tarneit in the Assembly, being the minister for roads. Labor ignored her and never delivered it, but she claims that because she raised it in 2010 just before the last state election somehow she has delivered it.

It is the biggest example of hypocrisy how these members for the Casey area have been absent without leave. I go to most of the significant civic events throughout Casey, and out of all of those local members of Parliament in most instances I am the only one who turns up. Where are they? Where is the representation? It is shameful, and it is indicative of the representation the Casey area has not had for the last 10 years. A backlog of \$800 000 of infrastructure spending has been left behind as a result of Labor not giving Casey its due consideration and the local members not giving the area the representation it deserves. I am excited about this government progressing the duplication of country roads that carry city volumes of traffic and then being able to build on that in order to adequately

provide for the future development of this part of the South Eastern Metropolitan Region.

Already a further \$24 million has been delivered to the city of Casey for the Stevensons Road landfill debacle that the former Labor government presided over. The Labor government washed its hands of it until it was forced to deliver \$17 million, which we topped up by delivering a further \$24 million. The net effect of that is that ratepayers of the city of Casey will not have to wear exorbitantly high rates, which Labor was more than happy to foist upon them. The rates will be able to be kept affordable. It is an area of high mortgage stress, especially in tight economic circumstances, and these people need the support. This additional funding means that the City of Casey will be able to deliver more infrastructure projects and keep those rates down. What has been deplorable — —

Mr Finn interjected.

Mrs PEULICH — The carbon tax is of course a significant factor for the south-east, given its vast tracts of industry and business. Two million dollars has been made available towards planning for a new Officer secondary college; \$8.5 million for the trade careers centre at Chisholm TAFE in Berwick; \$38 million for the completion of the Hallam Road duplication from Pound Road to Ormond Road and the Clyde Road duplication from High Street to Kangan Drive; and an extra \$10.5 million to support the L2P program for drivers who cannot get driving supervision because of difficult family circumstances.

Land is being purchased at Lysterfield Lake Park. Also, \$235 000 is provided for the Marriott Waters Children's Centre community room and meeting space so a burgeoning community will have meeting spaces rather than having to use local school facilities, which are not ideal places to meet. As I mentioned before, the Dingley bypass is a very exciting project, and I look forward to future funding of the last leg of the bypass, which will connect the South Gippsland Highway and the South Gippsland Freeway.

Mr Tarlamis is very good at banging the drums about what we have not funded. However, the opposition washed its hands of 10 years of shameful neglect which has seen traffic congestion choke the south-east, which has seen people lose hours on end commuting to and from work and which has seen families miss out on family time because of Labor's neglect of the south-east. That is why it lost office — in addition to the mismanagement and waste which people saw going down the gurgler and which led to people missing out on better infrastructure and services.

Land has been purchased for Derinya and Cranbourne south and west primary schools to ensure that we are able to provide for their growth. There will be upgrades to 39 housing sites in our region. The government's funding also includes upgrades for the eastern treatment plant, which are very much needed; a share of \$883 million for public hospitals; and funding for the Australian Synchrotron. This is not the exhaustive list; these are just highlights. This is the first time the south-east has been taken seriously, and I am very proud to be a part of the government that is delivering for an area that has had such poor representation.

We have missed out on a lot of commonwealth funding. Unfunded infrastructure projects include the east–west tunnel; Melbourne Metro 1; the port of Hastings and the Avalon Airport link. National partnership agreements are not being renewed, and the hospital health workforce, literacy and numeracy, and improving teacher quality are unfunded. All of these are examples of why Labor does not deserve to be voted in federally and deserves to be kept out of office at the state level, because it simply does not care. The only time that Labor likes to portray itself as caring is when it is in opposition. Then it pretends to be listening and caring, but it does not give a hoot.

The economic environment is challenging, with the high Australian dollar, weaker global and national economic conditions and a substantial reduction in GST and other revenue. The government's economic reform strategy will ensure that the Victorian economy manages those challenges of the present and is positioned to take advantage of the opportunities for the future. Responsible and disciplined financial management allows the government to fund the services and infrastructure needed to support the Victorian community and economy.

Regrettably we only have 15 minutes. I could speak on the good news under this government extensively but even more so on the bad news under the former government. I would like to remind the house of how the previous Labor government squandered the boom years of economic prosperity and left the state's finances dangerously exposed to this global economic downturn. The full extent of Labor's waste, blow-out and debts are still hurting Victorians because of the infrastructure and expansion of services which we did not receive.

Labor frittered away \$3 billion on a bungled poker machine option. Its desalination plant cost more than \$23 billion, imposing an unprecedented burden on Victorian families — costing Victoria \$580 million each and every year for the next 27 to 28 years. About

10 Cranbourne bypasses could probably have been built each every year as a result of the Labor Party wasting its dollars and wasting Victoria's fortunes.

I think it is disgraceful and absolute hypocrisy for members opposite to harp on about what we have not funded that they promised. Of course they promised much and delivered little, and then there is what we have promised. Having frittered away so much money, members opposite ought to hang their heads in shame and go and rethink and recoup. There was a further \$1.44 billion in waste and blow-outs in relation to mismanaged ICT projects such as myki, and there was the mismanagement of the regional rail link, which resulted in a blow-out of up to \$1.1 billion. The list goes on.

I know time is escaping, but I would just like to say that this government is focused on addressing the mismanagement, getting rid of the waste and investing in physical capital. This sets the foundation for much-needed development in social capital, something that is very important in the south-east, which will lead to the improvement of services, the building of stronger families, better managed community organisations, better community safety, access to hospital services when required — not two or three years later — a stronger mental health system and a strong education system.

We have heard much about education being prosecuted in this chamber, but what that belies is that the overall education budget has actually increased by 5.2 per cent. There has been significant investment in early childhood services and certainly schools education. The maintenance of the facilities of our government schools has been bungled by the former government, and they have been left in a derelict state. Galvin Park, which is falling over, is an example of that. Major rebuilds which would consume many millions of dollars are required, and that means we will have to play catch-up. The unfinished and bungled Building the Education Revolution program has left many schools only partially rebuilt. School communities find it difficult to focus on what they need to do — that is, improve the quality of education — because they are so focused on Labor's bungled capital works programs in their schools. This also applies to the tertiary and further education sector.

We are still focused on ensuring the quality of training providers. There have been a number of reforms that have come through this house, delivered by Mr Hall, the Minister for Higher Education and Skills, and these reforms will ensure the relevance and maximise the public benefit of that training, especially in the context

of a tightening budgetary position. We have heard about the examples of growth in government-subsidised training — for example, there has been the growth in the certificate IV in fitness, for which enrolments have risen from 188 in 2008 to 3863 in 2011. Clearly these levels are unsustainable. However, through its budget the government will continue to provide a high level of public investment in training and will ensure that funding returns to a sustainable level. Importantly, the budget actually increases the subsidies to those skill areas where there is a national shortage, and I think that is a very good thing.

I look forward to this government delivering better services, a high quality of education and of course a better deal for the south-east than was the case under the 11 years of Labor, which only pretends to care when it is in office. We know that on the ground members of the Labor Party do not care, and should they be returned to the government benches too soon, we would see that sort of neglect continue. Our residents, certainly the ones I represent, deserve better. With those few words I commend the bill to the house.

The ACTING PRESIDENT (Mr Ramsay) — Order! It is perhaps not a bill, Mrs Peulich.

Mrs PEULICH — It is still a bill. It is the budget.

Mr TARLAMIS (South Eastern Metropolitan) — I also rise to make a contribution to the debate on the 2012–13 budget papers. Unlike my colleague Mrs Peulich, it is with despair that I stand here today to deliver my budget reply. I use the word despair because it aptly describes the consequences of this budget for some of our most vulnerable citizens in the South Eastern Metropolitan Region and more broadly in Victoria. The state budget is supposed to set the policy in a strategic direction for the government and the state and define what the government stands for and what type of Victoria it seeks to shape.

That being said, this budget, the second handed down by the Baillieu government, sets new lows for the most disadvantaged Victorians, new lows for families and new lows for jobs. It continues to slide into lower growth, it plunders new depths and it cuts funding to education, housing and welfare across Victoria. It highlights that we have a government in Victoria that either does nothing or gets it very wrong. It is a government that will not work hard to protect Victoria or Victorians.

Victorian families hoping for the Baillieu government to deliver a budget that would create jobs and provide

much-needed support have been let down in this budget, just as they were in the previous budget. The Premier, Mr Baillieu, has delivered a horror budget for Victorian families, and instead of setting Victoria up for the future, he has sent Victoria backwards. The first home owner grant program has been scrapped, the School Start bonus has been dumped and the education maintenance allowance has been slashed. The government has slashed spending on the health building program, and it will fail to keep an election promise to open the new Monash Children's hospital by the end of its first term. Waiting lists for elective surgery will grow and patients will be waiting even longer for care.

TAFEs which allow Victorians of all ages to upskill in a volatile employment environment have had \$290 million in funding savagely cut, and this is on top of the cuts in last year's budget and the government's decision to cut support for industry training advisory boards. Nine point four million dollars has been cut from financial counselling services that help families in financial hardship balance household budgets, and \$3.3 million for additional kindergarten inclusion support service placements to support children with high complex needs has been scrapped, while pensioners will get an average increase in their pension rebate of just 2 per cent, which is substantially below the forecast rate of inflation.

There have been all these cuts and many, many more, and at the same time the government is taking more from Victorian pockets than ever before. It has increased motor vehicle registrations by \$35, slugged Victorian families with higher water bills and increased speeding fines by almost 20 per cent, not to mention the fact that the second Baillieu government budget contains no jobs plan. Despite promises made only a year ago to create 110 000 jobs over the next two years, this budget shows zero jobs created this year and a mere 7000 jobs for 2012–13.

Since Ted Baillieu took office nearly 49 000 full-time jobs have been lost. We have the highest unemployment rate of any mainland state, and our jobs forecast for the coming 2012–13 financial year is a meagre 0.25 per cent. Youth unemployment is running at more than 22 per cent — a 14-year high. Victoria is in the middle of a jobs crisis and the Premier refuses to even acknowledge it, let alone develop a plan to secure or create jobs. It seems the only solution Mr Baillieu can offer to the jobs crisis is to sack 4200 public sector workers while constantly repeating the spin that front-line jobs will not be affected — spin no-one is convinced by.

Victorians are right to feel betrayed by this government that promised so much. It promised to fix the problems, plain and simple. The electorate agreed there were problems and a prescription to fix those problems was what it was looking for. It embraced the former opposition and delivered to it the keys to Treasury Place. Never did it occur to the electorate that instead of fixing problems the government would create them. People did not foresee that fixing the problems would include Victoria losing around 900 jobs a week. They certainly did not think it would mean pulling the rug out from under the most needy and disadvantaged Victorians by taking an axe to the social safety net. Rather than fixing the problems, Mr Baillieu is making things worse.

Ted Baillieu and Geoff Shaw, the member for Frankston in the Assembly, have again failed to deliver for Frankston. The election commitment to Mount Erin Secondary College has been overlooked again in this budget, and it is clear that this is not a priority for the local member or the government. Nine hundred thousand dollars for planning falls far short of the \$9 million promised at the election. There is no money to clean up Kananook Creek, and all the spin in the world will not remove 20 years worth of silt and rubbish.

There are still no protective services officers (PSOs) on Frankston station. The government continues to struggle with its bungled PSO policy, which has seen cost blow-outs and a failure to meet its targets and revised targets with regard to the rollout of PSOs. The government is well behind on delivering the 940 PSOs that were promised at the last election. What happened to Geoff Shaw's promise of delivering PSOs? He was filmed by Channel 7 in Frankston one dark Saturday night before the election committing, with the Premier in tow, to make the Frankston line and Frankston station safe once more.

Geoff Shaw performing the self-appointed role of citizens infringement officer may make him feel good, but it does nothing for the people of Frankston. And I am sure local residents will sleep better knowing that the Liberal government will spend over \$17 million, or \$268 000 per train station, installing toilets for the exclusive use of protective services officers.

This is on top of the government's muddled and confused election promise with regard to Frankston Hospital. The government misled the community with regard to its \$40 million commitment to build a new emergency department at Frankston Hospital. What the government and Geoff Shaw meant to say is that they had committed \$1 million for planning next year and

that they had not allocated sufficient funding to complete the redevelopment during this term in office. When you have a situation where 12 000 people waited more than 8 hours to be admitted to a bed last year, you know that the emergency department is not coping, and that is just not good enough.

Under Geoff Shaw and this government the unemployment rate in Frankston has increased from 5.9 per cent to 7.8 per cent — well above the state's average of 5.4 per cent. At the same time we are seeing opportunities for training, retraining and reskilling vanishing with a stroke of the Treasurer's pen, while Geoff Shaw remains silent.

Mrs Peulich — On a point of order, Acting President, I think it is reasonable in a contribution for a member to make some passing references to the failings of political rivals, but to actually use the appropriation in the budget for such an underrepresented area as the south-east and to just slate Geoff Shaw, the member for Frankston in the Assembly, I think is deplorable. I think Mr Tarlamis should apologise and desist.

The ACTING PRESIDENT (Mr Ramsay) — Order! I do not uphold the point of order.

Mr TARLAMIS — The people of Frankston, who find themselves unemployed and already facing an uncertain future, are now seeing their opportunity for reskilling and vocational training diminished by this government's attack on the TAFE system. We see opportunities being killed off by the Baillieu government's decision to deliver the largest cuts to the TAFE sector in the state's history. These cuts severely limit jobseekers' prospects to upskill and find new jobs and will lead to course closures, impact upon the local economy and result in hundreds of job losses in the sector. The decision to remove fee caps means course costs — —

Mrs Peulich — On a point of order, Acting President, the member knows these issues and does not need to slavishly read. This rule has been enforced very rigidly in the Assembly. I suggest passing reference can be made to notes, but he is reading word for word. Perhaps you ought to ask that he desist from doing so.

Mr TARLAMIS — On the point of order, Acting President, I am referring to copious notes.

The ACTING PRESIDENT (Mr Ramsay) — Order! I do not uphold the point of order. I notice that in many contributions members read from notes, and I will allow some latitude for Mr Tarlamis.

Mr TARLAMIS — The member for Frankston claims in a letter to the editor of a local paper that the government is investing an extra \$1 billion over the next four years for a skills training system. What he fails to explain is that it is being directed towards private training providers whose funding has been increased by 114 per cent in the last 12 months. What he also fails to explain is that Chisholm Institute, which has a campus in Frankston — —

Mr Finn — On a point of order, Acting President, Mr Tarlamis is reflecting upon a member of another house. As we know, under the standing orders of this place that is not allowed without a substantive motion. I ask that he withdraw and desist.

Mr TARLAMIS — On the point of order, Acting President, I am merely referring to comments made by the member for Frankston in a letter to the editor of a local paper.

The ACTING PRESIDENT (Mr Ramsay) — Order! I do not uphold the point of order.

Mr TARLAMIS — I was referring to Chisholm Institute, which has a campus in Frankston and which will lose \$25.5 million in funding — one-third of its budget — as a result of cuts made in the budget by this government. Those cuts come on top of a \$4 million cut last October and will more than likely lead to job losses and current courses not being able to continue. Again, you have to ask how this is fixing the problems and reducing the cost of living.

The budget takes an axe to the social safety net that local families rely upon when they face difficulties in hard times. Scrapping part of the education maintenance allowance, reducing concessions, raising water bills, increasing public transport fares and increasing public housing rent is not fixing the problems or reducing the cost of living. The scrapping of housing programs to address homelessness pulls the rug out from under Victoria's most vulnerable families who find themselves in housing insecurity due to economic circumstances beyond their control.

Not one cent has been invested in new public or social housing in the next financial year, continuing this government's trend since coming to office. Never mind the minister's refusal to rule out the sale of public housing stock! This comes at a time when families are vulnerable to unemployment due to the government's paralysis. All of this happens while Geoff Shaw and his colleagues remain silent.

Mrs Peulich — Acting President, I am not sure whether we have a quorum.

The ACTING PRESIDENT (Mr Ramsay) — Order! The Clerk advises me we do have a quorum.

Mr TARLAMIS — I can only conclude that the daily demands on some members and their rigorous work schedules have left them distracted from their obligations funded by the taxpayer. It is about time that some members assessed their priorities and dedicated their efforts to representing their electors. Perhaps they could direct some of their aggression to advocating within the Baillieu caucus to achieve some outcomes for their electorates. Along the Frankston line in Carrum and Mordialloc it is sadly the same story. Fortunately for the residents of Carrum, Donna Bauer, the member for Carrum in the Assembly, does not seem to be moonlighting in another profession.

The ACTING PRESIDENT (Mr Ramsay) — Order! Mr Tarlamis, that is out of order. I ask you to withdraw.

Hon. M. P. Pakula — On a point of order, Acting President, what I heard the member say was that the member for Carrum is not moonlighting. I think the point the member was making was that the member for Carrum is a good member of Parliament, which is well within order.

The ACTING PRESIDENT (Mr Ramsay) — Order! I raised the issue because I was concerned about Mr Tarlamis's contribution. Mr Pakula was not in the chamber at the time. There were a number of references to certain members doing certain things, and I allowed some degree of tolerance on that, but I was listening very carefully to make sure that members were not again identified by name, and in the last part of Mr Tarlamis's contribution there was clearly and distinctly an upper house member named and the comments were framed in a way that cast aspersions on that member. I took the call, but I am asking Mr Tarlamis to withdraw his commentary in relation to that particular member.

Mr TARLAMIS — On a further point of order — —

The ACTING PRESIDENT (Mr Ramsay) — Order! I advise Mr Tarlamis that this is not a debate.

Mr TARLAMIS — I withdraw my comment.

Instead of the government fixing the problems, residents are facing new problems created by the state government. The parents, staff and students of Aspendale Primary School must be wondering what they have done to offend the local member. Eighteen months into this term of government they are being

asked again to rely on the word of their local member that their school will receive its promised upgrade — a promise that any reasonable person who cast their vote for the Liberal Party in Carrum believed would be delivered straightaway, but two budgets on they are still waiting for a modern learning environment. They are waiting too for the promised upgrade to Frankston Hospital and for Monash Children's hospital to be delivered. Announcements do not replace first-class health services or reduce elective surgery waiting lists.

The many older voters in the Carrum electorate would appreciate toilets at the Chelsea train station because, as we know, they will not be allowed to use the \$268 000 toilets that are reserved for the protective services officers. In fact residents across the region are still questioning why the government dumped the \$54.9 million allocated in Labor's last budget to upgrade 20 premium train stations across the network, including those at Seaford, Chelsea, Parkdale, Highett and Hallam.

Another fact is that train services along the Frankston line have only gotten worse with the approved timetable of the Minister for Public Transport, Terry Mulder. It adds time to the commuter's journey because it runs almost two out of every three peak-hour trains against the peak-hour rush and allows the skipping of stations, so that the performance targets of Metro Trains Melbourne are met, which ensures that the transport operator receives millions of taxpayer dollars in bonus payments.

Commuters would also like to see protective services officers deployed at their train stations as promised.

Fixing the problems does not mean increasing car registration, train fares, stamp duties, land tax, water bills and speeding fines by almost 20 per cent, and it does not mean reduced concessions for eligible recipients. It does not mean causing the possible closure of TAFEs, reducing the number of TAFE courses offered or doubling the cost of TAFE courses. For young families the abolition of financial assistance to buy their first home as well as free financial counselling services is another blow. Reducing the cost of living also does not mean reducing occasional care for parents engaging in part-time work or scrapping the education maintenance allowance and the kindergarten inclusion support services program.

In reality electors are now faced with cost of living increases which are compounded by poor economic conditions and job losses. They are facing massive cuts to education and to TAFE, longer hospital waiting lists

and a government that promised no spin but which spins every Labor infrastructure project as their own.

While the member for Carrum in her budget media release trumpets the funding for the Dingley bypass as a major achievement, does anybody really believe this project would have gone ahead if Labor had not started it?

Over in Mordialloc the spin continues. In March I was pleased to read an article in the *Mordialloc Chelsea Leader* headed 'Mordialloc Creek gets new life' — —

Mrs Peulich — On a point of order, Acting President, the member may be in danger of inadvertently misleading the house when he says that the Labor Party started the Dingley bypass project. The Kingston leg of the Dingley bypass was a promise made over three successive elections by Labor but was never delivered — another broken promise.

The ACTING PRESIDENT (Mr Ramsay) — Order! That is not a point of order.

Mr TARLAMIS — The member for Mordialloc in the Assembly, Ms Wreford, should not think she is creating immunity for her electorate to the savage, cruel TAFE funding cuts. I point out to her that Holmesglen TAFE is also located in her electorate, and it will lose \$25.5 million with diploma fees almost certain to double next year from \$2500 to \$5000.

Another commitment that was made before the election was for a train station at Southland. This budget is silent on funding for the \$13 million promised at the last election. I recognise that \$700 000 has been allocated for planning, but if this promise is to be fulfilled in this term, as postulated by the members for Bentleigh and Mordialloc in the Assembly, money needs to be allocated in the budget to build it. Members of the government have called me a liar for pursuing this issue of funding and the government's commitment to it, but until it allocates the money we can only assume it is not committed to this project.

Rather than fix the problems, the Baillieu government has continued to make things worse, and I call on the government to take further action to fix Victoria.

The ACTING PRESIDENT (Mr Ramsay) — Order! I say to Mr Tarlamis that in the last 15 minutes there was not one single good thing mentioned about the budget.

Mr Barber — Acting President, I direct your attention to the state of the house.

Quorum formed.

Mr O'BRIEN (Western Victoria) — I commence my contribution by picking up the last few words of the contribution of my colleague Mr Tarlamis in which he acknowledged that there were problems. He said that rather than fix the problems the government has done nothing. He indicated in those words that there were problems. They were problems created by the previous government. Those problems are real although they may have been masked by the strong financial position the country was in due to the then federal government. It delivered through GST receipts and other good fiscal management a strong and vibrant economy which enabled the federal government to have a surplus. The federal government at that time was led by the very responsible management team of Prime Minister John Howard and Treasurer Peter Costello, supported in coalition by The Nationals. That was the true financial position which masked Labor's inability to manage money, and if there is one thing that is true about Labor governments, it is that they cannot manage money.

We have seen that all over the country. South Australia now has to live with the burden of higher interest rate difficulties and further lack of confidence as a result of the reduction in its AAA rating. Queensland has debt of \$80 billion or \$90 billion which it has inherited.

Victoria has inherited problems, but it has the good fortune that the people of Victoria had the sense to elect the Baillieu-Ryan coalition government in 2010 so that it could begin the process of restoring the state's financial fundamentals to a policy setting that would ensure that it could fix the problems and build for the future.

In my contribution to the debate on the motion to take note of the budget papers 2012–13 I encourage members to focus on the positive aspects in the Victorian economy. There is no doubt that there are difficulties overseas. There are certainly difficulties and uncertainty in the situation created by the broken promise in relation to the carbon tax and other federal government policy bungles. There is no problem about emphasising the difficulties in relation to policy bungles, because we need to get rid of the federal government as quickly as we can so that both the country and the state, as well as other states, can drive the economy forward, rather than having a government plan a socialist-style economy, as suggested by Mr Tarlamis. The coalition government hopes to continue to deliver the fundamentals that support our independent businesses, families, manufacturers, farmers, salesmen and sportspeople to drive the economy forward.

In relation to the fundamentals, I would like to pick up again on some of the benefits to the Victorian economy, principally agriculture, which have been well set out by the Minister for Agriculture and Food Security. Minister Walsh has continued to deliver a very sustainable policy response to the challenges that have affected agriculture — namely, the floods — but more importantly the government has invested in our primary industries, our food and fibre producers, so that we can enjoy the benefits of the food boom that is coming our way. The latest figures show that Victorian agricultural exports increased by 17 per cent in the 2011 calendar year to a record \$8.7 billion, compared to \$7.4 billion in 2010.

This government will not take specific credit for the amount of the increase, because that credit is due to our farmers and food producers, their families and local communities. What we will take credit for is not making terrible decisions in relation to agriculture and not making ridiculous decisions in relation to water infrastructure. Minister Walsh is also the Minister for Water. In relation to water we saw foolhardy, ill-considered projects and a process whereby the previous government put spin above substance and delivered to us a \$23 billion net present value desalination plant —

The ACTING PRESIDENT (Mr Ramsay) — Order! I ask Mr O'Brien to pause there. I want to get the clock right. My apologies, Mr O'Brien; I thought it was still 15 minutes.

Mr O'BRIEN — In that time we will have had even more money wasted on the desalination plant. I thought, Acting President, that you would be enjoying the discussion in relation to agriculture, because I know you care for that industry given your former role as a president of the Victorian Farmers Federation.

While I could go on, I will move to other sectors of the economy — but not before saying that this government has delivered a very comprehensive response to the financial conditions left to us by our predecessors. As a result, we have implemented a suite of policies under the careful stewardship of our very productive agriculture minister, who has also issued a positive challenge to all our agrifood and fibre producers that over the next 20 years we should double our food production. The agriculture minister is investing \$61.4 million through the Growing Food and Fibre initiative and has also committed approximately \$2.3 million to the Department of Primary Industries in Hamilton, which is in my region, for our red meat producers.

Another agricultural policy that has been well received in our farming community has been the wild dog and fox bounty, which as of 11 May 2012 had delivered in excess of \$500 000 directly into the hands of Victorian farmers — —

Mr Barber — You are joking!

Mr O'BRIEN — That was for 50 000 fox scalps, Mr Barber. Mr Barber thinks it is a joke. That is 50 000 foxes that have been destroyed in the first seven months of the Victorian — —

Mr Barber interjected.

Mr O'BRIEN — Mr Barber says he cares about farmers. He cares about farmers, and then he says the fox bounty is a joke. He is going to care about farmers, but the fox bounty is a joke. The Greens are a joke. What is not a joke is that the government's fox bounty has been well received by Victoria's farming community.

Turning to another important sector in our economy, manufacturing, I note that the very capable Minister for Manufacturing, Exports and Trade is in the house. He was very proud to receive the news in recent days that approximately 13 500 jobs have been created in the last month. It is very important that we talk up our manufacturing sector, and that is why on 19 December last year the minister released the document entitled *A More Competitive Manufacturing Industry — New Directions for Industry Policy and Manufacturing*. Within that framework he has reaffirmed the budget commitments for a \$58 million package to help reinvigorate manufacturing.

It is an important sector for the Victorian economy, particularly in regional areas such as Geelong and Ballarat. It is also important for small producers because they are the backbone of this nation. They value-add to our important food and fibre production. The sector employs around 310 000 people in Victoria, generates in excess of \$110 billion annually in economic activity, produces \$30 billion annually in gross value and \$15.3 billion worth of exports.

This government will continue to promote and talk up Victorian manufacturers, which members of the previous government, now in opposition, do not do. Rather, they seek to talk them down. I note a response I received to a study in relation to the sea-skimming boat-plane, as it was described, which was conducted by some small manufacturers in my electorate. Instead of the idea being received by the opposition with a bit of open-mindedness and light-hearted support, there was derision and scoffing. There was evidence of that

again today from Labor's member for Bellarine in the Assembly, Lisa Neville. She was quoted in the *Geelong Advertiser* of 7 June as saying:

The plan was a 'distraction' from increasing the frequency of V/Line trains and creating a second crossing over the Yarra River.

...

People want reliable, accessible and affordable public transport options ...

This is a very 'pie-in-the-sky' type suggestion, a distraction and not a sensible solution.

That is more unnecessary scoffing. Individuals are coming up with positive ideas. Those ideas may not lead to a total solution — and this study was never said to be that — but they are from a local Geelong manufacturer that should have been given our support. The Labor Party cannot adopt a consistent position on this matter. There have been scoffing tweets from Mr Leane and Mr Pakula, and we have heard the comments they have made in the house, but when looking back at the history, I need to put on the record that other members of the Labor Party have also shared my support for this wonderful development. I note the belief that:

... the *Sea Eagle*, if approved to operate, would offer a further tourist drawcard to our bay and add another commuter option to Melbourne for local residents and businesses alike.

That was from a letter dated 3 November 2008 from Mr Trezise, the member for Geelong in the Assembly.

Mr Drum interjected.

Mr O'BRIEN — Nipper Trezise, coming on board. He was not able to deliver the *Sea Eagle* for various reasons, including the red tape involved and perhaps a lack of faith by the former Minister for Public Transport. Nevertheless, our very capable Minister for Planning has put \$300 000 on the table to study transport options, and instead of that being gratefully received, it has been scoffed at by the opposition. We ask other Labor members to get on board to support Geelong manufacturing and to support Victorian initiatives.

I turn now to other aspects of the budget. The budget continues to deliver funding initiatives provided under the \$1 billion Regional Growth Fund. I note the capable Parliamentary Secretary for Regional Development, Damian Drum, is sitting in front of me. He is a terrific advocate not only for Northern Victoria Region but every part of the state that he visits. He promotes and encourages locals to be aware of funding options under the Putting Locals First program and other programs

that are part of the suite of policies under the Regional Growth Fund. He also ensures that those communities are listened to at the highest levels of government.

I know Mr Drum has embarked on a series of tours across the state. He and the Deputy Premier continue to promote and support our regional businesses, as do my other coalition colleagues, including Acting President Ramsay. This is a fantastic coalition government. Although it is working in difficult international economic circumstances, it is based on good, solid Victorian foundations. Regional growth plans were also announced as part of the \$1 billion Regional Growth Fund.

At this stage I refer to another aspect of the budgetary settings that is not often talked about — that is, the cutting of red tape and the ability to make life easier for people who have to deal with government laws, regulations and particularly planning regulations. I note some significant announcements from the Minister for Planning this week. During the Public Accounts and Estimates Committee budget process, of which I was a part, the minister coherently outlined the government's vision for the way the regional growth plans will work together with the metropolitan plans to provide coordinated infrastructure planning across the state. That has never happened before. It certainly did not happen under Labor's failed Melbourne 2030 planning policies.

Mr Barber — Acting President, I draw your attention to the state of the house.

Quorum formed.

Mr O'BRIEN — I thank Mr Koch for his guidance and advocacy for the Geelong region. The first of the growth plans that I was talking about has in fact been put on public display, and we encourage all visionary members of the Geelong community to put forward their long-term plans for consideration in that process and not be put off by the scoffing of the opposition. The opposition could not conduct itself in government, and now it cannot conduct itself in opposition. We will support our local manufacturers. We will not scoff at them; we will support them.

In relation to other planning initiatives, I note that the minister also announced this week two very sensible initiatives in relation to coastal planning. These will be great initiatives for all our coastal communities. These initiatives will clear up much of the uncertainty and red tape that put back development in this state over the term of the previous government, and I look forward to that. I also note that the minister's smarter way for

planning permit applications, VicSmart, will improve the system and remove red tape from many of our smaller residential developments right across the state of Victoria.

In conclusion I would like to briefly mention some of the specific projects that the government has delivered to my wonderful region of Geelong, most fundamentally in the area of health. We have the \$93 million commitment to the Geelong Hospital and the Ballarat hospital, including the helipad advocated for by the very capable Mr Koch. We will continue to support the police and provide for community safety. This is one of the things that will be forgotten by the previous government but remembered by anyone who has ever had to confront a dangerous person. We are rolling out 1700 additional police. We will restore law and order. We will provide community safety. We will support our families.

We look forward to the opposition starting to change its tune and supporting Victoria. We look forward to it getting on board with the Victorian budget and Victorian jobs.

Debate adjourned on motion of Mr FINN (Western Metropolitan).

Debate adjourned until next day.

APPROPRIATION (2012/2013) BILL 2012 and BUDGET PAPERS 2012–13

Concurrent debate

Hon. W. A. LOVELL (Minister for Housing) —
By leave, I move:

That this house authorises the President to permit the second-reading debate on the Appropriation (2012/2013) Bill 2012 to be taken concurrently with further debate on the motion to take note of the budget papers 2012–13.

Motion agreed to.

ADJOURNMENT

Hon. R. A. DALLA-RIVA (Minister for Employment and Industrial Relations) — I move:

That the house do now adjourn.

Regional and rural Victoria: jobs

Mr LENDERS (Southern Metropolitan) — The matter I raise in the adjournment tonight is for the Minister for Regional and Rural Development,

Mr Ryan. What we have seen in regional Victoria over the last little while has been a diminution of jobs. Just in the last week we have seen the West Gippsland Catchment Management Authority lay off 17 people and ask 8 more to reapply for their jobs; we have had the Wimmera Catchment Management Authority lay off 4 people; we have had the Glenelg Hopkins Catchment Management Authority lay off people; and we have had the Corangamite Catchment Management Authority lay off people.

My estimate is that about 130 people at the catchment management authorities will lose their jobs. My estimate is that more than 600 people in regional TAFEs will lose their jobs and that more than 300 people at the Department of Primary Industries will lose their jobs.

What we see as a pattern with all these job losses in regional Victoria is that they are all in portfolios administered by ministers who are members of The Nationals. The action I am seeking from the Leader of The Nationals, who is also the Minister for Regional and Rural Development, is that he get his ministers to begin to advocate for regional Victoria. The fact that in the second budget of the Baillieu government the epicentre of the job losses is in regional Victoria in portfolios administered by The Nationals is a shock to me and to many of the people I meet in regional Victoria.

We have a Regional Growth Fund and we have a Minister for Regional and Rural Development; I suggest that that minister spends most of his time in Melbourne at cabinet or at cabinet committees or acting as police minister and not a lot of time acting as the rural and regional development minister. The action I seek from Mr Ryan is that he apply himself to the rural and regional portfolio with as much vigour and as much time as he spends on his Melbourne-based portfolios, but more significantly that he bring his colleagues in The Nationals — the Minister for Agriculture and Food Security, Mr Walsh, and the Minister for Higher Education and Skills, Mr Hall — into line to advocate for regional Victoria. The action I will seek in the next budget is that rural and regional Victoria and the portfolios of The Nationals ministers not take the greatest hit in a budget like they did this time.

War memorabilia: conservation

Mrs COOTE (Southern Metropolitan) — My adjournment matter this evening is for the Minister for Veterans' Affairs, Hugh Delahunty. I wish to commend the minister on a really fabulous program that he has instituted — that is, to look after war memorabilia. I

think that as people are getting older and their parents and their loved ones are getting older and clearing out houses a lot of memorabilia is being found, and it is really important that it be kept in the best possible way in perpetuity. Many people do not realise that to keep photos you need to put them in acid-free plastic wrapping which has been treated so that the photographs do not deteriorate. It is a skill to keep memorabilia properly cared for so that generations in the future can appreciate it.

It is a really important program. The minister has given 50 RSL memorabilia officers and community volunteers from across Melbourne and rural and regional Victoria an opportunity to take courses at the Public Record Office Victoria. This is a great innovation which will give skills to volunteers to help them to look after Victoria's heritage into the future. It is a terrific program. The experts who have given a day to do the workshop are from the National Archives of Australia, Museums Australia, Heritage Victoria and the National Gallery of Victoria.

Just as an aside, many years ago a man rescued the John Pascoe Fawkner letters from a rubbish dump and gave them to the State Library of Victoria. It was exciting to see them restored and protected, because they are a really important part of Victoria's heritage, and now everyone can see them at the state library. Penleigh and Essendon Grammar School supported the project to make certain the letters were restored and given back to the people of Victoria.

This war memorabilia is going to be just the same. It is a terrific opportunity to keep and enhance our heritage and also to give proper skills to the volunteers who are so passionate about keeping our war material. The action I seek from the minister is to consider expanding this excellent program and offering it to the volunteers at the shrine particularly, who do such an excellent job on a daily basis. I encourage everyone in this chamber to go and have a look at the excellent educational material at the shrine.

School buses: Rupanyup–Murtoa–Minyip service

Ms MIKAKOS (Northern Metropolitan) — My matter is for the Minister for Children and Early Childhood Development. I can see that the minister is running out of the chamber so she does not have to respond to this — —

The PRESIDENT — Order! There is another issue that the minister is dealing with. That is a gratuitous comment, and it really is not on.

Ms MIKAKOS — I did notice that she came over, saw that I was on the list and immediately left the chamber. The matter that I wish to raise concerns the loss from the start of term 3 on 16 July of the school bus service that transports children to Rupanyup Primary School, Murtoa College and the Minyip and Rupanyup kindergartens. The bus service currently caters for around eight school-aged students and two kindergarten children. Next year it will cater for at least three kindergarten children and this number is expected to grow.

One of the affected parents, Tim Loats, has four children who use the bus service, two of whom use it to attend kindergarten. Mr Loats has advised me that transporting his children to school and kindergarten himself will involve travelling approximately 7680 kilometres and will cost about \$2000 per annum. I point out to the minister that the Kellalac–Warracknabeal school bus service was lost in May last year.

The loss of this additional bus service is occurring at a time when the minister's department has had for almost a year the report of the Wimmera early years transport support project, which was finalised by Yarriambiack, Hindmarsh and West Wimmera shire councils in July 2011. I have also been told that the minister wrote to the shire in January advising that she was seeking advice from her department, and I do wonder why this is not a priority.

This report, funded by the Department of Education and Early Childhood Development, aimed to explore transport options in remote and rural areas to support three and four-year-old children's access to kindergarten, particularly in light of the implementation of universal access to 15 hours a week of kindergarten. Many of the families across the shires identified transport costs and time as major constraints impacting on their ability to access the 15 hours of kindergarten. The Rupanyup and Minyip kindergartens have been participating in a 15-hours pilot project. I understand that the department will absurdly continue transport for only 5 out of the 15 hours a week until the end of the year. However, the bus service that now transports school-aged children is also going to be lost for the other two kindergarten days per week from term 3.

The report recommends that consideration of kindergarten children be included in the planning processes for school bus services, including being counted in the numbers of children eligible to travel. I call on the minister to urgently respond to the Wimmera early years transport support project report and take

steps to ensure that children in Rupanyup, Minyip and surrounding areas are able to participate in local kindergarten programs. I hope the minister does return to the chamber to respond.

Southern brown bandicoot: protection

Ms PENNICUIK (Southern Metropolitan) — My adjournment matter is for the Minister for Environment and Climate Change. It concerns an important area of natural bushland on the Port Campbell headland which provides habitat to a colony of southern brown bandicoots, a species which is listed as 'endangered' under the federal Environment Protection and Biodiversity Conservation Act 1999 and 'threatened' under the Victorian Flora and Fauna Guarantee Act 1988.

This local population of bandicoots has been monitored for many years by the Port Campbell Community Group Incorporated, which is advocating for the acquisition of two properties to secure the future of the bandicoot population in the Port Campbell area. The land, comprising two titles, 1 and 1A Hennessy Street, is home to a bandicoot nursery and is fenced on three sides. The property at 1 Hennessy Street is currently the subject of a planning application for a two-storey residence while 1A Hennessy Street has as yet no development proposed. This residential freehold land is a remnant of an old 1878 subdivision.

Both properties are adjacent to public land on the Port Campbell headland and are very close to land that has been identified as being at risk of subsidence from underground caverns, karst tunnels and sea caves. I am concerned for the safety of these properties.

I visited the area with the Select Committee on Public Land Development, and the report of that inquiry warned the previous government to preclude any further development on the headland, and the current government should heed that warning. Several years ago the Great Ocean Road was redirected away from the headland and through the town due to the risk of it collapsing. Questions are now being raised about the safety of the walking track on the headland.

I am advised by Dr Marion Manifold of the Port Campbell Community Group that if construction of a residence proceeds at 1 Hennessy Street, a firebreak may be requested to be bulldozed on the adjoining Crown land in accordance with current fire regulations. This will significantly impact the native vegetation and cliff stability and put the bandicoot population at risk of local extinction.

Last year I raised a related matter with the minister, who declined my request that the state acquire the Southern Ocean Beach House — which I understand is still for sale — and incorporate it into the adjacent Crown land for safety reasons. The Southern Ocean Beach House and Hennessy Street properties are partially covered by or immediately adjacent to a hazard zone that was identified, in a geotechnical report submitted last year to the Victorian Civil and Administrative Tribunal, as being in danger of collapse.

I believe the minister needs to seriously reconsider the public safety issues and the urgent conservation needs of the southern brown bandicoot on the Port Campbell headland. A solution is to incorporate these properties into the adjacent public land to remove the public safety risk and to provide protected habitat for the southern brown bandicoot.

Therefore I ask the minister to consult with the owners of Hennessy Street properties, Corangamite Shire Council and the Port Campbell Community Group regarding the issues I have raised. It may be possible for a public acquisition overlay to be agreed so that property owners are not at a disadvantage in the wider interests of public safety and the conservation of threatened species. Development could be suitably situated on nearby land and would protect the landowners from these instability risks and also protect the southern brown bandicoot.

Mildura Base Hospital: services

Mr DRUM (Northern Victoria) — My adjournment matter is for the Minister for Health, Mr Davis. We all understand how important it is for health services to represent their communities and to be representative of their communities. We also understand how important it is for health services to have local community input into their operations. At the moment there are many opportunities to work through this with the Mildura hospital. We are looking for opportunities for consumers and the community to get involved and to have a say in the delivery of the services and also to ensure that community members have access to all the services that they need in Mildura.

Mildura hospital has recently had some research data put out. It is called the patient satisfaction monitor and it rates patient satisfaction with Mildura hospital at a high level; however, there is plenty more that needs to be done. We know that the member for Mildura in the other place, Mr Peter Crisp, was delighted when a \$5 million election commitment landed in the budget this year to be committed for the emergency department and for additional services within the Mildura hospital.

With all of these things going on, I am very keen for Minister Davis to outline what ways he can see to further enhance community participation to ensure that community involvement is strong in relation to the Mildura hospital.

Teachers: enterprise bargaining

Mr EIDEH (Western Metropolitan) — My adjournment matter is for the Minister for Education, Martin Dixon. I was quite saddened to hear that people living within my electorate are feeling even more pressure when it comes to picking a school for their children due to overcrowding. It is a known fact that two of the fastest growing municipalities in the commonwealth are within my electorate — the cities of Melton and Wyndham. Families are having to send their children up to 30 kilometres away due to a lack of options for public secondary education in the area. Given the population boom in my electorate, it is no surprise that metropolitan public schools are struggling to cope with the increase in enrolments, especially given the lack of infrastructure which should match this increase.

I have heard of one family in particular who live in Hillside and have been left with no choice but to send their children to a state school in Bacchus Marsh so that they can receive the attention to their education that they deserve. My electorate covers some of the most disadvantaged and marginalised people in the state, and the handful of private schools which are available are not an option for many families due to the financial strain they are already under with rising costs of living.

I would like to note that it is not only the students who will be feeling the strain: what of the teaching staff who have to deal with classrooms busting at the seams? The work of teachers is so important, and I believe they do not get the recognition from this government that they so rightfully deserve. Is this why the government is not addressing the issue of overcrowding? This was one of Mr Baillieu's election promises, as was making Victorian teachers the best paid in the country. My parliamentary colleague and member for Keilor in the Assembly, Ms Natalie Hutchins, has recognised that this issue of overcrowding is also affecting her constituents, and she has outlined that it is also spreading to public primary schools.

I call on the both the Premier and the Minister for Education, Martin Dixon, to address this issue, and I ask: will there be funding left over to fulfil the government's election commitment to make Victorian teachers the best paid teachers in the country?

Department of Primary Industries: regional offices

Ms TIERNEY (Western Victoria) — My adjournment matter this evening is directed to the Minister for Agriculture and Food Security, and it relates to the Baillieu government's decision to close Department of Primary Industries (DPI) offices in Western Victoria Region.

Over the past weeks and months my electorate office has been very busy dealing with emails, telephone calls and constituents popping into the office to express their concern about the government's savage cuts to services in the electorate, whether it be the TAFE funding cuts which will hurt regional campuses, the lack of funding for the National Centre for Farmer Health or the closing down of local DPI offices in regional Victoria. I think regional Victorians are starting to join the dots in relation to this government and its lack of funding for rural and regional Victoria.

The decision to close regional DPI offices represents yet another cut by this government that will have a significant impact on regional communities. The one-on-one local expertise that comes with a local DPI office is essential to regional areas such as western Victoria, including townships like Camperdown, Ararat and Edenhope and their surrounding communities. The work that goes on there cannot be underestimated, yet the government is taking that service and expertise away.

The joint parliamentary committee I serve on, the Education and Training Committee, recently went to New Zealand, and members of the committee spent quite some time with representatives of DairyNZ. One message they gave us to take away — they gave us quite a few, but one is relevant to the point I am raising tonight — is that it is clear from their experience that government services need to be readily available and hands on and be able to deal with farmers on a face-to-face basis. DairyNZ representatives said that, from their experience, help is imperative and non-negotiable.

My request is that the minister reinstate funding for regional DPI offices to ensure that local DPI offices, in particular those at Camperdown, Ararat and Edenhope, remain open and continue to serve their communities in the valued and highly regarded manner they do at present.

Farming: Victorian Building Commission requirements

Mr RAMSAY (Western Victoria) — My adjournment matter is for the Minister for Planning, the Honourable Matthew Guy. It relates to the Victorian Building Commission's practice note that has been circulated to the farming industry. The farming industry, which is important to the electorate that I represent, is concerned about suggestions of a requirement to install disabled toilets, fire hydrants, insulation and lighting in hay or machinery sheds. My understanding is that a practice note has gone out from the Victorian Building Commission to say that those particular sheds and buildings will not require those facilities; however, facilities that have long-term employees working in them will require fire hoses, exit signs and toilets.

The issue here is that if we are talking about a packing shed, a shearing shed or a dairy where there is a requirement to have fire hoses, there is also a requirement to have standing water with significant pressure and other facilities that come at a significant cost. I am asking the minister to provide some clarification on what exactly the Victorian Building Commission is looking for in relation to what the new requirements might be for packing sheds like poultry sheds, shearing sheds or dairies.

Carbon tax: manufacturing industry

Mr FINN (Western Metropolitan) — I wish to raise a matter for the attention the Minister for Manufacturing, Exports and Trade. This is a matter that is of deep concern to industry and business across Victoria, particularly in Melbourne's west. Melbourne's western suburbs are the home of manufacturing. Many thousands of jobs are dependent upon the health of the manufacturing industry in the west. Those jobs ensure that families are able to look after their children, provide education for them and pay their mortgages. A whole range of matters are dependent upon the health of the manufacturing industry.

In some 24 days a very black day for Australia will occur when a carbon tax is imposed on the people of Australia. The thing that concerns me deeply, apart from the fact that this was a pre-election promise that was broken by the Prime Minister and this is a carbon tax that will create no end of difficulty for many millions of Australians, is that with just 24 days to go we still do not know exactly who will be hit by the carbon tax. We understand that 250 companies have been named, but there will be at least that number again

affected by the tax. To say that this is undermining business confidence is somewhat of an understatement.

Presumably by 1 July the polluters, as the Prime Minister refers to them, will be informed that they will be slugged by this great big new tax on everything that will achieve absolutely nothing. Putting myself in the situation of the polluters, I imagine that at that point they will be in a state of shock and confusion. Indeed it may be that they are in a state of stress that will put their businesses under a great deal of pressure. This whole carbon tax debacle is a dog's breakfast. It will create enormous difficulty for people and may threaten the survival of their businesses. I ask the minister to provide advice and counsel through his department to companies and others who may be unexpectedly hit by this dreadful new tax from Canberra. This is something that could be absolutely devastating in the next 24 days as people are told that they are direct targets of this most unnecessary and grotesque tax from the federal Labor government.

Williamstown: Seaworks maritime museum

Mr ELSBURY (Western Metropolitan) — I rise this evening to raise a matter for the attention of the Honourable Louise Asher in her capacity as Minister for Tourism and Major Events. The Seaworks museum is a unique part of Williamstown. It is an institution that can provide a great deal of information about Williamstown's maritime past. It is situated between the Royal Yacht Club of Victoria and the shipyards that were used to build the Anzac frigate. This area has been underutilised for far too long. It has two slipways that could potentially be used for the restoration and repair of vessels. It has a pier that can be used for bringing in various ships. The *Young Endeavour* has been known to use that particular pier. The Sea Shepherd vessels have used that pier, and the replica of the *Enterprize* — and I do not mean the one from *Star Trek* — calls that pier home.

Williamstown is also home to a unique building: the first morgue in Melbourne. It has been reconstructed in Williamstown. There are some stories to tell about that which involve a young man who was found deceased one evening. Apparently he was left there in the state he was found. A few of the ladies found it quite amusing to see him, as was the way back in those days. Apparently he was rather talented. In any case, these are the stories that are told about this particular building.

It really is a shame, though, that as a tourist attraction it does not get the attention it really needs. We can see a vessel being restored and vessels being built from

scratch. What I ask of the minister is for her to join me at the Seaworks maritime museum in Williamstown to see the location, experience what great work is being done there and see the collection of National Trust model vessels and other memorabilia that have been brought together and the planning floor that was used for the construction of vessels at that site back in the 1800s and early 1900s. I ask her to come with me to see the potential of the site as another great tourist attraction for the people of Victoria and certainly for the western suburbs of Melbourne.

Libraries: Oakleigh

Ms CROZIER (Southern Metropolitan) — My adjournment matter is for the Minister for Local Government, the Honourable Jeanette Powell. Last September the minister announced the launch of the \$17.2 million Living Libraries fund. It was well received at the time, and the minister should be congratulated and commended on the work she has undertaken in looking at what libraries actually do.

In her media release she is reported as saying:

Libraries are part of the fabric of many communities and provide unrivalled free access to knowledge, information and entertainment for their members.

I would certainly agree with that. There is a range of libraries throughout Victoria. We have a spectacular library here in the Parliament, and all those who work within it do a great job for all members of the house. Likewise, Mrs Coote mentioned the state library and spoke about the war memorabilia that has gone into that facility. They are just two examples of libraries of significance in Victoria. Nevertheless, there are many libraries in our communities that provide a great service to many people.

The Oakleigh library is one such library. It has a long history. It was first established, I think, around the late 1800s. It has quite a colourful history. It was burnt down in the early 1900s and has had a number of refurbishments and renovations from that time until now, the last refurbishment being in 2001.

As part of the Living Libraries program the minister has worked considerably and closely with councils. In the program there will be at least 40 new or upgraded library facilities throughout the state that will benefit from the Living Libraries fund. The state budget has provided significant amounts of money to local libraries.

I ask the minister if she would therefore favourably consider the Oakleigh library in the next round of funding.

Responses

Hon. R. A. DALLA-RIVA (Minister for Employment and Industrial Relations) — I have a number of written responses to adjournment matters, raised by Mrs Petrovich on 6 December 2011 and 14 March, Mr O'Brien on 1 March and Mr Barber on 1 May.

There are a number of matters to which I will refer. Mr Lenders raised a matter for Mr Ryan, the Minister for Regional and Rural Development, regarding Department of Primary Industries offices.

Mrs Coote raised a matter for the Minister for Veterans' Affairs regarding memorabilia, and I will refer that matter on.

Ms Mikakos raised a matter for the Minister for Children and Early Childhood Development, Ms Lovell, and I will refer that matter on.

Ms Pennicuik raised a variety of issues for the Minister for Environment and Climate Change.

Mr Drum's matter in regard to the Mildura hospital will be referred to the Minister for Health.

Mr Eideh's matter will be referred to the Minister for Education, Mr Dixon.

Ms Tierney raised a matter for Minister Walsh in his capacity as Minister for Agriculture and Food Security. I will refer that on.

Mr Ramsay raised a matter for the Minister for Planning, Mr Guy.

Mr Elsbury raised a matter for the Minister for Tourism and Major Events, Ms Asher, regarding Williamstown. I will refer that matter on.

Ms Crozier raised a matter for the Minister for Local Government in relation to a range of issues.

Mr Finn, in terms of his concern, raised a matter for me in my role as Minister for Manufacturing, Exports and Trade in relation to the impact of the carbon tax, particularly the concerns he has about its impact on organisations. I thank the member for his adjournment matter because this is an issue I have raised many times in this chamber. Time and again manufacturers have raised concerns about the uncertainty regarding not only what is occurring around the world but also having

what is the largest carbon tax imposed on a segment of a particular industry that is under enormous duress.

Mr Finn also raised concerns about the flow-on effects of the federal government's carbon tax on industry. I received a letter dated 20 April from the Australian Institute of Management, Victoria and Tasmania division. It conducted a survey regarding the federal government's carbon tax. It was a survey of 936 business leaders and management personnel from across a broad spectrum of Australian industry and government. The letter states:

Key findings are:

58 per cent participants, including 65 per cent of CEOs and board members believe that 'major polluters will require their SME suppliers to limit their carbon emissions'.

It was interesting to note that only 38 per cent of those surveyed said they believed the carbon tax was justified and 22 per cent of the participants were unsure on this point. Interestingly, 60 per cent of the CEOs and board members and 51 per cent of senior managers believe the tax will have a negative impact on their operations. The letter cites increased costs and reduced profitability as being the two main negative factors.

It is interesting to note that those least prepared were the small and medium enterprises employing between 51 and 100 people, of which only 14 per cent said they were ready for the flow-on impact of the tax. It is interesting that only 3 per cent said they trust the political parties as sources of information on carbon reduction mechanisms. This snapshot from just one organisation shows — and it is a snapshot of a significant number of companies — that in terms of the added impost there is no question that this is going to be a major concern.

Even Jeanne Pratt has commented on this recently. She described the carbon tax as 'absolutely crazy'. She went on to say:

... you can't have a country with no manufacturing. If you look at the difference between Greece and Germany, Germany has manufacturing.

It is important to note that the impact of the carbon tax on the smaller industries, as Mr Finn rightly points out, is a concern. Ararat manufacturer Les Gason also voiced his fears about the impact of the carbon tax as a manufacturer in the smaller area. He said that in his view the carbon tax will only help imports from overseas at the expense of our local manufacturers. He said he cannot see the benefits of a carbon tax for Australian machinery manufacturers.

It is interesting to note that Mr Gason said that he did not vote for the carbon tax, yet within a short period of time it is going to be imposed not only on the major industries, as we know the federal government is doing, but on a significant amount of small to medium size manufacturers. Given that there are 25 000 manufacturers based here in Victoria and 90 per cent of those are small manufacturers, this is going to have an adverse impact, and I thank the member for raising his adjournment matter on that issue.

The PRESIDENT — Order! The house stands adjourned.

House adjourned 6.55 p.m. until Tuesday, 19 June.



**Minister for
Environment and Climate Change**

Ref: MBR020646



Mr Wayne Tunnecliffe
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- 4 JUN 2012

Dear Mr Tunnecliffe

LEGISLATIVE COUNCIL ORDER TO PRODUCE DOCUMENTS - WILDLIFE CONTROL

I refer to the Legislative Council's resolution of 14 March 2012 seeking the production of all authority to control wildlife permits issued by the Department of Sustainability and Environment (DSE) in 2011.

I also refer to my letter to you dated 17 April 2012, advising that the Victorian Government required additional time to respond to the resolution.

I confirm that DSE has conducted thorough and diligent searches to identify documents captured by the Legislative Council's resolution. I am advised that processing this order would require the assessment of over two thousand documents and would result in a significant diversion of resources within DSE.

The 2011 reports showing permit summary by species and municipality are enclosed with this letter. A sample permit with personal details redacted is also enclosed.

I respectfully request that the Legislative Council not insist on the production of all authority to control wildlife permits issued in 2011.

Yours sincerely

THE HON RYAN SMITH MP
Minister for Environment and Climate Change

Encl.

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