

PARLIAMENT OF VICTORIA

**PARLIAMENTARY DEBATES
(HANSARD)**

LEGISLATIVE COUNCIL

FIFTY-SEVENTH PARLIAMENT

FIRST SESSION

Tuesday, 11 June 2013

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The Lieutenant-Governor

The Honourable Justice MARILYN WARREN, AC

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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, Mrs Coote, #Ms Crozier, Mr Drum, Mr Finn, #Ms Hartland, #Mr Leane, Mr Lenders, Mr Melhem, #Mr Ondarchie, Ms Pulford and Mr Ramsay.

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

Environment and Planning Legislation Committee — Mr Dalla-Riva, 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 Dalla-Riva, 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, Mrs Petrovich, Mrs Peulich, #Mr Ramsay and Mr Viney.

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

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

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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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The Hon. P. R. HALL

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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
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Guy, Hon. Matthew Jason	Northern Metropolitan	LP	Scheffer, Mr Johan Emiel	Eastern Victoria	ALP
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
Leane, Mr Shaun Leo	Eastern Metropolitan	ALP			

¹ Resigned 26 March 2013

² Appointed 8 May 2013

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Tuesday, 11 June 2013

The PRESIDENT (Hon. B. N. Atkinson) took the chair at 2.04 p.m. and read the prayer.

ROYAL ASSENT

Message read advising royal assent on 4 June to:

Heavy Vehicle National Law Application Act 2013

Justice Legislation Amendment Act 2013

Sentencing Amendment (Abolition of Suspended Sentences and Other Matters) Act 2013.

QUESTIONS WITHOUT NOTICE

Ambulance services: Geelong region

Mr JENNINGS (South Eastern Metropolitan) — My question is for the Minister for Health. During the course of the last sitting week the Premier was asked a question in the Assembly about the circumstances where there had been no ambulances available over a weekend for people from the Geelong region. According to a leaked internal Ambulance Victoria document, last Saturday, 8 June, there were no ambulances available in Geelong. Can the minister outline to the house what actions he had taken to prevent that second incident from occurring, and what guarantees can the minister give the Victorian community that that will not happen in effect three weekends in a row?

Hon. D. M. DAVIS (Minister for Health) — I thank the member for his question, and I can indicate that I have responded to the Leader of the Opposition's request to the Premier in the lower house for details on that Geelong matter and there is a detailed response being given to the Leader of the Opposition today. I think he will be pleased to see that detailed response, and the government has always indicated that where legitimate incidents occur it will respond in detail and find the facts behind particular situations.

What is clear is that the resourcing of the Geelong area has been substantially increased. More than 20 paramedics have been added in the Geelong area since the government came to power. Part of the government's package of resources, the \$151-million package, is more paramedics and more patient transport officers. I can indicate that a non-emergency patient transport group has been added in Geelong, I can indicate that the RefCom group has been active in deferring or referring services as appropriate in Geelong in recent months and I can indicate that the

increased number of paramedics is having a positive impact on the community.

We know that survival rates in the Geelong area have improved considerably. Those improved survival rates directly point to the success of the government's work in ensuring that there are better outcomes overall for our patients. That does not mean that from time to time there will not be incidents occurring, and we need to learn from those and ensure that the very best outcomes are in fact achieved. What we need to see when an incident occurs is a proper examination of that, and we need to learn. At the same time we know that the increased resources that have been put in place in Geelong and the Barwon-south western region have begun to deliver additional services.

I was proud to be in Geelong with the cabinet on Monday last week and in that visit to spend time talking to people from across the region, including to a number of paramedics, and I was very pleased to answer questions about the increased survival rate in the Geelong region due to those paramedics. I am happy to provide the chamber with details of those increased survival rates. But what is important is increased resources and the government's determination to get the very best results for the people of Geelong and the Barwon-south western region. It is true that there was significant demand, and often our weekends are the obvious point of peak demand, but generally I can say that the ambulance service in Geelong, in the region around Geelong and in the Barwon-south western region is performing very well and that we have a high regard for our highly experienced and knowledgeable paramedics.

Supplementary question

Mr JENNINGS (South Eastern Metropolitan) — I heard the minister use the word 'proud'. He said he was proud to go to Geelong and talk about these matters. Is the minister proud that on two of the last four weekends there has not been ambulance cover in Geelong? What actions has he taken? The people of Geelong would have many reasons to believe that the minister should not be proud of that track record and that they in fact deserve better from his government.

Hon. D. M. DAVIS (Minister for Health) — I think we have to be very careful with language here. It is not true that there was no coverage in Geelong over the weekend. There were paramedics on duty over the weekend, as the member well knows, providing lifesaving services to patients. It is a fact that from time to time there is significant demand and significant challenges, and we will certainly work with our

paramedics and with Ambulance Victoria to get the very best outcome for our communities. It is also true that more than 20 additional paramedics have been provided in the Geelong area since this government came to power. It is true that there is a non-emergency patient transport group, and it is true that additional 24-hour branches have been added since this government came to power.

Bendigo Hospital: construction

Mr DRUM (Northern Victoria) — My question is also to the Minister for Health, David Davis. I ask him if he could update the house on any recent developments on the \$630 million Bendigo Hospital.

Hon. D. M. DAVIS (Minister for Health) — I thank Mr Drum for his question and for his strong advocacy for Bendigo and for Bendigo Hospital. I know Ms Lovell, the Minister for Housing, and Mrs Petrovich are also very strong advocates for the new Bendigo Hospital that is going to be built on this site. We know that opposition members opposed the expansion of the Bendigo Hospital. We know they did not want the full hospital built in Bendigo; they wanted to build a smaller hospital. We know that Jacinta Allan and Maree Edwards, the members for Bendigo East and Bendigo West in the Assembly, continue to advocate for that to this day. It was left to the Leader of the Opposition, the member for Mulgrave in the Assembly, to finally go out and welcome the hospital. That is the first positive word we have heard from the opposition on this matter since about 2010, despite the additional money being allocated and the process being gone through — a best and final offer process that is delivering enormous value to the people of northern and central Victoria, and Bendigo in particular.

I can announce that the Exemplar Health consortium will be building the hospital and managing it for 25 years as part of the public-private partnership project. They will —

An honourable member interjected.

Hon. D. M. DAVIS — That is a very silly statement, given that the model used there is the same as that used at the Royal Children’s Hospital and at the Royal Women’s Hospital, which was undertaken by the Labor government. We can say that we have driven additional value, scaling the project up from the Labor government’s smaller, tawdry little hospital in the area, which Jacinta Allan continues to support to this day. She still has not uttered the words, ‘I’m sorry; I got it wrong’. That is not very hard for most people to do, but she cannot do it. I know she ought to do it, and the

people of northern Victoria and Bendigo know she ought to do it. They know that it is —

The PRESIDENT — Order! I am a little bit surprised that I have not had a point of order on this answer. I definitely think the minister would agree with me that he is debating the matter. The member asked for an update on the hospital, not an update on the views of the member for Bendigo East on the hospital project.

Hon. D. M. DAVIS — What I can say is that there will be 770 construction and supply-chain jobs, with at least 300 of those jobs maintained for a minimum of three years. I can say that the project will deliver enormous value, with every bit of scope on one site, including the integrated cancer centre, the helipad and all those important components that were part of the coalition’s promise in opposition but were rejected by the former government. It wanted to build the hospital over two sites, without an integrated cancer centre. I say shame, shame, shame on Jacinta Allan and the member for Bendigo West, who were not prepared to stand up for a bigger hospital.

Mr Lenders — On a point of order, President, the minister is disregarding your ruling that he not debate the question. He is not reporting on the progress of a hospital being built; he is giving us a rather jaded history lesson. I would ask you to ask him not to debate the matter.

The PRESIDENT — Order! I uphold the point of order. I ask the minister to desist from debating and to continue to update the house on a project which we are all very interested in.

Hon. D. M. DAVIS — President, I will update the house, as you indicate. I will try to resist the provocations from the other side.

The 372 beds, the 10 operating theatres, the integrated cancer centre and mental health unit, the helipad connected by a bridge to the car park and to the main hospital, the hospital providing additional mental health beds, an adult psychiatric unit, a 20-bed aged psychiatric unit, a secure extended care unit and an associated mother-and-baby unit will also add to additional capacity in the area. Importantly, there will be a convention centre and a theatre, enormous additional construction by the Exemplar group, which is very pleased to be doing business in Victoria. It has put in a lot of positive feedback about the process and the fact that we have a very good outcome, not just for our community but also for Bendigo, for northern Victoria and —

Ms Broad interjected.

Hon. D. M. DAVIS — Yes, you signed off on the small hospital too, Ms Broad. We are going to call you Ms 528 instead of Ms 630 — a \$102 million gap that you still have to explain in your advocacy. A \$102 million gap — —

The PRESIDENT — Order! Time, Minister.

Gaming: local government submissions

Ms HARTLAND (Western Metropolitan) — My question today is for the Minister for Liquor and Gaming Regulation. Applications to the Victorian Commission for Gambling and Liquor Regulation (VCGLR) for an increase in the number of electronic gaming machines (EGMs) must provide a social and economic impact assessment. Applicants generally argue that the majority of their income will come from the transfer of expenditure from nearby gaming venues, the result being a minimal increase in the community. The Victorian Civil and Administrative Tribunal (VCAT) has handed down a number of decisions which express significant dissatisfaction with the quality of analysis regarding predicted expenditure and likely transferred expenditure. My question for the minister is: will the government request that the Victorian Commission for Gambling and Liquor Regulation release relevant data to enable local governments to adequately scrutinise the predicted and transferred expenditure of electronic gaming machine applications?

Hon. E. J. O'DONOHUE (Minister for Liquor and Gaming Regulation) — I welcome the question from Ms Hartland about the VCGLR and its operations and, I suppose in context more generally, the electronic gaming machine industry and how it operates within Victoria. To start with, it is worth making a couple of points to Ms Hartland about the operation of EGMs in Victoria.

Prior to the last election the Victorian opposition and now government had a very clear policy that there would be no increase in the number of EGMs in Victoria. That needs to be put in the context of the significant growth in the population of Victoria; the number of machines per 1000 people continues to decline as the population of Victoria increases.

I also make the point that when looking at those in our community who have a problem with gambling, the government has established the Victorian Responsible Gambling Foundation, a \$150 million investment over four years, to tackle this important issue. The government has established a separate board for a

separate foundation, taking that work from the Department of Justice and giving it to an independent organisation, which augurs well for innovative and positive research and reform.

Ms Hartland refers to the VCGLR. The VCGLR is another significant reform of this coalition government. Under Labor we had a separate regulatory regime for liquor and a separate regulatory regime for gambling. Under the coalition the regulation of those two important industries has been brought under the umbrella of the one separate — and I emphasise — independent organisation. I had the opportunity to visit the VCGLR offices in Richmond just last week and see for myself the important work that it is doing as the industry regulator.

Of course, in talking about the regulation of the electronic gaming machine industry in Victoria, I could not resist the opportunity to mention the botched, bungled, failed auction process of the Labor government. Mr Lenders, as the former Treasurer of Victoria, oversaw one of the biggest financial disasters in Victoria's history. Only the Labor Party could turn a \$4 billion asset — —

Ms Hartland — On a point of order, President, the minister has not gotten anywhere near answering the question that I actually asked. I ask you to direct the minister to answer the question and not to debate it.

The PRESIDENT — Order! I think the minister is straying into debating territory now. The minister has made a point that the house understands and might well choose to debate the matter in another way. The minister has made a point in respect of the history of the matter and in the 1 minute remaining he should try to address Ms Hartland's key point.

Hon. E. J. O'DONOHUE — I will conclude by saying that only Labor could turn a \$4 billion asset into \$1 billion revenue. In response to Ms Hartland's question about EGM expenditure and regulation by the VCGLR, the latest figures provided by the VCGLR for the three months ending 30 April 2013 show that the net gaming machine expenditure totalled \$586 million. For the corresponding period ending 30 April 2012 the total was \$642 million, which is a decline of 8.6 per cent. The reforms of this government — whether it be the withdrawal of ATM machines from gaming venues, the establishment of the foundation or the bringing together of two separate regulatory bodies under the VCGLR — demonstrate the government's commitment to problem gambling, which I think is at the heart of Ms Hartland's question. Our commitment to proper

regulation of these two very important industries is reflected in the steps that this government has taken.

Supplementary question

Ms HARTLAND (Western Metropolitan) — It is unfortunate that the minister did not answer my question. I will talk about the Bendigo stadium decision, in which VCAT stated:

This leads us to the view that there is no real sophistication or rigour to the assessment of transferred expenditure in the gaming industry — a matter we find somewhat disturbing if it is to be relied upon as part of a socioeconomic assessment to determine the net impact of gaming on a community.

What will the government do, or what will the minister do, to make sure that there is good information going to VCAT and that people understand what the socioeconomic impacts of gaming machines are?

Hon. E. J. O'DONOHUE (Minister for Liquor and Gaming Regulation) — In response to Ms Hartland's supplementary question, let me repeat some of the matters I outlined in my substantive answer. The government has taken significant steps to address the issue of problem gambling in our community and the issues that go to the heart of Ms Hartland's question, whether it be the removal of ATMs from gaming venues, the establishment of a new independent regulator — which I am sure Ms Hartland would be interested in, and that organisation is already aware of the issues she raises — the regional caps that are in place, the commitment from this government to establish the foundation, the commitment from this government to resource the VCGLR, or a range of other steps that this government is taking in relation to responsible gambling and the proper regulation of this very important industry in Victoria.

Ordered that answer be considered next day on motion of Ms HARTLAND (Western Metropolitan).

Technology sector: health service initiatives

Mrs COOTE (Southern Metropolitan) — My question is for the Honourable Gordon Rich-Phillips, the Minister for Technology. Can the minister inform the house how the Napthine government is creating opportunities for technology companies while improving health outcomes?

Hon. G. K. RICH-PHILLIPS (Minister for Technology) — I thank Mrs Coote for her question and for her interest in the Victorian technology sector and indeed her interest in the Victorian health sector. In 2011 the Victorian government released Victoria's

Technology Plan for the Future, which is a \$150 million package that brings together the potential of biotechnology, ICT and small technologies. One of the key factors and focus points of that technology plan is driving what the government has called technology-enabled innovation. The focus of technology-enabled innovation is to encourage the uptake of technological solutions by the non-technology economy to create opportunities for companies, entities, health services et cetera in the broader Victorian economy to partner with our technology companies to deliver better outcomes.

In the case of the health system, I was very pleased to launch the health market validation program, which is a \$15 million program under the technology plan that is designed to create opportunities for Victorian health services to, firstly, identify particular opportunities within the health sector for technological solutions to existing or potential problems and to then partner with technology companies to provide solutions to those problems. This is a great opportunity to solve and address real challenges and real opportunities in this instance in our health system, but it is also a great opportunity to create demand for the services and products that are generated by our technology sector. The program is structured around two streams: the first is the feasibility stream, which provides opportunities for grants of up to \$100 000 for the development of a project under the health market validation program, and that leads to a validation voucher of up to \$1.5 million for the further development of that program.

Last month I was delighted to announce that 12 projects had received funding under the health market validation program, working with a range of health services around Victoria. These projects include the Peter MacCallum Cancer Centre working with Bionic Enterprises to develop a simple and more cost-effective pain alleviation device for cancer patients; Peninsula Health, the CSIRO and MedTech Global working to develop a remote monitoring capability for patients with chronic heart failure so that their condition can be monitored via portable devices and smart devices; and in Mrs Coote's electorate, Alfred Health working with Perfusion Solutions to investigate new technologies for the better storage and handling of donor organs so that they can be handled for longer periods of time.

These are real problems and real opportunities in our health system. The Victorian technology sector is delivering solutions to these problems. This will help grow our technology sector and help deliver better health outcomes for the Victorian community.

Hospitals: car park congestion levy

Mr JENNINGS (South Eastern Metropolitan) — My question is for the Minister for Health. The minister would be aware that there is a current proposal by his government to gouge additional revenue out of the car park congestion levy that applies within the inner rim of the Melbourne CBD. This will apply to car parks currently either used or operated by hospitals in that precinct. Has the minister received any advice on the revenue loss to hospitals that has been anticipated through this gouging by the state government or the additional cost that may be borne by hospitals to pay for the car parking arrangements of their staff?

Hon. D. M. DAVIS (Minister for Health) — I thank the member for his question, and I will take on notice the precise details that he has related. It is my understanding, and I stand to be corrected, that hospitals are not subject to that particular tax, but I will formally take that on notice and come back with greater detail. At the same time I think it is interesting that the member wishes to use the word ‘gouging’, given that his government, when it was in power, had many hospital car parks across the state that actually put fees on those who used those car parks. I think ‘gouging’ is not the correct word, but I will take on notice the precise details and come back with an accurate answer.

Supplementary question

Mr JENNINGS (South Eastern Metropolitan) — If the minister can demonstrate to me that the government is not gouging additional revenue from this source, from car parks that apply to hospitals, then I will be very pleased, because I am seeking from the minister a guarantee that that will not be the case. Can the minister, once he has actually undertaken that work, give us a guarantee to protect hospitals and their patients and their staff from the gouging effect of this additional revenue take by the government?

Hon. D. M. DAVIS (Minister for Health) — I will take this on notice, as I have indicated to the member. As I think the member will understand from my response on many levels on many topics, I am prepared to work very hard to protect the income of our health services, whether that is affected by cuts by the Department of Veterans’ Affairs, cuts by the federal government or the imposition of a carbon tax. I could say that given the \$199.5 million cut that is being administered by the federal government from 1 July, added to the \$368 million cut over three years from the amount that was promised by the federal government and the decision to impose a carbon tax on every hospital and every health service in the state — this is a

carbon tax on hospitals — we have certainly fought very hard. We did not vote in favour of a carbon tax, like Mr Jennings did —

The PRESIDENT — Order! Time, Minister.

Adult, Community and Further Education Board: grants

Mrs PETROVICH (Northern Victoria) — My question is to the Minister for Higher Education and Skills, Mr Peter Hall. Can the minister inform the house of the outcomes of the most recent round of Adult, Community and Further Education Board capacity and innovation grants?

Hon. P. R. HALL (Minister for Higher Education and Skills) — I thank my colleague Mrs Petrovich for her question and her interest in adult education in this state. Since 2011 the Adult, Community and Further Education Board, through funding of almost \$13 million from government, has enabled the distribution of grants to Learn Local providers across the state in the form of capacity and innovation grants. Those grant programs have enabled many people who are disconnected from education to find a pathway back into some formal education. I think those grants have been very successful. I am pleased to advise the house that just last week I was able to announce that the fifth round of those particular grants, totalling \$2.36 million, will be distributed to 56 Learn Local organisations across Victoria. Some of those in Mrs Petrovich’s electorate include organisations in Echuca, King Valley, Bendigo, Kyneton and Macedon — just to name a few.

On Monday last week when in Geelong I had the pleasure of visiting two successful groups — the Cloverdale Community Centre in Corio and the SpringDale Neighbourhood Centre in Drysdale — that are receiving grants. I had the pleasure of visiting both of those very fine organisations. At Corio the program is called digital futures for young adults, and a grant of \$37 840 has been made available to Cloverdale to work with an organisation called the Base Music Academy in Geelong. It will help young people, through stimulating an interest in matters relating to music and music production, to get their foot in the door and re-engage in some formal education programs based on an interest in music. The SpringDale Neighbourhood Centre at Drysdale has received \$50 000 for e-participation for learning and for the community to trial methods of digital literature and e-learning programs, which again are encouraging formal participation by people who would not otherwise have the opportunity to participate in education.

These are just two of the 56 organisations that are recipients of grants in this round 5. Typically the diversity of these grants reflects the great needs that we have in communities throughout Victoria. Who better to provide and meet that diversity of need than our Learn Local providers? Some 300 of them are spread across Victoria. They serve their local communities well, and I wish them well. I congratulate also those 56 organisations that are receiving grants under this round of the program.

Transport Accident Commission: Geelong office

Mr LENDERS (Southern Metropolitan) — My question is to the Assistant Treasurer. Can the minister confirm that no Transport Accident Commission (TAC) personnel or functions will be decanted to Melbourne to make space for any other government needs in Geelong?

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — I thank Mr Lenders for his question. Mr Lenders asked about the operation of TAC in Geelong; it has been a very successful transfer from Exhibition Street to Geelong. Last year I was delighted to join TAC and its chief executive, Janet Dore, in Geelong for the celebration of the 25th anniversary of TAC. It was a great success, and many clients of TAC from over the past 25 years were present, as indeed was former Premier John Cain, who established TAC in the 1980s. It was very good to see how TAC is functioning in Geelong and to see the team that Ms Dore has built around herself there.

Mr Lenders asked about moving TAC out of Geelong. This government has no plans to relocate TAC from Geelong, having just concluded the relocation exercise to Geelong, which of course took a considerable period of time to undertake and to bed down. We have no plans to move TAC out of Geelong.

Supplementary question

Mr LENDERS (Southern Metropolitan) — I am delighted that the government has no plans to move TAC out of Geelong, but my specific question to the minister was: were there any plans to decant any parts of TAC or any functions of TAC to Melbourne to create some space for other government functions — any parts, not the whole organisation?

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — I thank Mr Lenders for his supplementary question. I am not aware of any plans to decant — as Mr Lenders says — aspects of TAC out of Geelong. TAC is operating very successfully in Geelong.

Obviously we saw last week the Premier and the Prime Minister in Geelong for the announcement of the national disability insurance scheme (NDIS) headquarters to be established in Geelong. That is something that this government has pushed very hard for, and it is delighted to see that the federal government has committed to put that in Geelong. TAC will play an important role in the establishment of NDIS. TAC runs a scheme for road accident victims, which will encompass and embody many of the skill sets that will be required for NDIS. TAC's presence in Geelong will be critical to the further development of NDIS in Geelong.

Housing: Northern Metropolitan Region

Mr FINN (Western Metropolitan) — My question without notice is directed to the Minister for Housing, and I ask: can the minister advise the house of any recent funding announcements to support public housing communities in Melbourne's Northern Metropolitan Region?

Hon. W. A. LOVELL (Minister for Housing) — I thank the member for his question and his ongoing interest in public housing tenants in Victoria. Last week I was fortunate enough to attend a morning tea for recent graduates of the East Reservoir neighbourhood renewal pathways support project. At that program I was joined by Steve Maillet from Melbourne City Mission; David Redfearn, the recently appointed chair of Preston Reservoir adult community education; Cheryl Michael, the secretary and former chair of Preston Reservoir adult community education; and also Sue Silk, the neighbourhood renewal coordinator from the Reservoir area.

At that morning tea I was fortunate enough to meet some participants in the pathway support project, including Mojtaba Rezai, who is a young Afghan boy who is very impressive, Jian Xiao, Maria Briggs, Ronnie Spyker, Corina Walford and Mary Holdsworth. They all told me of the value of that program and what it has provided for them.

Whilst we were there we were also fortunate enough to make another funding announcement for the region. We announced \$92 000 in funding for three projects. These three projects will enable the neighbourhood renewal coordinator, Sue Silk, to remain in her position on a part-time basis, which was really welcomed by the local residents.

We announced \$30 000 for the family violence prevention and community empowerment playgroup. That involves 10 local agencies working together to deliver a coordinated approach to prevent family

violence in East Reservoir. The program consists of a play and educational session for children aged up to four. The program also works with vulnerable parents and carers to provide them with information and resources to prevent family violence.

We also announced \$32 000 for a work and learning 3073 project. This will be run by Melbourne Citymission and E-Focus and will assist residents to access jobs and training opportunities. We announced \$30 000 for the road to independence project. This is supported by Darebin City Council. It will encourage local families and young children to work together at the East Reservoir community garden and promote healthy eating.

These three new projects provide support to the East Reservoir area as it moves to a future beyond the neighbourhood renewal program, as it is now going into a mainstream phase. I wish all the participants well in their work and look forward to hearing about the positive outcomes of these projects.

HM Dhurringile Prison: expansion

Mr TEE (Eastern Metropolitan) — My question is to the Minister for Corrections, Mr O’Donohue. I refer to works being undertaken at Dhurringile Prison, and I ask: is the minister aware of concerns raised by the project architect that material proposed to be used for items such as the high-security containment yards and windows does not comply with the Victorian cell fire and safety guidelines?

Hon. E. J. O’DONOHUE (Minister for Corrections) — I welcome the question from Mr Tee about the government’s program to expand prison capacity in the Victorian prison system because when this government came to office it inherited a system in crisis. Three times, according to the Auditor-General in his report on prison capacity last year, the previous government was told there was an urgent need to build a new prison. On three occasions Mr Lenders and all those who sat around the previous cabinet table said no — on three separate budget submission process occasions.

I was pleased last Wednesday to join the Premier in announcing that the expressions of interest stage for the new prison at Ravenhall, which Labor should have built, was now open. Mr Tee has asked me a question about prison expansion. In response to Mr Tee: we are going to build a prison that Labor should have built.

Of course, Labor’s other great legacy in the corrections space is its botched and bungled Ararat prison project. If Labor had built that project, had put in the appropriate contractual guarantees and had been able to

manage a large-scale project, that project would be completed. Fortunately, this government has stepped into the breach and has negotiated with the banks and others to get that project back on track. I am very pleased that there are now hundreds of workers on site in Ararat every day, which is adding to economic growth in that town. It is putting money into that local community, and it is also addressing yet another bungled Labor project. In the great tradition of the Wonthaggi desalination plant and Labor’s myki ticketing fiasco, the Ararat prison project is up there.

The government is undertaking expansion projects at a range of other prisons across Victoria, including Dhurringile. The additional capacity that this government is putting in place in the short term, the medium term and for the long term will ensure that there is sufficient capacity in the prison system, and it is addressing yet another Labor legacy.

Supplementary question

Mr TEE (Eastern Metropolitan) — I will give the minister the benefit of the doubt and assume that he is aware of these issues, and I ask: will the minister explain to the house what additional costs the project has incurred as a result of seeking to independently approve the use of materials which contravene these fire and safety guidelines?

The PRESIDENT — Order! I caution the minister against debating the answer to this supplementary question. He was given a fair bit of leeway in his answer to the previous question, which was quite specific about materials to be used in a particular prison, not about a range of other projects.

Hon. E. J. O’DONOHUE (Minister for Corrections) — I will take that question on notice and get back to the member.

City of Melbourne: heritage register

Mr ONDARCHIE (Northern Metropolitan) — My question this afternoon is to my good friend and colleague the Honourable Matthew Guy, the Minister for Planning. Can the minister inform the house of what action the Napthine coalition government has taken to bring forward heritage protection for some of central Melbourne’s most valued buildings?

Hon. M. J. GUY (Minister for Planning) — I want to thank my good friend and colleague Mr Ondarchie for a very sensible question in relation to the livability of our great city. As people on this side of the chamber know, a livable city is not just about building new things and renewing structures, it is also about protecting the old. That is why this government has

worked with the Melbourne City Council to approve 87 buildings to be included on the City of Melbourne's heritage register. This will see some of our famous buildings, like the Argus and others around the central city area, protected under a local register that will give those buildings a level of heritage protection that for years a lot of other buildings did not have.

President, as you would know, Melbourne and its CBD was one of the world's great Victorian cities for many years through the 1870s, 1880s and 1890s when it was built into a beautiful central city area. It has, of course, evolved over time. It is now incumbent upon us to protect a lot of those buildings. There are buildings that disappeared, such as the Eastern Markets, which is now the Southern Cross station site. The fish markets also disappeared, and a new building was recently approved to replace them. Other buildings include the Federal Hotel, which was such a shame for us to lose in the 1970s or early 1980s; we now see the health commission building there. Some of those buildings that Melbourne has lost have been a great loss to our city. It is important — and Mr Ondarchie's question is obviously important — that we move with the city council to protect those pre-war buildings, 87 of them, to ensure that those iconic structures within our central city area are protected.

Melbourne does heritage and reuse very well. One could look at the Menzies at Rialto, built in the early 1980s and approved in the 1970s, to see the reuse of the old Menzies Hotel and then of course the Rialto Towers that were built behind it. Not far from Parliament, at 1 Collins Street, we have seen great change: the original commonwealth offices have been kept intact, but a high-rise building came up in the mid to late-1980s behind them. It is important that we move to protect these buildings as mentioned.

There are 10 post-war buildings that I have asked Heritage Victoria and my department to give me some further assessment on, and a decision on those will be made fairly soon. What is important is that Melbourne has had 87 buildings added to its local heritage register that it did not have before and that those 87 buildings will be given a level of heritage protection that will undoubtedly see their preservation for years to come, which again proves the fact that a livable city is not just about building and creating the new, it is also about preserving and respecting some of the buildings that have been built by previous generations.

Hospitals: car park congestion levy

Hon. D. M. DAVIS (Minister for Health) — I am happy to provide details to Mr Jennings about an earlier question. As I indicated in my earlier response, it was

my understanding that public hospitals were exempt. I indicate that inside the boundary area for the levy there are three public hospitals and they are exempt. The details are on the State Revenue Office website. Charitable hospitals are also likely to be exempt on the basis of their 24-hour operation and charitable status. I indicate also that all current exemptions continue to apply, so it would be the same rules that applied under the previous government.

PETITIONS

Following petitions presented to house:

Eastern Freeway: tolls

To the Legislative Council of Victoria:

The petition of certain citizens of the state of Victoria draws to the attention of the house the potential for the centre rail reservation on the Eastern Freeway to be sacrificed in order to install extra lanes and tollgates.

The petitioners therefore request that the Legislative Council calls on the Napthine government to guarantee that no tolls be applied to the Eastern Freeway.

**By Mr LEANE (Eastern Metropolitan)
(45 signatures).**

Laid on table.

Nadrasca community farm: future

To the Legislative Council of Victoria:

The petition of concerned residents of Victoria draws to the attention of the house the decision by VicRoads that the reservation between Springvale Road, Vermont South, and Boronia Road, Vermont, will not be required for future road purposes and the consequent development of a structure plan for the future use of the land within the reservation, with the possibility of the land being sold by VicRoads for housing and other purposes.

This could result in Nadrasca community farm having to leave its current location at Morack Road, Vermont, and ceasing its operations in providing day services for adults with intellectual and physical disabilities; adversely affecting organisations like Yooralla, Scope, Melba Support Services, Heatherwood School and Alkira.

The petitioners therefore request that the Legislative Council of Victoria urge the government to facilitate an affordable arrangement that will guarantee Nadrasca community farm will remain in its current location so it can continue to provide great service to the community and grow.

**By Mr LEANE (Eastern Metropolitan)
(193 signatures).**

Laid on table.

**SCRUTINY OF ACTS AND REGULATIONS
COMMITTEE**

Alert Digest No. 8

Hon. R. A. DALLA-RIVA (Eastern Metropolitan)
presented *Alert Digest No. 8 of 2013, including
appendices.*

Laid on table.

Ordered to be printed.

PAPERS

Laid on table by Clerk:

Crown Land (Reserves) Act 1978 — Minister's Order of
24 April 2013 giving approval to the granting of a lease at
Yarra Bend Park Reserve.

Parliamentary Committees Act 2003 — Government
Response to the Road Safety Committee's Report on
Motorcycle Safety.

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

Ararat Planning Scheme — Amendment C17.

Banyule Planning Scheme — Amendment C77.

Bayside Planning Scheme — Amendments C98 and
C122.

Benalla Planning Scheme — Amendment C27.

Boroondara Planning Scheme — Amendments C173,
C174 and C179.

Cardinia Planning Scheme — Amendment C115.

Casey Planning Scheme — Amendments C155 and
C175.

Corangamite Planning Scheme — Amendment C29.

Darebin Planning Scheme — Amendment C124.

Frankston Planning Scheme — Amendment C79.

Gannawarra Planning Scheme — Amendment C29.

Greater Bendigo Planning Scheme —
Amendments C145 and C199.

Greater Dandenong Planning Scheme —
Amendment C151.

Manningham Planning Scheme — Amendment C97.

Monash Planning Scheme — Amendment C93.

Nillumbik Planning Scheme — Amendment C77.

South Gippsland Planning Scheme — Amendment C76.

Strathbogie Planning Scheme — Amendments C59 and
C62.

Wellington Planning Scheme — Amendments C71 and
C77.

Whittlesea Planning Scheme — Amendment C169.

Wyndham Planning Scheme — Amendment C164.

Yarra Ranges Planning Scheme — Amendment C109
Part 1.

Statutory Rules under the following Acts of Parliament:

Building and Construction Industry Security of Payment
Act 2002 — No. 56.

Conservation, Forests and Lands Act 1987 — No. 55.

Subordinate Legislation Act 1994 —

Documents under section 15 in respect of Statutory Rule
Nos. 53 to 56.

Legislative Instruments and related documents under
section 16B in respect of —

Determination of Levy Rates of 22 May 2013
made under section 12 of the Fire Services
Property Levy Act 2012.

Declaration of 28 May 2013 Prohibiting
Differential Rates Inconsistent with Ministerial
Guidelines (all councils) made under
section 161(4) the Local Government Act 1989.

Declaration of 28 May 2013 Prohibiting
Differential Rates Inconsistent with Ministerial
Guidelines (Monash City Council) made under
section 161(4) the Local Government Act 1989.

Declaration of 28 May 2013 Prohibiting
Differential Rates Inconsistent with Ministerial
Guidelines (Moonee Valley City Council) made
under section 161(4) the Local Government Act
1989.

Harness Racing Victoria — Adoption of
amendments to Victorian Local Rules of harness
racing made under the Racing Act 1958.

BUSINESS OF THE HOUSE

General business

Mr LENDERS (Southern Metropolitan) — By
leave, I move:

That precedence be given to the following general business
on Wednesday, 12 June 2013:

- (1) notice of motion given this day by Mr Jennings to
introduce the Assisted Reproductive Treatment
Amendment (Access by Donor-Conceived People to
Information about Donors) Bill 2013;

- (2) notice of motion given this day by Mr Jennings relating to Ambulance Victoria;
- (3) order of the day 20, relating to the production of certain documents in relation to flooding in the lands between the Princes Freeway and Wallace Street, Morwell;
- (4) order of the day 5, resumption of debate on the second reading of the Tobacco Amendment (Smoking in Outdoor Areas) Bill 2012; and
- (5) notice of motion given this day by Mr Barber relating to the production of documents in relation to the east–west link.

Motion agreed to.

MEMBERS STATEMENTS

Monash Children's: funding

Mr TARLAMIS (South Eastern Metropolitan) — I rise to speak on a notably undelivered election promise in Melbourne's south-east to build the Monash Children's hospital, and I would remind this house that the former Labor government had committed to build a \$250 million children's hospital by 2014. However, despite matching Labor's commitment to build the hospital, the Napthine Liberal government has dragged its feet on this important project, turning its back on families in the south-east of Melbourne. Labor's clear commitment would have delivered a much-needed facility by 2014 to an area in which the demand for children's hospital beds is expected to increase by 23 per cent by 2021.

By contrast, the Napthine government has only just recently announced that it would be calling for expressions of interest to manage the construction process, which it now says will only commence in 2014. The government now claims the hospital will be completed by 2017. However, with only a paltry \$15.8 million allocated to date — of which only \$6.48 million has been spent — a children's hospital is many, many years away.

As we approach the end of the 2012–13 financial year, the Napthine Liberal government has nothing to show the families of the south-east of Melbourne who are currently forced to travel long distances with sick children to receive treatment. The Monash Children's hospital is running seriously behind schedule, with the allocated funds spent so far amounting to just 2.6 per cent of the \$250 million project, a project where the costs are likely to blow out due to the lack of action, as we have seen with other projects and election commitments, while the government sits back and blames everyone else for its inaction.

This lack of progress is a disgrace. The local members for Frankston, Carrum, Mordialloc, Bentleigh and Mount Waverley need to stand up for their communities and demand that the Premier, Dr Napthine, and the Minister for Health, Mr Davis, deliver on their promise to build the Monash Children's hospital, without further delay.

Essendon Doutta Stars Football Club: smoking policy

Ms HARTLAND (Western Metropolitan) — On 25 May I attended the ladies lunch at the Essendon Doutta Stars Football Club. I went along to this lunch after having read an article in the *Moonee Valley Leader* of 11 April written by Cody Winnell. It was about the fact that the Essendon Doutta Stars, which play in the Essendon District Football League, has banned smoking from several areas of its Buckley Park ground. The article states:

Smokers will only be permitted to light up at two designated smoking areas. 'Passive smoking is hazardous to health and non-smokers ... club secretary Bradleigh Andrews wrote in a letter to Stars members.

President Bruce Runting said the policy had been applied to ensure patrons didn't have to breathe in second-hand smoke.

Mr Runting said the club wanted families to enjoy their local football experience. 'The club's always been about encouraging young families to attend football ...

I would like to congratulate the club on taking this action, because it is quite clear that a number of local football clubs, councils and other organisations understand the need to actually put restrictions on smoking in outdoor areas. I think it is great that local clubs have decided to take it on themselves to protect their patrons.

Acland Street, St Kilda: pedestrian mall

Mrs COOTE (Southern Metropolitan) — In this morning's paper there was an article about Acland Street, St Kilda. I would like to remind everybody about what a successful shopping strip this is. I imagine that everyone in here has visited Acland Street, but for those who have not, I can say that it is a tourist mecca. It has the most wonderful range of shops and restaurants and is indeed a very lively hub. One of the best things about it is the internationally recognised cake shops, and I recommend that members go there. It is located close to Luna Park, not far from the beach at St Kilda and all the activities that go on there, and it really is a fantastic location.

The interesting part about this morning's article was that it was calling for the closure of this strip of Acland

Street. As Mr Scheffer knows so well, there is a roundabout there that goes through to where the route 96 tram terminates. There is discussion in the community about it being made into a walking mall so that people can stroll across the road to the various shops and restaurants, making it very easy for them at any given time to use this terrific facility. I am not advocating one way or another, but I do think the St Kilda community is a very vibrant community. The people are terrific. They are really engaged in their local community and are always very willing to have a say and be vocal. They are to be congratulated on some of the terrific decisions they have made in the past. I am hoping they will engage in discussing this new idea. I will listen to the community to hear what it is they suggest. I know they will come up with the best possible solution for what is a beautiful spot in Melbourne.

Schools: federal funding

Mr SCHEFFER (Eastern Victoria) — It is high time that the Premier and the Minister for Education seized the once-in-a-generation opportunity to properly fund Victorian government schools. The Prime Minister has accused the Premier of wanting to use the additional commonwealth funding to hide his own savage budget cuts and not signing up until he has the wriggle room to do so. The Premier must either issue a denial and set out the real reason for his prevarications, or sign up. If the Premier does not act, Victorian schools will be locked into a reduced rate of additional funding and not receive the same benefits as schools in New South Wales, the government of which has already signed up. The Napthine government must immediately accept the terms of the commonwealth funding offer of \$4 billion by the end of the month.

The time for stalling and brinkmanship is over, and the government must let go of the misplaced political allegiances toward the leader of the federal opposition. The fact is that Tony Abbott has no offer on the table other than to say no to the biggest educational funding reform in our history, so why support him? Premier Napthine's responsibility is to the people of this state, not to the Liberal opposition in Canberra, which has offered nothing but more of the same. If the Premier believes Victorian schools will be better off by not signing the funding agreement with the commonwealth, he should make his reasons public now, because if this opportunity passes, Victorians will never forgive him and Labor will never let him or his party forget it.

Schools: federal funding

Mrs PEULICH (South Eastern Metropolitan) — In response to the statement of Mr Scheffer, could I say that the previous Labor government has a history of supporting agreements with the commonwealth without fully working out the financial details. We saw that occur with Building the Education Revolution, with a \$70 million cost overrun that the Victorian government has had to pick up, to the detriment of its ability to fund other things; the agreement to universal access to 15 hours of kindergarten, without a securing of the funding for the increased infrastructure and staff; and Labor yet again would do the same with Gonski. All this government wants are the details on the Gonski plan so it can enter into fair dinkum negotiations. I commend the Premier for playing a constructive role in the Gonski debate to make sure that no Victorian student is actually worse off.

National Excellence in Teaching Awards: recipients

Mrs PEULICH — On another matter, I had the pleasure of representing the Minister for Children and Early Childhood Development at the presentation luncheon for the 2012 National Excellence in Teaching Awards. I would like to congratulate all the recipients, of whom there were 12, in categories such as inspirational educators, leadership and development, innovation, and community engagement, who will be sharing some important prize money. The Australian Scholarships Group is the only national initiative. I had the pleasure of meeting the recipients, but I would like to especially congratulate the two Victorian recipients, Sophie Fenton from Ballarat Grammar and Marlene Steiner from Alpine View Children's Centre. They are a credit to their schools and a credit to Victoria. Congratulations to all of the recipients, especially the Victorians.

Disability services: funding

Ms TIERNEY (Western Victoria) — In just three weeks the national disability insurance scheme (NDIS), under the title DisabilityCare Australia, will be up and running in the Barwon region. DisabilityCare Australia will deliver a lifelong approach to support people with disability through individualised funding, a system that is long overdue. The NDIS has the overwhelming support of Australians, because Australians think it is the right thing to do to support disadvantaged members of our community. Sadly the same thing cannot be said for the Napthine Liberal government. Whilst the community has been celebrating the NDIS being enshrined into law, the Napthine government has been

busy finding disability funding that it can cut, or raising fees for our most disadvantaged.

As part of these fee increases, the Napthine government has raised the rent for people with a disability living in shared supported accommodation by 63 per cent. As well as this, the Napthine government has halved the funding for aids and equipment for those living with a disability. This means that for those currently living in shared supported accommodation 79 to 80 per cent of their disability support pension and rent assistance combined is going to be taken up in paying their rent. This leaves precious little money to pay for their daily needs, clothes, toiletries and the odd coffee or cinema ticket that many people have no problem paying for.

Although the Napthine government had to be dragged to the table, the Labor opposition wholeheartedly supports Victoria signing up to the NDIS. What the opposition does not support is the Napthine government making it even harder than it already is for disabled members of our community to live their lives by significantly increasing their rent and slashing funding for aids and equipment.

Paramedics: enterprise bargaining

Ms DARVENIZA (Northern Victoria) — It is a sad day indeed when paramedics across the state have to resort to writing on ambulance windows with liquid chalk in a bid to get the message out there about the need to improve their pay and conditions and to send a strong message to the Liberal-Nationals state government. Paul Almond, a delegate for the Shepparton-Mooroopna branch of Ambulance Employees Australia, told the *Shepparton News* that the campaign messages were having a big impact and had people in the community talking.

About a month ago messages addressed to the Victorian Premier, Denis Napthine, began appearing on ambulance windows across the state. Paramedics have had an extremely positive response from the community. The campaign has since caught on like wildfire with paramedic crews right across the state of Victoria. Paramedics have felt the need to promote their cause in a more public way in a bid to improve their working conditions and to achieve pay parity with other states.

The Liberal-Nationals state government must put an end to the ambulance crisis. It must get itself back to the table and negotiate in good faith with paramedics in order to resolve this long-running dispute.

Local government: federal referendum

Ms CROZIER (Southern Metropolitan) — I am yet to see very much media attention or debate on the referendum that will coincide with the federal election on 14 September, nor do I think many Australians truly understand the implications of the proposed referendum, which will have major constitutional implications for our states and territories. It is proposed that local government be considered in the commonwealth constitution. The referendum proposes to change section 96 of the constitution. It all sounds quite arbitrary.

Why? Local government is already recognised in state and territory constitutions. What this proposal will do is provide symbolic recognition of local government in the commonwealth constitution, but more concerning is the move towards centralisation of power in Canberra. Local government will be funded directly by the commonwealth, whereby the Parliament may grant financial assistance to any state, or to any local government body formed by law of a state, on such terms and conditions as the Parliament thinks fit. And who will be accountable? Further confusion and blame shifting is likely to occur.

We have seen the Gillard government's demands on funding for health and education in this state and the standover tactics used. Thankfully we have a strong and responsible government to argue in the best interests of all Victorians. Our nation is a federation of states. I do not believe the majority of Victorians — or Australians for that matter — want to give more power to Canberra. The risks are just too great to subject our state and territory local governments further to a federal administration as incompetent as the one that currently administers our nation's affairs. The Victorian government's position is quite clear, and I urge all Victorians to consider the consequences and not support the upcoming Julia Gillard local government referendum.

Australia Arab Chamber of Commerce and Industry and Australia Gulf Council: merger

Mr ELASMAR (Northern Metropolitan) — On Thursday, 23 May, I attended a historic event to celebrate the merger of the Australia Gulf Council and the Australia Arab Chamber of Commerce and Industry (AACCI). The event also launched the Australia Arab Business Circle. The purpose of the function was primarily to bring together Australian-Arabic business interests. I was honoured to be invited by Mr Roland Jabbour, the national chairman of AACCI, and it gave me great pleasure to see this harmonious group working

together to bring about and promote economic prosperity for all Australians.

Our Lady of Lebanon Maronite Catholic Church: fundraiser

Mr ELASMAR — On Saturday, 25 May, I attended a fundraising function organised on behalf of Our Lady of Lebanon Maronite Catholic Church, which is located in Thornbury. This is an annual event that has been very successful in raising money for the community and for the upkeep of this beautiful church and popular community venue. Once again this event was well attended and hugely effective in increasing much-needed funds. I thank the organisers for a splendid evening.

Consuls general of Lebanon, Egypt and Oman: parliamentary visit

Mr ELASMAR — At the last sitting of Parliament there were three visiting consuls general from Lebanon, Egypt and the Sultanate of Oman. They were extremely impressed with our historic building and were most appreciative of the President, the Honourable Bruce Atkinson, for his kind and gracious welcome. My sincere thanks to you, President, and other parliamentary colleagues who attended the lunch held in Parliament.

Ellen Smiddy

Ms MIKAKOS (Northern Metropolitan) — On 16 May I had the pleasure of attending a May Day dinner hosted by the member for Bundoora in the other place, Colin Brooks. It was a great pleasure to be joined by the Leader of the Opposition, Daniel Andrews, the member for Mulgrave in the Assembly, and a former Premier, the Honourable John Cain. This year the May Day award was presented to Ellen Smiddy, a local constituent, for her outstanding contribution to our local community. Ellen grew up in Greensborough before settling in Watsonia with her husband, Brian, who happened to be the successful recipient of this award last year. Together they are a formidable team and play a huge role in our local community. They are both very active in various community organisations.

For many years Ellen has been a dedicated member of the Diamond Valley Community Support group, having been made a life member in 2010. She has been a tireless member of St Mary's College social justice group and a committee member of the Norparrin Centre for Children with Special Needs. Ellen served on the councils of Watsonia North Primary School, Watsonia High School and Greensborough College, serving as

school council president at the latter. She also served on the council of Preston Technical School, which grew into the Northern Metropolitan Institute of TAFE, and sat on the board as president for four years.

Ellen joined the ALP in 1970 and has served the party in many capacities. She has worked for both John Cain and federal MP Harry Jenkins. I have had the pleasure of knowing Ellen for many, many years, and I know that she continues to be a committed Labor member and a strong advocate of true Labor values. I take this opportunity to congratulate Ellen on receiving this award, which is a very fitting acknowledgement of her community service. I thank her for that service and I wish her well in the future.

Ford Australia: job losses

Mr EIDEH (Western Metropolitan) — I am extremely disappointed, as I am sure are many other people across the state, that the Ford manufacturing plants are being closed down. This not only represents a blow to manufacturing in Australia, with the 2016 closing date bringing an end to nearly 100 years of car-making history in Australia, but also to the budgets and livelihoods of families across the state. It is truly hard to fathom that 1200 people will lose their jobs.

A long time ago, in 1925, one of the first Ford manufacturing plants in Australia opened in Geelong, along with plants in Adelaide and Brisbane, offering employment to many locals to produce the Ford Model T. With production booming, in 1958 Ford announced a \$37 million expansion and the start of works on the Broadmeadows car assembly plant, which opened in 1959. For many years it continued to supply vehicles, most notably the Ford Falcon, to people all over the country.

Unfortunately this story does not have a 'happily ever after' outcome; rather, it has an abrupt and devastating end. Not only will this closure be felt by the employees at the Broadmeadows and Geelong plants and their families but it will also have a flow-on effect on the automotive component sector as a whole and on manufacturing in this country. I sincerely hope these employees and their families can manage to get back on their feet as soon as possible and that this government does all it can to help get these people back into the workforce.

BUDGET PAPERS 2013–14

Debate resumed from 30 May; motion of Hon. P. R. HALL (Minister for Higher Education and Skills):

That the Council take note of the budget papers 2013–14.

Mrs PEULICH (South Eastern Metropolitan) — I am pleased to see the clock back in action; it was going to be very hard to judge the length of my contribution without it. The budget for 2013–14 obviously had to be framed in a tough context. That includes global factors and the pressures on consumer spending, a substantial part of which is as a result of the increased cost of living. We will not mention the carbon tax, Mr Finn, and the impact that has had on the cost of electricity and on business and industry. Economic activity is taking a hit, and we have seen the consequence of that in job losses and the need for the state and federal governments to step in not only with strong pro-business policies but also with programs to support those who were impacted.

Regrettably, the federal government and the current Prime Minister, Julia Gillard, have also taken a punitive approach to Victoria, punishing it for daring not to vote Labor at the state level, so the share of GST revenue is also declining. The coalition government took the decision that it needed to bring down a fiscally responsible, disciplined budget which protected the state's AAA credit rating — I believe the only one in the nation — and reduced unnecessary government expenditure by improving various efficiencies and productivity, certainly across the public service sector. We have seen that translated also through the enterprise bargaining agreement negotiations. That is discipline that Victorians will thank this government for imposing. It is easy to say yes to everything and everyone, but regrettably it also has to be paid for, and therefore the discipline this government has brought in has to be commended.

The progression of value-adding infrastructure projects has also been a priority, and this budget underpins economic activity and the jobs that that generates. The trade and export facilitation by former Premier Ted Baillieu, which the current Premier is continuing, has been a success story for Victoria, and I believe there will be post-mission support given to small and medium size businesses to help them follow up and close deals. Hopefully that will mean that more Victorian businesses will be exporting for the first time, and of course that also means more jobs.

It has been a challenging budget, but it has been a good one. I welcome the investments in Melbourne's

south-east. The coalition government's priorities have been to grow the economy so more Victorians are in jobs today than when the government came to office, to improve services and infrastructure for all Victorians and to strengthen finances in what are difficult economic times rather than using the times as an excuse to plunge the state into unsustainable debt and deficit.

The budget has delivered for families and communities across Victoria. The coalition government has committed to delivering state-shaping infrastructure, and the budget provides a record \$6.1 billion for infrastructure in 2013–14 to boost economic growth, productivity and improve livability. We have heard endless debate on the east–west link, but this is an iconic project that represents the direction of this government.

Responsible economic management has delivered an operating surplus in challenging times whilst keeping borrowings at prudent levels. It is about investing in major infrastructure and high-quality services for all Victorians whilst ensuring that Victoria's finances remain the strongest in the nation.

Residents in South Eastern Metropolitan Region also benefit from a number of initiatives. There is the building of a new 230-bed Monash Children's hospital, allowing for the treatment of 7000 children in the south-east each year, and that is expected to open in 2016; \$25.2 million investment in the Dandenong rail line, benefiting commuters through more frequent weekday peak period and off-peak trains; \$9.9 million in 2013–14 for improvements to and the rebuilding of existing schools in the south-east; a share of a further \$7 million for land acquisition for a new school in the city of Casey; and seed funding of \$5 million statewide, which has been provided to develop and install electronic learning technology at existing campuses, including Chisholm TAFE, which will allow students to access and directly interact with teachers in a wide range of education services closer to home.

There is also \$11 million for the \$26 million Berwick trade careers centre; a share of \$12 million to extend and enhance the Services Connect pilot programs in the lead site of Dandenong; an upgrade of the Mount Waverley police station; increased operating hours at the Carrum Downs police station to provide extra policing resources for Langwarrin as part of the \$31.8 million investment in new or refurbished police stations across Victoria; \$10 million to construct a two-storey car park at Syndal station; \$29.3 million in 2013–14 for improvements to the city of Casey road network for key arterial roads and intersection

improvements; millions of dollars towards water recycling projects in Melbourne's south-east and improvements to the eastern treatment plant — obviously there is substantial capacity to improve productivity in the south-east; and minor capital works for Patterson Lakes–Quiet Lakes, an issue on which the Residents Association of Patterson Lakes has worked for many years and on which I am pleased to see progress being made.

There is also significant funding for the construction of a new train station at Southland, subject to the finalisation of commercial negotiations with the owners of Southland shopping centre; \$13.8 million for stage 2 of the Frankston urban renewal project to refresh the transit interchange in central Frankston, which is critical to a vision for a vibrant, more fabulous Frankton; and \$100 million to upgrade the Frankston rail line with additional track, signalling, power and maintenance facility and station upgrades to improve service reliability and enable X'trapolis trains to run on the Frankston line.

Finally — and I have mentioned only a selection of highlights — there is \$2.5 million to dredge the built-up silt in Kananook Creek, on top of the work that has been done at Mordialloc Creek to the tune of \$6 million, which is another election commitment delivered, enabling the return of recreational boating to the lower section of creek. This is something that the Kananook Creek Association Inc. has been campaigning on for a very long time, and it will be magnificent when it is restored, following the dredging.

In general achievements, there is a record \$14.34 billion in health funding to treat more patients and manage the increasing pressure on the system. The amount of \$11.6 billion has been provided in education funding to improve student outcomes and ensure that Victorians have the skills needed for the future, and that has meant making some tough decisions — such as, for example, reconfiguring the subsidies that are applied to TAFE and vocational education and training, and increasing the subsidies to those areas of national skills shortage whilst reducing the subsidies in those areas where there has been an oversubscription of students who consequently, on the completion of their courses, have been unable to find jobs. They are not easy decisions, but they are economically responsible decisions.

There is \$91 million extra for out-of-home care to continue work in improving the lives of vulnerable children. There is \$46.2 million extra to support Victorian children in the vital years before school, including \$7 million to build and upgrade children's centres and kindergartens across Victoria. That is

money that would not have been necessary had the former Labor government renegotiated properly the increases and improvements to infrastructure that are needed to implement universal access to kindergarten for 15 hours per child per week when that was agreed to.

There is \$200 million over four years for Victorian TAFE institutes to support innovation and structural reform, delivering the right strategy to help Victorian TAFE institutes prosper and become sustainable within the state's competitive vocational training market. There is \$42.4 million for continued support for mental health beds. There is support for first home buyers and job creation in the housing construction industry, with the boosting of the first home owners grant to \$10 000 for newly constructed properties and reducing stamp duty by 40 per cent from 1 July 2013.

Families and householders in the south-east will also benefit from the Victorian coalition's reforms to the fire services levy (FSL), and I understand there will be hundreds of thousands of people eligible for a concession for the first time following the fire services levy reforms advocated by the 2009 Victorian Bushfires Royal Commission. The property levy replaces the old levy on insurance premiums, leading to a fairer system with all property owners making a contribution to fire services rather than just those who take out insurance. Following Black Saturday we saw how devastating it was in particular for those who had no insurance when their homes burnt down. The Victorian coalition government has also removed the unfair tax on tax, which charged GST and stamp duty on the FSL. The average FSL will decrease by \$123 in the city of Casey, \$121 in the city of Frankston, \$120 in the city of Greater Dandenong, \$39 in the city of Kingston and \$58 in the city of Monash.

To anyone who understands education, Labor's legacy is glaring. It left a \$420 million school maintenance backlog affecting every Victorian school. This included 7.5 per cent of buildings requiring urgent works to remain safe and usable. The administration of maintenance was badly administered. There were concerns about the quality of construction of Building the Education Revolution (BER) buildings, potentially leading to high maintenance costs in the future, as well as the lack of provision for the increased outgoing costs associated with more space and the \$70 million overrun with the implementation of BER as a result of a very poor agreement with the federal government. The commonwealth BER funding covered capital works only and did not include a component for ongoing operation or maintenance. Meanwhile 33 per cent of

schools have buildings that are at the point of failure or have already failed.

I had the opportunity the other day of visiting with Mr Elsbury some schools in his region, some of which have not received a brass razoo in funding for a very long period of time. The new school maintenance index will address some of the most urgent issues, but clearly there is a backlog to be made up for. A quarter of buildings are classified as outdated and not suited to delivering a modern curriculum.

Not all schools were invited to participate in Labor's Building Futures program, and there was a lack of transparency around how schools were selected to become involved. At every school that I visit — and no doubt this will be confirmed by other members — everyone attests that they were a priority, but the funding was not made available to deliver on those priorities.

Labor failed to implement an evaluation process for capital works projects undertaken as part of the Victorian schools plan and BER. That was stated in the Auditor-General's recent report. The previous Labor government allocated just \$850 million for training facilities such as Chisholm TAFE and Learn Local providers in 2011–12, whereas the coalition government has committed to an expenditure of \$1.2 billion on training for each of the next four years. Labor's legacy in education over 11 years is one of neglect. We are trying to address the system-wide issues.

I would like to mention a few initiatives in South Eastern Metropolitan Region as a result of the 2013–14 education budget. These include delivery on another election promise of \$2 million for Aspendale Primary School, which I had the pleasure of attending with the member for Carrum in the other place, Donna Bauer, as well as the Premier to see some of the wonderful things that have happened there. The \$2 million commitment will make the delivery of high-quality education even easier for a very dedicated staff and student leadership team. There has been \$2 million in funding for the completion of the Victorian certificate of education centre at Parkdale Secondary College, recently visited by Premier Napthine. Land acquisition will see three new school sites in the Casey community. There will be further funding for the Chisholm Institute of TAFE's new Berwick trade careers centre. There is funding for Stamp Out Bullying grants to Banyan Fields Primary School in Carrum Downs, Kambrya College in Berwick and

Narre Warren North Primary School. These are all very important initiatives.

There are of course a range of other highlights in the education budget: \$56.5 million to support children with a disability across the early childhood and school sector; \$203 million for the redevelopment and refurbishment of school infrastructure, including the construction of five new schools in Melbourne's growth areas; and \$200 million to support TAFE industry restructure. There will be \$4.6 million over four years to facilitate access to quality childhood education and care and \$7 million in children's facilities capital program funding in 2013–14.

Funding for strong foundations to provide better and earlier support for children with a disability or developmental delay will include \$34.2 million over four years and \$7.8 million ongoing, which includes funding announcements made in November 2012. Building strong foundations for better and earlier support for children with a disability or developmental delay is something that has been called for by a very strong disability sector, and it is very welcome. There is \$15.7 million allocated over two years to lift school performance and \$38.1 million for the program for students with disabilities. We are of course very proud that the national disability insurance scheme (NDIS) will be headquartered in Geelong. The Geelong-Barwon region has been instrumental in shaping the future delivery of NDIS services.

There are many other education initiatives. There will be \$20.6 million over four years to fund the provision of effective support for vulnerable students and \$5.5 million ongoing, \$12.7 million in transport funding for students with disabilities and so on. There is much good news, but it is also a very responsible budget that delivers improved infrastructure and better services for Victorians.

Ms MIKAKOS (Northern Metropolitan) — I rise to speak today on the coalition's third budget, a budget that has again overwhelmingly failed to address the needs of Victorians. We have a new Premier, we have a new Treasurer but we have the same failed policies and the same approach being taken by the so-called new regime in this coalition government.

We saw the Premier recently try to soften his image. He was photographed with his pet cat, but that photograph brought to my mind images of the villains in the James Bond movies sitting with their fluffy white cats. That is probably a better characterisation of this Premier, who has overseen \$1.5 billion in cuts, \$1 billion in so-called savings and \$560 million in unspecified reprioritisation

and adjustments. What this means is that a whole lot of services that Victorians rely on will be slashed. There will be \$209 million cut out of the health budget, \$69 million cut out of the education budget — no wonder there is no genuine commitment to sign up to the Gonski reforms — and \$48 million cut from the justice system.

There have been some absolutely appalling increases in the government's drive to increase revenue. Aside from the usual increases in fees and fines, this government has taken them to huge levels. There is to be \$715 million in additional revenue from fees and fines, and speed camera fines are to increase by \$38 million. Stamp duty is to increase by \$288 million, and vehicle registration fees are to go up by \$56 million.

Some of the most appalling attempts to increase revenue have come at the expense of the most disadvantaged people in our community. The thing I find most appalling is the fact that board and lodging fees for the disabled are being increased by 50 per cent, consuming 75 per cent of the disability support pension for those people living in Department of Human Services supported accommodation, which in the budget papers is expected to raise \$44 million over four years. It defies belief that this government is seeking to take money away from people with disabilities, who should be able to use the disability support pension to keep active, engage in the community and have a meaningful existence, rather than having to rely now on extended family to cover some of their essentials, such as medical expenses. I am absolutely gobsmacked by that particular revenue measure.

There are many cuts to services that will impact on the community, and in the short time allocated to me I have the opportunity to cover some of them. I want to begin on the issue of jobs, because having a job is absolutely fundamental and critical to all Victorians. I recall that some time ago this government promised 55 000 jobs a year, but it has been able to deliver only 34 000 since it came to office. In the budget papers the government forecasts only minor growth in employment of 0.5 per cent.

Economic growth has been forecast at 2.25 per cent, but we cannot trust this government to deliver even that. It inherited a thriving economy, but it has taken it into recession. The unemployment rate increased to 5.8 per cent in April, with the youth unemployment rate now reaching 21 per cent, which is the highest in the country. We are seeing many jobs disappearing from our state. I am concerned about the future, particularly for my electorate in the northern suburbs. We will see Ford cause the loss of 1200 jobs in the Broadmeadows

and Geelong communities. I am very concerned for the northern suburbs, which have relied on the manufacturing industry for a long time. What did we see when those job losses were announced? The Premier went into hiding and was nowhere to be seen, and he then sought to claim credit for what was overwhelmingly a federal response to deal with that particular issue.

We have a government that is visionless when it comes to jobs. The government has ripped funding from the TAFE sector. I would have thought that investing in training was one way to allow people to retrain and have the opportunity to get into employment. We have had \$1.2 billion ripped from TAFE in the past, but the government has restored a paltry \$200 million, of which only \$5 million will be available for capital this year. If this government were serious about jobs, it would not be cutting TAFE and would not be cutting \$20 million out of the apprentice trade bonus program. Those cuts will inflict further pain on students and apprentices. The government should be investing in these types of programs.

In the recent Public Accounts and Estimates Committee estimates hearings the Minister for Employment and Trade confirmed that she will slash a number of youth employment programs that target some of the most disadvantaged young people in the community. She will get rid of programs that are targeted and provide real futures, real jobs and sustainable employment for young people. Programs such as the St Kilda Youth Service hospitality employment and training program, Whitelion's employment program, Youth Connect's program and the YMCA Bridge Project all have proven results in targeting hundreds of disadvantaged and at-risk young people, helping them to find sustainable employment at a time, as I said, when we have 21 per cent youth unemployment in our state.

The Victorian Council of Social Service commented in a media release:

These cuts undermine the government's own commitment coming out of the Cummins inquiry to ensure vulnerable young people 'have every opportunity to participate in further education and training or employment and build their capacities for independent living' ...

The Youth Affairs Council of Victoria pointed out that these cuts fail the intent of the youth statement of the Minister for Youth Affairs *Engage, Involve, Create*, which says the government will assist 'young people not involved in education or training to develop the skills and connections they need to find employment'. These are just some in a long line of cuts that the government has inflicted on programs and services that

affect young people. I have spoken about the cuts to TAFE and the apprenticeship completion bonus, and we have had cuts to the Victorian certificate of applied learning. As I outlined before, altogether we have had \$69 million cut from the education budget.

In terms of young people involved in the criminal justice system, I have now been waiting for nine months for Minister Wooldridge, the Minister for Community Services, to respond to her youth diversions options paper that she put out last year. There is nothing in the budget in terms of funding any of these initiatives. We have not seen a response from the government, and if the minister wants to respond, there is actually no capacity to fund any new initiatives, which is very disappointing. I know the organisations that work with young people in the sector are also very critical of the government for not addressing these issues in the budget.

In relation to other services that the community relies on, in health, for example, the government promised some time ago, before the election, that there would be 800 new hospital beds, but we see no funding in the budget for even one of those beds. There have now been three budgets in a row that have seen cuts to the health budget. This year's health funding has decreased by a further \$210 million, bringing health funding cuts under this government to a total of \$826 million.

This comes with very serious consequences for Victoria's patients. We continue to see the Victorian health services performance data show woeful results. The latest data, which is for the March 2013 quarter, shows that the statewide elective surgery waiting list has now blown out to a record 50 565 patients. The government has no regard for the wellbeing of people in our state. The March quarter data also shows that there are now almost 18 000 patients waiting for surgery at hospitals in Northern Metropolitan Region. Targets for elective surgery waiting times and emergency department waiting times are not being met by most of the hospitals in my electorate.

Sadly the longest waiting list at the moment is at the Royal Children's Hospital, where 3405 children are waiting for surgery. The latest data for Austin Hospital shows that it has failed to meet the target of emergency department category 3 patients being treated within 30 minutes, the target of ambulance transfers occurring within 40 minutes, the target of elective surgery category 2 patients being treated within 90 days and the target of elective surgery category 3 patients being treated within 365 days.

Ambulance transfer times have also suffered in the north. Austin Hospital has had only 63.8 per cent of its ambulance transfers take place within 40 minutes, when the target is 90 per cent. The figure for Northern Hospital is 59.7 per cent, for Royal Melbourne Hospital it is 69.1 per cent and at St Vincent's Hospital it is 74 per cent. We see an ambulance system that is in crisis. Mr Jennings continues to highlight the risks for Victorian patients and the fact that the government urgently needs to do something about this. Recently we heard that the Panch dialysis unit in Preston is due to close. That will result in 22 patients being moved to another facility. This is a decision that has been hurriedly foisted on vulnerable patients — many of whom are elderly and from non-English-speaking backgrounds — without any consideration being given to their needs.

In relation to aged care, we continue to see the government proceeding with its privatisation agenda. We have already seen the transfer of the Rosebud residential aged-care facility to a non-government provider. We have already seen the closure of the Jessie Gillett Court residential facility, and Kyneton District Health Service has announced the closure of the Thomas Hogan residential aged-care wing. The government's agenda is pretty clear from the December budget update, which foreshadowed \$75 million in cuts to public sector residential aged care and highlighted a significant shift in the provision of services away from government-managed aged care. Since September 2012, 179 public sector residential aged-care beds have closed under this government. We are still waiting for updated figures to be posted on the department's website. It has now been nine months since those figures were updated. I wonder what the minister is hiding by delaying the updating of those figures.

In relation to early childhood services, the Minister for Children and Early Childhood Development recently attended the Early Learning Association Australia conference, which I also attended, and was critical of the federal government. She was critical of the federal government giving her \$157 million for the next 18 months for Victoria's kindergartens at a time when she is putting only \$7 million of her own funding into the state budget for Victoria's kindergartens. We have already had the federal government hand over \$210 million as part of the national partnership funding, so it is quite galling to see the minister continue to accept cheques from Canberra at the same time as criticising it and not being prepared to put in more than \$7 million of her own funds. Of course that is an improvement on last year, when the state funding was zero dollars, but this year it is just \$7 million. That is not going to be enough, and the minister knows that.

There is nothing in the forward estimates beyond one financial year, so we really have to wonder what the minister's intentions are after the 2014 election. Hopefully she will not still be here. Hopefully there will be a change of government and we can actually address some of these issues.

I will say in conclusion that this is a very disappointing budget. It has failed my electorate, it has failed Victoria as a whole — —

Mr Ondarchie interjected.

Ms MIKAKOS — There are many schools that missed out, Mr Ondarchie. You should hang your head in shame. There are so many projects that have missed out in Northern Metropolitan Region: Greensborough College, William Ruthven Secondary College's next stage of construction, Dallas Brooks Community Primary School, Rosanna Golf Links Primary School, Viewbank College and so on.

The ACTING PRESIDENT (Mr Ramsay) — Order! The member's time has expired.

Hon. R. A. DALLA-RIVA (Eastern Metropolitan) — I was just talking with some of my colleagues on the other side of the house and reflecting on a recent visit. Anyway, I am happy to talk about the 2013–14 state budget and to provide the house with information on the third budget update of the state coalition government. As Premier Napthine said on the release of the budget, this is about delivering state-shaping infrastructure to boost productivity and improve livability. It is important to note that part of the framework for establishing the budget is to ensure that it is sustainable and long term. This budget is about delivering for Victorian families and communities right across Victoria, from metropolitan Melbourne to regional cities and the rural heartland. We have as a government committed to state-shaping infrastructure, providing a record \$6.1 billion for major projects in 2013–14 to boost productivity and improve livability.

The Treasurer, Michael O'Brien, outlined eight key themes in his speech, and I thought it important for the record to reiterate those. The first is to ensure strong and secure finances. The 2013–14 Victorian state budget delivers on that, with an estimated operating surplus of \$225 million rising to more than \$2.5 billion by 2016–17. We will be seeing the economy grow from 2.25 per cent this financial year to 2.75 per cent in 2014–15. We are also looking at employment growth strengthening in 2013–14, with unemployment to fall to 5.5 per cent. Equally importantly, net debt is forecast to be 6.4 per cent of

gross state product (GSP) in 2013–14, declining to 5.4 per cent by 2016–17. It is interesting to note that without the decisions that have been made by the coalition government net debt would have soared to around 17 per cent of GSP by 2017.

The second part of the framework of the budget is to invest in state-shaping infrastructure, and as I indicated before, \$6.1 billion for major infrastructure projects has been announced for 2013–14. This is about boosting productivity and improving livability. Part of that is ensuring that we deliver capacity for industry through projects like stage 1 of the east–west link, linking the Eastern Freeway to CityLink, at an estimated cost of \$6 billion to \$8 billion. This will create 3200 project jobs. We are seeing \$110 million in funding for the port of Hastings redevelopment, again boosting the state's freight capacity. Of course this vital transport infrastructure will increase the capacity for trade and drive economic growth by improving transport links across Victoria. One only needs to visit other locations around the world to see how important infrastructure is for transport and how important it is to have ease of trade into international markets.

The third component of our budget is better roads and public transport, and we have seen a commitment of \$280 million in additional funding to improve, maintain and upgrade key parts of the road network. We have made a commitment of \$52 million for early works and planning to progress the removal of another seven level crossings. These are great announcements that have been made about initiatives that will further improve not only productivity but also — —

Mr Eideh interjected.

Hon. R. A. DALLA-RIVA — I note the interjection about St Albans, and I must say that the former government had 11 years to deal with St Albans. It is interesting to note that we are at least getting on with the job of delivering the removal of these seven level crossings.

We have seen that \$179 million has been committed for further new train infrastructure, adding to the seven new trains already funded. We have seen \$300 million committed to fund an integrated suite of initiatives right across the public transport network to improve services and increase safety for public transport passengers.

In terms of the fourth component of the budget, we are delivering better health care and education. We have allocated an additional \$426 million in the 2013–14 budget year for hospitals and the health system, with a record \$11.2 billion in total for acute health in the

financial year. This includes \$420 million for the elective surgery funding pool and \$238 million for training the next generation of nurses, doctors and health professionals. That is not to mention that we are delivering on the new Bendigo Hospital, the Monash Children's hospital and the redeveloped Royal Victorian Eye and Ear Hospital, with \$197 million committed in 2013–14 and more than \$1 billion committed in total.

We have also seen increased funding to boost the regions. We have committed \$61 million for the Country Fire Authority to deliver a further 142 fire station replacements and upgrades over the next two years; \$28 million for road infrastructure upgrades; a \$16 million contribution to modernise on-farm infrastructure, again to increase productivity and expand production in the Macalister Irrigation District; and \$19 million towards the earth resources package. We have also made significant commitments to regional health and education, with \$630 million for the new Bendigo Hospital, \$50 million for the new Waurn Ponds community hospital, \$81.5 million for regional hospitals and health services, and an extra \$41.3 million for country schools.

We are also strengthening our law and order stance, committing \$78 million to construct and maintain the protective services officers facilities at railway stations, \$30 million for new and upgraded police stations in Sale and Somerville and \$131 million to increase Victoria's corrections systems.

The seventh component of our budget is about protecting the most vulnerable. We have made a record \$1.2 billion investment in 2013–14 in mental health, creating more than 500 jobs. We have committed \$226 million to improve services for families living with disabilities, in addition to more than \$300 million committed to the launch of the national disability insurance scheme. We will also spend \$152 million over four years to improve outcomes for vulnerable children as part of the coalition government's response to the protecting Victoria's vulnerable children inquiry.

Finally, but not least, we are keeping the pressure off the cost of living. The first home owners grant for newly constructed homes will increase to \$10 000 from 1 July this year. The 40 per cent first home buyer land transfer duty concession will be brought forward by six months. We are providing a \$21 million concession program for eligible pensioners and veterans for the fairer fire services property levy and \$55 million over four years to assist eligible concession card holders with cost of living pressures.

This is just a snapshot of the coalition's budget. There is an enormous amount of other detail, but I just want to put in context some of the debate that has been occurring here. It appears that those opposite would like to paint a doom-and-gloom picture, but there is a whole framework attached to the reasons we are delivering this state budget. As the Premier has indicated, it is about state-shaping infrastructure; it is about boosting productivity and improving livability. I will look at some of the headline examples again, including the media release headed 'Coalition government to build the east–west link'. This is not just another document, like those the former government used to put out; this is a comprehensive program to ensure that we will be delivering on that vital and important project.

I now turn to some of the other portfolios that I have not mentioned. The Minister for Aboriginal Affairs has made a \$6.5 million commitment to protect Aboriginal cultural heritage and to support stolen generations. We have seen a commitment to senior Victorians, who will see substantial outcomes under the Minister for Ageing, David Davis. We have seen a commitment from the Minister for Agriculture and Food Security, who is providing \$8.2 million for the establishment of the Game Management Authority, which will improve the effectiveness of game management and promote responsible game hunting. The Minister for Arts, Heidi Victoria, has made a \$29 million investment in arts initiatives, which will be delivered in 2013–14.

Other examples of work that will be done as a result of this budget include the strengthening of the justice system. We have seen commitments made by the Minister for Children and Early Childhood Development to build strong foundations early, and \$46.3 million has been provided for children. We have seen a commitment by the Minister for Community Services of \$1.6 billion to address the cost of living pressures. The Minister for Consumer Affairs has committed \$7 million to continue financial counselling for a further 12 months for those experiencing economic hardship.

We have also seen a commitment by the Minister for Energy and Resources of \$31.7 million over four years to strengthen Victoria's earth resources sector and to build a strong, safe and sustainable mining sector. We have seen from the Minister for Environment and Climate Change \$87 million for a healthy and safe environment and \$7 million to improve safety on fire-affected public land. We have seen a commitment by the Minister for Health of a record \$14 billion for Victoria's health system, including a commitment of a \$22 million investment for an improvement to the response to heart disease and stroke. We have seen a

commitment by the Minister for Housing of a \$73.6 million boost for social housing and homelessness support.

The Victorian budget has \$29.8 million for innovation, which is a very important project. There are more major projects, with the announcement of funding for E-gate; support for the transformation of Victoria's TAFE institutions; a boost in support for mental health beds, services and workers; a funding boost for Victoria's multicultural community; and the announcement by the Minister for Planning of \$47 million to boost local infrastructure planning. There is also more money for police stations, with \$31.8 million for new police stations. As I outlined earlier, there is a \$61 million commitment for rural fire stations and the government is investing in Victoria's major and local ports. There is also \$520 million for critical public transport infrastructure, as announced by the Minister for Public Transport.

Through the continuation of the Victorian Racing Industry Fund (VRIF) in the coming financial year, the budget continues growth in the very important racing industry, which I know the Premier holds dear to his heart. The VRIF supports many initiatives, including \$1 million for the greyhound adoption program, \$1 million to boost Living Legends and \$2.26 million for the race day attraction program grants. Those are very important for regional and rural Victoria.

The list goes on and on. I must just say, though, that those funding announcements would not happen unless there was a sustainable long-term budget — that is, a budget that remains in surplus and in which net debt is reducing against the gross state product. That means that we are making the right decisions for the long-term benefit of Victorians. This important budget, which is our third, is one that I know Victorians will respect. They are looking forward to the delivery of a significant amount of state-shaping infrastructure well into the future.

Mr EIDEH (Western Metropolitan) — I rise to make a contribution to the debate on the motion to take note of the budget papers as delivered by the Napthine government in May. It is a budget that I consider to be poor on fixing the significant financial damage done by this government over the past two years but very rich on rhetoric and self-praise. It is a truly shameful budget that also shows a very dark side of this government.

For me, this budget can be summed up very easily: it is a wasted opportunity. It is a wasted opportunity for all Victorians who pay taxes and expect better. It is a wasted opportunity for delivering on this government's

promises made to Victoria two years ago. Even worse, this budget is a wasted opportunity because it could have been used to repair the damage this government has done over the past two years. For the past two years the Napthine-Ryan administration has slashed funding from schools, hospitals, the TAFE sector, aged services, police — indeed everyone and everything across our state.

In this budget the pork-barrelling has begun. I must now speculate on how massive the pork-barrelling will be next year, as we head towards the state election, because this budget is a pork-barrelling budget and the greatest that I have ever seen — that is, until next year. Members of this government claim to have led Victoria for the past two years and yet they are still covering their own poor decisions by blaming things on the former state Labor government or the federal Labor government. They are blaming everyone else for their own lack of direction, lack of vision and lack of ability to effectively plan for the future. This is their own doing, and it is shameful that members of this government will not face up to Victorians and be accountable.

This budget highlights a very heavy bias of education funding to schools in coalition electorates — those areas where people generally have higher incomes. Sixty per cent of funding goes to coalition electorates, which is why the opposition is now asking the Auditor-General to investigate. Yet my constituents still continue to suffer. How is it that my community, one of the fastest growing communities in the commonwealth and the most in need in the state, is again neglected by this government? There are still 55 000 people waiting in pain for elective surgery, yet this government has cut \$826 million from health. I guess with these cuts it is safe to assure the people of Victoria that the 800 promised beds will not be coming this year, or next year. There has not even been a thought for the much-needed new hospital in Melton, where the population will more than double in the next 20 years.

What concerns me most, particularly for those in my electorate, is that this government is introducing more costs, more fees and more charges that reach new heights. State taxes are up by \$900 million, GST revenue is up by \$300 million, speed camera fines are up by \$38.3 million and stamp duty is up by \$290 million. With all this extra financial burden on families, where is this money going? To the inner eastern suburbs, I suppose.

Despite grossly inaccurate statements from this failed government, the former state Labor government left this state strong, economically viable and the envy of

other states. Even the former Premier, the Honourable Ted Baillieu, admitted that was the case when he took office, as I have reminded the house before. This government inherited an economy with a strong surplus and fiscal management that saw our international rating stand strong. This budget increases charges for inner city parking. That will flow on to businesses that must now weigh up whether there is any value in remaining in the CBD, as their costs and those of their clients and customers will increase significantly. This budget has axed the \$7000 first home owner grant for those buying established homes. This means that the axe falls on young Victorians who dream of owning their own property.

As a spokesperson for the ANZ bank stated on budget day, Victoria will ‘underperform the national economy’. This is due to the government’s own mismanagement and lack of leadership. Its members cannot continue to pass the buck. A professor from RMIT University spoke on ABC radio after the delivery of the budget. This expert analysed the budget investment for the east–west tunnel and stated that on a per capita basis it was not a solid investment but one that would fail to attract the private investment that the government is relying on. He gave a very good analysis of why the government had failed to properly fund it and why people in private industry would not waste their time with it. That money would be much better spent on investing in our state’s public transport system — for example, by funding the train station at Caroline Springs, for which this government built a road to nowhere.

Let us look at the budget surplus. In itself this is a good thing — and the last state government delivered surplus after surplus. However, a surplus at the cost of slashing funding to hospitals, closing down TAFE colleges and failing to provide critical funding to schools is a surplus that costs in many other ways. While I commend the government for following the previous government’s lead in having a surplus, it has reached it by savaging our state, and that is not acceptable.

There is much more that I can say about this wasted opportunity to save our state after two years of devastation by this government. I will have more opportunities to do so and all members on this side of the house will do what we can to bring attention to this government’s failure for our state.

Hon. B. N. ATKINSON (Eastern Metropolitan) — Deputy President and members of the chamber, as you will be aware, I rarely speak in debates, but I take this opportunity to contribute to the debate on the budget because I consider it to be one of the most important

debates in this place. I am mindful of what has been said by some other speakers who have spoken in terms of wasted opportunities in the budget brought down by Mr Michael O’Brien, the Treasurer, and also of the fact that the economic performance of Victoria is perhaps not as strong as it was in previous years. I point out that certainly from my perspective those factors are very much contingent upon the performance of the national economy. If one were to look at the federal budget that was brought down just days after the Victorian budget and observe the revised figures of the economic performance of Australia, it would be churlish of us to say that Victoria has not performed well.

Nonetheless, I want to move on to a larger canvas in terms of my contribution to this debate. I am mindful that we live in a society, not simply an economy. I am mindful that our economic performance is the vehicle to deliver the social outcomes and the standard of living, including higher standards in education and health, support services for the disadvantaged and services for aged people and children in our community, that we as members of Parliament wish to pursue. But our opportunities to improve or extend those services or to engage in programs such as Gonski or the national disability insurance scheme are very much impacted by the performance of our economy, particularly by the health of the private sector and its ability to create jobs and products for export in a global economy such as the one we live in today.

I am mindful of the focus many people seem to have on Australia — Victoria, in our case — developing a knowledge-based economy and on perhaps ignoring some of the areas that we have relied on in the past because we see them as obsolete or not able to compete against competitors from overseas. From my point of view that knowledge-based economy is somewhat of a mirage: you cannot eat it, you cannot clothe yourself with it and you cannot house yourself in it. The big question is: who will buy our services in terms of knowledge? All countries around the world are keen to develop knowledge industries — many as part of a balanced economy. I think that is the lesson for us. It is not just countries like China, Vietnam and Indonesia that are pursuing knowledge-based economies; it is also countries like Rwanda. We need to think very carefully about how we pursue our opportunities in that knowledge-based economy.

Certainly I do not contend that we ought not be pursuing opportunities to create and develop our capabilities in a knowledge economy, but I am also of the view that we should not abandon or undervalue the investment that we have in other sectors of our economy, including manufacturing and food

production. I am mindful of Western Europe, where unemployment rates are running at 25 per cent. Youth unemployment in some countries is at 40 per cent or more. Some of Western Europe's best and brightest are educated for new jobs, and yet we must question where those new jobs are, particularly those in the knowledge economy that were promised to students as they pursued their education. We need to be mindful of the value of a balanced economy.

I am particularly supportive of manufacturing in this country and of our continued participation in manufacturing. There are many who say we should abandon it or that we should leave to the wolves those who cannot compete, but that seems to underestimate the importance of manufacturing and its contribution to the economy more generally. It seems to misunderstand that we are good at producing products but are simply being left to defend our manufacturing sector against other countries that have some significant advantages. Those advantages are related not necessarily to their production capability but rather to government support of those industries.

Our manufacturing sector has difficulties in terms of the scale of its operations, access to funds and the cost of funds here in Australia, market access and the protection of our intellectual property; difficulties in commercialising some of our brilliant research ideas; problems with coherent regulation; and problems with fostering innovation. Australia is not an island, and we cannot simply keep ratcheting up our wages and entitlements to a point where we are uncompetitive with other countries. China is not better than us at knitting socks or producing refrigerators, cars or household furniture; it just has cost advantages. It has labour cost advantages in terms of wages and entitlements. It has regulation advantages, access to cheap funds and currency control. It certainly has operational scale. It also has a lower standard in terms of the quality of its food production, and yet we often see our retailers moving to import overseas food products that simply could not be produced in Australia because they do not meet the requirements of our health regulations.

The price of a cheap pair of socks for an Australian consumer will be higher taxes to pay for government services if we are not successful in developing our private sector and a balanced economy. There is already a significant structural imbalance in the taxation system in this country, specifically in the sharing of resources between federal and state governments. The Henry review made over 200 recommendations on tax reform, and the federal government has seriously addressed only some 3 of them. The federal government compiled

its budget based on economic forecasts built on the mining boom, which is now slowing because of the high costs of developing and operating mines here in Australia and also because of new projects around the world that are increasing the supply of minerals that we previously had a fair purchase on in terms of supplying in particular China, Japan and South Korea.

The Australian economy is buffeted by currency plays by other nations, particularly countries like Japan, China and the United States. We have seen the Australian dollar overvalued. It has fallen sharply in recent weeks but is still, arguably, not traded on its merits. The high Australian dollar, and its volatility in more recent times, is impacting on our exports; manufacturing; agricultural and horticultural products; services that Victoria is good at, like education and tourism; and even areas like IT services and other professional services, such as architecture, engineering and so forth.

There are real implications for us if the volatility of the Australian dollar continues for an extended period. It has implications for investment. We have already seen the unfortunate decision of Ford. Inevitably that decision was based on the company looking forward at what opportunities it would have to be profitable in this market. There are many companies that assess their investments from time to time, and the implications of the high Australian dollar and its volatility affect the investment decisions of these companies. That means lost jobs, it certainly means a reduced tax revenue base for Victoria and for the nation and it can sometimes lead to the loss of infrastructure that is not easily replaced in areas such as education, tourism facilities and so forth. It also leads to a loss of innovation and skills development and a lost value in assets.

It is crucial that we readdress the Henry taxation review. It may well be that there are recommendations that Victoria and the other states can make to improve the recommendations that were put forward by the Henry review but ignored by the federal government. It is imperative that we get the taxation structures right in this country and that we balance the revenues from our tax collection against the services that we need to provide here in Victoria and in the other states, because the states are responsible for the delivery of all the labour-intensive services that directly affect people. This is in the context of difficult economic times, and they continue to be difficult economic times. Members need to think of the circumstances addressed by the Treasurer, Mr O'Brien — and his predecessor Mr Wells, the member for Scoresby in the Assembly, who made a significant contribution to this budget as

well — in the budget that was brought down in recent weeks.

It is important that, despite the challenges, the budget contains some significant investments in a number of areas, including in an area that we can be very proud of in Victoria, which is our health infrastructure, particularly our hospitals. I commend the previous Labor government for the work it did in developing a number of projects in the health sector, with upgrades of significant hospitals. In particular the Royal Children's Hospital is one of the world's best hospitals in that field. The previous government deserves congratulations on the work it put into that hospital, as well as some of the preparatory work for the Peter MacCallum Cancer Centre, which is also going to be a world-class facility. The previous government was and this government is, as it proceeds with the health infrastructure projects it has put on the record, rebuilding an outdated health and hospital network. The system was a 1950s system, and there is now investment in that infrastructure that will take us out to the next 50 years.

We can be very proud of that investment. It is one of the significant things achieved in this budget and being continued in this budget. Despite some of the questions, answers and discussion I hear in this place about various hospital projects, I think health infrastructure is something that we as members can all be very proud of and that we ought to be looking for opportunities to champion. That includes hospitals such as Bendigo Hospital, the Monash Children's and so forth. I know there is some quibbling about the time frames involved with some of those projects, but proper planning of those projects is an important factor in getting them right and getting the best facilities, recognising that those facilities will be in place for many years to come.

There has been investment in transport infrastructure; there clearly needs to be more. Hopefully, if we can address these imbalances in our tax structure, we will have an opportunity going forward to invest a lot more in public transport and in the sort of infrastructure that we need to ensure that our industries are competitive. We can achieve greater productivity in our economy simply by eliminating some of the bottlenecks and ensuring that our public transport system works more efficiently and meets people's needs.

I am pleased to see the investments in schools. I accept, as some members say, that there is a lot more money to be spent and there are more needy schools in our system. In recent years there has been significant neglect of some of the needs of schools, and this budget addresses at least some of that. I do not see this budget

as stopping these projects at the end of a particular year or time period; I see this as a continuing program that I hope the government has an ongoing commitment to.

The bottom line of my contribution is that we as members of Parliament need to work together to explore better revenue opportunities for the state so that we can meet the needs of our community, recognising, as I said at the outset, that we do not live in simply an economy — we live in a community.

Mr LEANE (Eastern Metropolitan) — It is interesting to follow the contribution of the President, because it was a more holistic overview of the way he saw the budget and it was good to be in here to take it in. It has spoiled my speech because I was going to say the way we do these budget debates is to have government MPs say, 'It's a great budget' and opposition MPs getting up and saying, 'No, it's not really', and then we prosecute our cases. However, as I did last year, in starting I want to highlight a couple of things that have been funded in this budget which I appreciate. The budget is a large amount of money, and I think it is a bit disingenuous for opposition members to get up and say it is all bad.

I appreciate that a couple of schools in Eastern Metropolitan Region have been funded as election promises. There is also some funding going towards Eastwood Primary School. There is a need for about \$7 million to be spent there, but there was some funding of around \$3 million announced for Eastwood Primary School after the budget. That goes towards a very worthwhile project that the Eastwood Primary School community has been pushing for for a long time.

I also want to touch on something that is outside Eastern Metropolitan Region. I was very pleased to see that a decent amount of money was allocated to the Western Autistic School. The Eastern autistic school, which is now called Eastern Ranges P-12, is something that parents and school communities in the east have pushed for — that is, a school specifically for children with autism. It is a step away from a policy that has been run for a long time that there should not be segregated schools like this, but when you speak to the people at the coalface, parents in particular want an option for their children in this way, so I was glad to see there is going to be a similar set-up in the west. I know Mr Finn has been involved with that school as an advocate for a long time, but I am sure he would not say it was all about him. I am sure the parents, other MPs and a lot of people were involved in getting that over the line. That is a good thing.

As far as this budget is concerned, and I suppose in relation to the previous two budgets, one thing we can guarantee is that none of this budget would have been based on the outcomes of the Vertigan report, because if you look at any of the Public Accounts and Estimates Committee hearing records, it appears that none of the ministers have actually seen the Vertigan report, which was commissioned by this government to look at the overall finances of the state and to make recommendations. When it comes to actually reading it, looking at it or even opening the cover, if you believe all the ministers, that never actually happened. That is one thing we can guarantee about this.

Mr Barber — It is a bit of a slight to Mr Vertigan.

Mr LEANE — It was a slight to Mr Vertigan, who probably put his heart and soul into preparing a fantastic report, which you would think is the lost ark. Given the way government members carry on you would think that if they opened it, their faces would melt. That is an interesting thing in itself.

Something I want to touch on that is not in this budget is whether any money is going towards the Lilydale TAFE campus and its renewal. We know Swinburne walked out, but there is no money towards regenerating that project. It sounds like there is not going to be a TAFE institute there now. And talking about reports, it is interesting that the government gave money to Box Hill Institute to do a feasibility study into keeping that campus alive and what it could supply. Now government MPs are saying that Box Hill Institute will not hand over the report, so here we are again — that is, the second report that the government has put money into but which the government says it cannot get its hands on. It is all a bit strange.

Another thing that disappoints me as far as the budget and government revenue are concerned is that there was a commitment in 2010 by Ms Heidi Victoria, the member for Bayswater in the other place and now the Minister for the Arts, that the Healesville freeway reserve would be maintained for open space for community use. Since that period of time VicRoads has done another study and another round of consulting with everyone and pretending that they are listening. However, the bottom line is it has now told stakeholders that most of that reserve will be flogged off, including the Nadrasca community farm. We have had a debate in here before about the Nadrasca community farm, but this is a place where adults with intellectual disabilities actually work and earn a living. Other organisations and other non-government organisations (NGOs) like Yooralla and Melba Support Services use this farm to take their clients there for day

services so they can do gardening, tend to farm animals, enjoy the outdoors and do a bit of hands-on work themselves.

This is a big disappointment to the people in that region. They are very disappointed with the member for Bayswater for not fulfilling her commitment. They are very disappointed with Mr Neil Angus, the member for Forest Hill in the Legislative Assembly, for not standing up for them. They are very disappointed in the whole issue, and this is an issue that is going to burn this government. I do not know if anything was mentioned in the Vertigan report about this issue, but I would say this is something the government really needs to look at and address.

Speaking about disabilities, the justification from the government in relation to increasing by 50 per cent rents for people with disabilities living in government group-run homes is just outrageous. It works out that they will be spending about \$17 500 of their \$19 000 annual disability support funding. It is just not good enough to say that they are doing this in other states or in NGOs. When you take into account that this will leave these individuals with about \$100 a week to fund the cost of living, then this leaves them with less than \$100 per week if they want to go on day-service placements or pay for pharmacy fees, clothing, holidays, out-of-pocket medical insurance expenses, recreation, leisure and any entertainment activities they might want to have a chance to enjoy. It cannot be justified. It is not justifiable to say that other people are doing it and other states are doing it. It is just not good enough. I think in Victoria we can be a lot better than that.

It is a great shame that the budget has cut the apprentice trade bonus scheme of \$20 million for commencing apprentices. As we know, apprentices are an important part of this state; they are an important part of building and rebuilding the state. It seems a strange move to remove this incentive for apprentices and for employers of apprentices, but it is in line with what we have seen with the cuts to TAFE. As I have mentioned, the cuts to TAFE will result in there being no TAFE facility available in the outer east with the closure of the Swinburne Lilydale campus in the coming weeks.

Swinburne TAFE has just come out and said that this is an action it had to take because of cuts by this state government. The state government needs to take responsibility for and ownership of the fact that young men and women who live in Healesville, Lilydale or Yarra Glen are finding they have to take two buses and a train to get to their TAFE course, or — as I have found from speaking to a couple of young people —

they have had to rent a flat in Hawthorn so that they can complete their TAFE course. It is bad enough having to live away from home, but they have had to find new part-time jobs to help pay for the rent and help them to stay alive. Then they have had to hit their parents — and we are not talking about wealthy people — to help them pay the rent so they could live near to where they could do a TAFE course. This is a reality faced by people in Lilydale, Healesville, Yarra Glen and all the outer east.

Luckily there are some facilities in the outer east. Some automotive and engineering courses are being taught at Ringwood Secondary College, which picked up what was taught at one of the old Australian technical colleges, but this government is not even prepared to pay for the maintenance of that place. It is not prepared to pay the school for its cleaning, maintenance and electricity bills. Here we have a secondary college, which is offering automotive and engineering training to people who cannot be trained anywhere else in the outer east, where the school community is paying, out of the goodness of their hearts, to take up the slack that was created by the Napthine government as a result of its actions in closing the only TAFE campus in the outer east, which was at Lilydale. It is a great shame.

We are still waiting. We had all the promises in 2010 about what was going to happen, but we are still waiting. The 800 new hospital beds will never eventuate. When he is questioned in this house the Minister for Health can never say where they are. He tries to claim they are being delivered, but they are not. There was a promise of 13 grade separations at level crossings, but not one of them has started. The Blackburn Road level crossing, which was promised by the local MP and the government, will not be done. It will not be started. They are not serious about that one at all. The 13 level crossings that were promised are not going to come to fruition.

Mr Drum interjected.

Mr LEANE — There are still some outstanding schools that were promised.

Mr Drum interjected.

Mr LEANE — These are the ones that you promised, Mr Drum, not us. If you are going to promise them, at least deliver them. That is the point I am trying to make.

Mr Drum — How many did you do in 11 years?

Mr LEANE — That is the point I am trying to make. I actually saw a couple of grade separations get

done in Eastern Metropolitan Region — one at Middleborough Road and one at Springvale Road, which was a very busy crossing and one that people were very happy to see removed. There are two just in the east, compared to 13 that were promised but were not delivered. There are also a number of schools that were promised but do not look like being delivered.

There was a promise to slash the cost of living. With this budget we have seen that there is a big reliance on fines and fees, with \$715 million budgeted for fines and fees and stamp duty is going to go up by \$288 million. After all this — after not building anything but there having been a lot of talk about it and a lot of artists' impressions — net debt is projected to triple. At the start of my speech I said that there were some good things in the budget, but unfortunately it all goes sour very quickly.

There is one more budget for the Napthine government to deliver — next year. We will wait with bated breath to see what is in it. But it would not matter what sort of money is promised next year, the government cannot deliver the projects that were promised to be built in this term — the 800 beds that were promised to be delivered in this term, the schools that were promised to be renovated in this term — and it will not bring back the TAFEs that are due to be closed and the services that have been cut, and it will not help the disabled pensioners who will be left with \$100 a week because of this nasty government. As I said, we will wait with bated breath to see what the next budget will deliver, but it will all be too late.

Mr O'BRIEN (Western Victoria) — It is with great pleasure that I rise to make my contribution on the 2012–13 Victorian budget papers, which were handed down on the evening of 7 May. It has been a particularly important budget for this state. That is in stark contrast to the fiscal situation that the federal Labor government handed down only a week or so later.

What the Victorian government has been able to deliver with this budget is primarily its commitment to responsible fiscal management so that the government can live within its means and, by doing so, ensure that Victorians have confidence in the economy, confidence in the government and confidence that the government will deliver on its election commitments in a sustainable, financially prudent and responsible way.

That is in stark contrast to the situation we inherited from our predecessors. The net debt under the previous government, if it had continued after 2010, would have soared to around 17 per cent of gross state product, and

that would have cast an enormous shadow over the state's economic future, with the state having to borrow just to pay public sector wages.

I note that the Assistant Treasurer is in the house. He has been part of the very important team over a long time — firstly, in opposition, with his many years on the Public Accounts and Estimates Committee scrutinising and holding the previous government to account, and now in his delivery not only in his Assistant Treasurer role but also, importantly for this budget and for previous coalition budgets, in his role as Minister responsible for the Aviation Industry.

Under the Regional Aviation Fund we have seen some important infrastructure delivery to sometimes neglected airfields in my wonderful Western Victoria Region, including at Edenhope and Stawell. I look forward to further initiatives being announced, as well as the more significant infrastructure that falls in that portfolio, particularly with Victoria's ability to market itself as having a second large-scale airport to its regional cities, at Avalon, certainly for domestic travel, and hopefully — with assistance from the commonwealth government, whatever its persuasion — one day an international airport that can attract more and more visitors to this great state.

This government has taken the necessary difficult decisions. Its commitments to financial prudence in relation to budget delivery may have been scoffed at by members opposite at the time. But that stands in stark contrast to what federal Treasurer Wayne Swan delivered — or, in a sense, what he was not able to deliver in terms of his 500 promises to deliver a budget surplus in the 2013–14 year, and what he has in fact missed to the tune of \$17-odd billion — and to the net debt that is spiralling out of control at the federal level.

The Victorian public, and no doubt soon the Australian public, will see and vote on the importance of putting financial management at the heart of budget delivery. But, as was highlighted by the President in his contribution — and it is a pleasure to hear the President's contributions, which he rarely makes in this chamber but which are thoughtful in terms of the macro picture that Victoria and indeed Australia find themselves in — there are some challenges facing the Victorian economy. There are competitiveness issues looming large for all governments and for all Victorian industries, particularly in one of the important cities I represent, the city of Geelong.

Since the delivery of the budget we have witnessed the unfortunate and distressing announcement of the closure by 2016 of Ford not only in Geelong but also in

Broadmeadows. That announcement has caused great distress, primarily to the employees, families and communities affected. The historic issues in relation to manufacturing in Victoria have been well canvassed in the President's speech and in other places, but this decision plainly highlights what many had feared in relation to the structural issues facing the Victorian economy and the Australian economy more generally.

To add to the President's contribution, I believe that these issues include the comparative overregulation in Victoria and Australia. There are too many differing legislative requirements at a state, federal and sometimes local government level compared to our trading partners, particularly those countries that do not require businesses to comply with what we would regard as non-negotiable standards, such as environmental controls, building controls and to a certain extent wages and policy controls as well. These put fundamental challenges to our manufacturers, and to all of our industries, that all governments need to take seriously and respond to.

That is why the response of the Victorian government in previous budgets, for which I commend former Treasurer Wells, was in part to put together the office of the red tape commissioner, which has now been transferred into the new Department of State Development, Business and Innovation. This is a very important initiative to try to remove some of this red tape, and in some places green tape, that can confound our businesses. We must do all we can to ensure that regulation is sensible, and that is something that we as legislators need to consider. We sometimes react in perhaps a knee-jerk manner to situations that occur in the community. Some would say these red-tape issues call for a regulatory response when there may already be existing regulations and procedures in the courts or in other places to deal with some of them. In any event, the statute book, as it grows and grows across all jurisdictions, needs to be continually revised.

The job of the red tape commissioner is well in hand, and I look forward to further initiatives, such as that which we have seen in the other place today with the introduction of the major projects facilitation bill, which will streamline development approvals not only for the east–west link but also for other infrastructure projects, so that instead of having, as I think has been counted, up to 11 potential stops for an approval, we will be able to have a genuine one-stop shop for these approvals. That is a welcome development and something we can urge our federal colleagues to continue.

The other aspect of international competitiveness that is important in relation to regulatory environments is taxation burdens. If we looked in a competitive sense at some of our trading partners from all around the world, we would find many instances where we would say that Victorian businesses are overtaxed across the three levels of governments in comparative and in trade equivalence terms. There is probably no starker example of that than the federal carbon tax that has been imposed.

I join the now opposition leader in the federal sphere, Tony Abbott, in calling this the carbon tariff. It is a tax on Victorian and Australian businesses at the highest rate in the world — \$23 a tonne — when there is no evidence that that is the rate that has been applied in other countries that have an emissions trading scheme. It is not applied on the imports of these products, and it therefore acts as a reverse tariff. Perhaps most disturbing is that in terms of our budgetary commitments it results in a tax on our health services estimated to the tune of \$6.7 million in Victoria alone.

Whilst at a Victorian level this government is rolling out a record \$14 billion-odd expenditure in the health portfolio, involving capital upgrades in Geelong, new hospital initiatives in Warrnambool and Ballarat and a radiology centre in Warrnambool, this government and these health systems are faced with an unnecessary carbon tax that has been imposed on Australian businesses but not on international businesses. That is the primary fault in the way the carbon tax has been rolled out as part of the Prime Minister's broken promise. I know, Acting President, that your father would be most disappointed, as a minister who in his many portfolios cared for western Victoria — I speak of the Honourable Digby Crozier — with the way this carbon tax has been rolled out in a breach of promise by a failed government.

But enough has been said of that; I also want to talk about the positive initiatives that this government has rolled out to help businesses in western Victoria cope with these issues. I was most pleased to be with Premier Napthine in Ararat only a week or so ago. We toured AME Systems, a manufacturing business in Ararat that is presently going to join Victoria's trade mission. That will be an important means for this business to continue its investment and growth and an opportunity to export its valuable components.

For those who are not aware of this business, it is one of the largest employers in the area, injecting more than \$15 million into the local economy. It specialises in manufacturing electrical, wiring and vehicle harness as well as power and signal distribution systems for heavy

transport, aircraft and fixed electrical plant. It has annual sales in excess of \$40 million and a workforce of more than 430 employees in Ararat. It is another example of a great Victorian business that provides innovation, timely responses to its customers and intricate, quality-assured systems for these very important businesses. With that, it faces its challenges, but it looks forward to the opportunities, and this government is happy to do what it can to facilitate its investment into other regions and to deal with the challenges, particularly those associated with this super trade mission — the largest ever for a Victorian government — to South-East Asia, including a visit to Indonesia.

I am reliably informed that neither of the two premiers of the previous government visited Indonesia — one of our largest, most populous and nearest neighbours — during its 11 years, but I am very proud to say that this government will be looking forward to not only networking and providing real business opportunities similar to those we have seen delivered to the businesses which accompanied the government on its previous trade missions but also being able to make lasting business arrangements into Asia and other areas and economies that can continue to share our services.

The President in his speech touched on the importance of the knowledge economy, and, as the Minister for Technology is also in the house, it is important to recognise the opportunities and challenges associated with technology. My father was, in a sense, one of the pioneers of IT in his field of maritime engineering. I grew up in a house where if we took a phone call on a weekend, we would potentially interrupt the dial-up modem on a two-day computer run, which would make my father very upset. These runs, I am reliably informed, can now be done in about 15 seconds, if not more quickly. That illustrates the growth in that industry from the 70s till now.

If we look at international opportunities, we see things like Facebook and Twitter, which are multimillion-dollar businesses that have grown up since about 2006. They will provide great opportunities for Victorian manufacturing businesses to continue to innovate and for other businesses — such as those in the health, IT, accounting and legal fields — to serve growing regions. There will also be challenges that these businesses must meet to be competitive.

Finally, I would also like to acknowledge the work that has been done by the Minister for Community Services, Ms Wooldridge, and the Premier in attracting the national disability insurance scheme to Geelong with a \$25 million contribution to establishing an important

service centre there, plus commitments in relation to the trial site, which have been very well received. I also join Mr Leane in noting his acknowledgement of the work of Mr Finn for Western Autistic School. We must continue to ensure that the benefits of life in Victoria, particularly in western Victoria, are enjoyed by all, including our most disadvantaged, as we continue to drive this state forward. Prior to my time in this Parliament I know that Mr Drum was a great supporter of that aim through his various parliamentary roles, including a very important and worthy inquiry undertaken by a committee he was on, which looked into opportunities for the disadvantaged who are sometimes overlooked, particularly in remote areas and farming communities of western Victoria.

With sound financial management and through the Regional Growth Fund opportunities for these communities can be delivered. By putting locals and local projects and infrastructure first, and by fixing our roads, bridges and rail, we can look forward to a greater, more prosperous and positive future in challenging times. I again commend the Treasurer, along with the whole government, on sound financial management and an excellent budget for western Victoria.

Mr TARLAMIS (South Eastern Metropolitan) — I also rise to make a contribution in response to the budget, which is the third from this government and the first from the new Treasurer and Premier. Given this, one would have thought it would be an opportunity to clearly define what this government stands for and how it intends to lead Victoria into the future and deliver on its commitment to ‘fix the problems’. But, unsurprisingly, after reading this budget, you would be none the wiser, due to its lack of insight and vision. What is clear in this budget is that the government will be collecting billions of dollars in new taxes and revenue while making over a billion dollars in new cuts, resulting in Victorians paying more in fines, fees and charges than ever before.

What will we have to show for this? A minuscule increase in jobs growth and a tripling of debt, with infrastructure spending even less than in the last budget. We have a budget titled *Building for Growth*. I am not sure how you would draw that conclusion from this budget, as it is clearly not backed up by its content. There is still no jobs plan — no plan to create the 55 000 new jobs a year that the government promised to deliver. When it comes to jobs the only thing we know for certain is that the government has cut 4500 of them.

The reality is that this government has been asleep at the wheel for almost three years. Despite claims to the contrary, this government inherited a strong Victorian economy that was the envy of other states and territories, with a AAA credit rating, infrastructure investment and a fairer Victoria, and it was the engine room of jobs growth in Australia. However, Victoria has stagnated since the election of the coalition government. This government has stumbled around in the dark, looking for a scapegoat for its inertia, blaming everyone else for its shortcomings while accepting no responsibility, and this budget will do nothing to change that.

Victorians will be paying more in taxes and fines than at any time in the past. Under this Treasurer revenue from speeding fines will increase by over \$38 million, revenue from stamp duty will increase by around \$290 million and vehicle registration revenue will increase by around \$60 million. At the same time, the government is cutting over a billion dollars to government services in departments that are still dealing with the cuts made over the last two years and the shedding of 10 per cent of their workforce — and let us not pretend that a 10 per cent cut to a workforce will not have an impact on services. The government insists that these are ‘refocusing’, ‘reprioritisation’ or ‘adjustments’, but let us call them what they are — cuts. And the cuts do not stop there. An additional \$210 million will be cut from the health budget, taking the total cuts in health since this government was elected to \$826 million. An additional \$69 million will be cut from the education system, which means the government has no intention of signing up to the Gonski reforms. An additional \$48 million will be cut from the justice system, and the list goes on.

The cuts to the health budget have had major impacts across the state, including in the electorate I represent. I have spoken in this place on many occasions about the effects of these cuts on our local community. Back in 2011 the then Premier, the member for Hawthorn in the Assembly, and the Minister for Health, David Davis, proudly announced that the Liberal Party would match the Brumby government’s election promise to build a new emergency department and 32-bed ward at Frankston Hospital for \$40 million. The good news continued with the announcement of \$36 million to expand inpatient services at Frankston Hospital.

Unless you have paid close attention to the issue or have been a patient of the hospital you would rightly believe the Baillieu and Napthine governments have built the new health services at Frankston. The Baillieu government certainly kept issuing statements and media releases saying that the services had been delivered, and

the Napthine government does the same. I know the members for Frankston and Carrum in the other place are quite proud of their achievements so far in that regard. However, the fact remains that at the end of this financial year the government will have spent only 10 per cent of the promised funds for expansion of inpatient services, and to date only 5 per cent of the allocated funds has been spent on the new emergency department.

Despite what those opposite say, these projects at Frankston Hospital are far from complete, and at the rate they are going they are a long way off. These delays explain why Frankston Hospital's emergency department is the worst performing in the state, leaving patients waiting longer than 24 hours for a bed. These cuts explain why there is an ambulance crisis, with queues of ambulance vehicles ramping outside hospitals, waiting to transfer patients into the care of hospital staff. In fact Frankston Hospital has the worst ramping in the state. These cuts explain why elective surgery waiting lists continue to grow, with over 50 000 people now on the waiting list, including over 1800 at Frankston Hospital and 3490 at the Monash Medical Centre Moorabbin and Clayton sites.

It is about time the government understood that you cannot rip \$826 million from the health budget and expect hospitals to perform better. You cannot slash funds from our public hospital system and expect elective surgery waiting lists to shrink. It is also worth noting that there is not one dollar in this budget set aside for the 800 beds promised by this government.

Still on health, there is the issue of a lack of action with regard to Monash Children's hospital. I remind this house that the former Labor government had committed to building a \$250 million children's hospital by 2014, which the coalition government eventually said it would match, but it has since deferred the completion of. The government now claims that this project will be completed by 2017; however, with only a paltry \$15.8 million allocated to date, of which only \$6.48 million has been spent, a children's hospital is many years away. The Monash Children's hospital is running seriously behind schedule, with the allocated funds spent so far amounting to just 2.6 per cent of the \$250 million project. With the demand for children's hospital beds expected to increase by 23 per cent by 2021 and families in the south-east of Melbourne currently being forced to travel long distances with their sick children to receive treatment, this government needs to do more to bring forward the completion date for this much-needed hospital.

In terms of education, a further \$69 million has been cut from the education system, bringing the total cuts to education since this government was elected to \$625 million. The government has failed to restore Labor's successful modernisation plan. Labor spent an average of \$469 million a year modernising schools, while this government has spent less than half of that. The government cut the School Focused Youth Service and claimed to be replacing it with another program, yet the funding for the replacement program has yet to materialise anywhere in this budget. It has cut the \$20 million trade bonus paid to apprentices, which has benefitted over 125 000 Victorian apprentices since Labor introduced it in 2006. It has failed to restore the \$25.5 million taken from Chisholm TAFE or the \$28 million taken from Holmesglen TAFE, which has resulted in job losses, fee increases, course cancellations and students having to drop out as they can no longer afford to attend TAFE.

The government claims it has reversed these TAFE cuts, but all it has done is create what it calls a 'structural adjustment fund', which is money to induce campuses to merge or downsize. It is only one-fifth of the money that the government cut out of the system, of which only \$5 million will be spent this year on capital projects. I am not sure how that is supposed to help the campuses that are closing as we speak, the 2000 members of staff across dozens of campuses who are losing their jobs or the students who have had their courses cancelled or fees tripled. The short answer is that it will not help them. But this government seems committed to the philosophy of privatising education by stealth. The government is also continuing to play politics with the Gonski report. What it describes as a political slogan is actually a missed opportunity for Victorian students, who will pay the price of a missed opportunity to secure billions of dollars in education funding for our state, address inequality in the system and introduce funding that would make a real difference to outcomes for students. These are not the actions of a government that believes in a universal education system.

There was not much good news in the budget in the area of public transport either. However, the Frankston line did attract an announcement that it would receive a \$100 million investment. Imagine the surprise when it was revealed that in actual fact only \$10 million of this \$100 million would be spent over the next financial year, with a portion of that money allocated to the Williamstown and Werribee lines. The only conclusion that I can draw is that the Frankston line will only receive a third of this investment, a far cry from the \$100 million headline and not enough to fund the line, the station and the signal and track upgrades for the

deployment of X'trapolis trains as the government has claimed. You cannot cut \$95.7 million from public transport network improvements and maintenance and expect the system to improve. You cannot cut \$455.1 million from the department of transport budget and expect to fix the problems in transport. You cannot deliver improvements to station lighting, extra CCTV cameras, the extension of station platform canopies to provide more weather protection, additional myki readers and disability access with words alone.

Also missing from this budget is any funding for Southland train station. Admittedly Southland station is assigned a funding category of 'tbc', like so many infrastructure projects mentioned in this budget. Along with the other 15.5 million visitors to Southland station every year, I am no wiser as to when this station will be built and what the cost to taxpayers will be. With no money in the budget to build the station and local members of Parliament — the members for Mordialloc and Bentleigh in the other place, Lorraine Wreford and Elizabeth Miller — continuing to claim that they have delivered this station, I would invite anyone to explain to me how this works. With no money, no costings, no plans, no station, no start date and no completion date, it has apparently been delivered. As recently as a couple of weeks ago in a newspaper letter to the editor Elizabeth Miller was still claiming that the station was going to be built. I recall her making similar pronouncements in 2010 and 2011.

Lorraine Wreford accused me of spreading misleading information in the community when I raised doubts that the project would go ahead, but still Southland station is no closer to completion. The first term commitment has been quietly shelved, and there has still been no apology from those opposite. Instead of being honest with the voters we have seen years of obfuscation and excuses from the government about the status of the project. The honest and simple way to handle this issue would have been for the government to admit it got the costings for Southland station wrong at the last election. But I can understand the government's motivation in not doing so, as \$13.5 million was never going to be enough to build a new railway station.

That the government was seeking to mitigate this massive blunder was outed in an article by Adam Carey in the *Age* of 6 December 2012 headed 'Libs stuck on Southland station'. The article revealed that the state government had entered negotiations with the owners of Southland for a deal to share construction costs by allowing new stores at the station. I wish to remind the house that as part of this deal the government was prepared to jettison the promised station design it took

to the election if it could sell the 'air rights' to Westfield, as the article states.

The government's stubborn refusal to admit that it got the financials wrong can be seen again in the matter of the Syndal railway station car park. In that case \$6.5 million was promised at the last election by the member for Mount Waverley in the other place, Michael Gidley, for a new car park at Syndal station. The cost of this project has blown out by around \$4 million to \$10 million. But the important observation is that this is a realistic cost for a railway station car park and is around 80 per cent of the total cost promised to build Southland station, which would feature two platforms, an enclosed waiting room, a bus interchange, lifts, ramps for disabled access and a bike cage. You decide: was \$13.5 million ever a feasible figure to build this station?

I could go on and on about this government's cuts. I could talk about the disgraceful proposal to increase to 50 per cent — and in some cases to 66 per cent — the contribution levies for board and lodgings on disabled residents living in Department of Human Services-operated supported accommodation. I could talk about plans to raise rent for those in public housing, the people who can least afford it. The list goes on, but I know that others want to make contributions as well. I will conclude by saying that this government needs to wake up, start leading and start delivering, not just on what it promised but on what Victoria and Victorians need.

Debate adjourned on motion of Mr P. DAVIS (Eastern Victoria).

Debate adjourned until later this day.

UPPER YARRA VALLEY AND DANDENONG RANGES REGIONAL STRATEGY PLAN: AMENDMENT

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

That pursuant to section 46AD of the Planning and Environment Act 1987, amendment 120 to the Upper Yarra Valley and Dandenong Ranges regional strategy plan be approved.

The Upper Yarra Valley and Dandenong Ranges regional strategy plan is a unique document. In some ways the government is seeking to replicate it in a number of other areas across the state by providing planning statements for the Mornington Peninsula, the Bellarine Peninsula and the Macedon Ranges and then beefing up what is occurring in the Upper Yarra Valley and the Yarra Ranges. This amendment in particular

will mean that every time we have a change to the strategy plan it will be like normal green wedge legislation or changes to the green wedge zone, which require ratification motions in both houses of Parliament.

In this case we also need to vote to amend the Upper Yarra Valley and Dandenong Ranges regional strategy plan. The amendment applies to land at 115 and 121 Old Emerald Road, Monbulk, and was presented to me by the Shire of Yarra Ranges. It is supported and was initiated by that council and sent to me for approval. It is to create a recreational facility — in this case, as I understand it, a soccer facility — in what is, as Mr Barber has put to me a number of times, one of the very few flat pieces of land in the Yarra Ranges, and he is right. The point of amendment 120 is to ratify what has been put forward by the Shire of Yarra Ranges. It is to allow the subject site to be developed and used as a minor sport and recreation facility. It was prepared and has been adopted by the Yarra Ranges Shire Council. Amendment C115 rezones the subject site from green wedge zone to public park and recreation, and it includes the site in the schedule to clause 52.03, which relates to specific sites and exclusions in the incorporated document, which is what we are debating — the Upper Yarra Valley and Dandenong Ranges regional strategy plan.

A subject site in an intensive agriculture 1 policy area requires that recreation facilities like this be allowed only when it is in conjunction with or ancillary to an agricultural use. While there is no agricultural use under section 46F of the Planning and Environment Act 1987, I cannot approve amendment C115 unless the strategy plan is also amended. It is very technical, and that is why we are here — to amend the Upper Yarra Valley plan to enable amendment C115 to proceed. That will allow the Yarra Ranges shire to proceed with its sporting facility on this parcel of land, which it has initiated and has asked me to present to the chamber, which I do so today for the Council's endorsement.

Mr TEE (Eastern Metropolitan) — I welcome the opportunity to speak on amendment 120, which has some history in that the process was originally commenced in 2008, when the Yarra Ranges, Casey and Cardinia councils, through their regional soccer strategy, concluded that the Yarra Ranges has the smallest number of soccer pitches per player compared to its neighbouring municipalities and recommended that the Yarra Ranges council establish a new facility. That went through the independent panel process, which the minister has alluded to in relation to amendment C115, which found that the site was the

most suitable for the project. They had a look at a number of other sites and then recommended this site.

The start of the process was the federal election in 2010. In August 2010 the federal government announced as an election commitment funding of \$2 million for the project. The opposition supports the soccer pitch on this site, but it seeks an explanation for what has happened since August 2010, because a considerable amount of time has lapsed since the federal government made that election commitment. The relevance and importance of that lapse is found in the parliamentary briefing that the government provided, and I thank it for that. In the briefing the minister's department says:

If the amendment —

that is, amendment 120 —

is not approved by 1 April 2013, the project may miss out on \$2 million of federal government funding and may not eventuate.

The time line then is 1 April 2013. I will read on:

The Monbulk regional soccer facility was announced as a federal election commitment in August 2010, and up to \$2 million of federal funding is available for the project through the community infrastructure grants program.

To receive the funds, the amendment must be approved and the grant application received by the department of regional Australia by early May 2013.

Without federal funding the program may not commence. Council has already spent \$2 million on the purchase of the land and has allocated another \$2.6 million for construction, but without the \$2 million of federal funds there is a risk the project will be abandoned.

The opposition's question is: why was there the delay, and what assurances can the government give that the \$2 million the council has spent will not be wasted? The council has spent \$2 million for the purchase of land and has allocated another \$2.6 million. It has already put in \$2 million for the purchase of land and has put at risk another \$2.6 million, so the opposition has a question about the delay.

As the minister has indicated, the step after amendment 120 is amendment C115, and we know that amendment C115 has been on the minister's desk since 20 November 2012. We know that amendment 120 has to be progressed before amendment C115. I am not sure when amendment 120 landed on the minister's desk, but it would be helpful to get an explanation, particularly given that we know that amendment C115 has been sitting with the minister for six months. The opposition's concern is very much about what appears

to be a delay and whether that has not only put at risk the \$2 million of federal government funding but also put at risk the \$2.6 million the council has allocated but not yet spent and the \$2 million the council has already spent on purchasing the land.

The explanation we seek from the government goes to why there has been a delay, because the delay has put at risk substantial federal funding and council money that has been spent. It is also unclear why the community, which was promised this facility in August 2010, is still without a facility when, as I said, the documentation and the independent panel concluded not only that this is the appropriate site but that it is a facility that is very much needed in the area, which lacks soccer pitches.

We are pleased that there has been some progress, but the government owes the community an explanation as to the delay and an assurance that the facility will go ahead and not be abandoned, as was suggested in the parliamentary briefing that the minister's department provided to the public. With those concerns, we wholeheartedly support the construction of the soccer pitch and hope for the speedy passage not only of this amendment but of the delivery of the facility.

Mr BARBER (Northern Metropolitan) — The Greens will support this amendment, but we take very seriously and scrutinise very closely any proposals to make changes to green wedge land and, for that matter, the very important Upper Yarra Valley and Dandenong Ranges regional strategy plan, which has its own special provisions within the Planning and Environment Act 1987. Fortunately we have in this area a very hardworking and popular councillor, Cr Samantha Dunn, who has been scrutinising this project all along. The project needed its own planning scheme amendment, prepared by the local council and taken through all the necessary stages, with one final legal requirement — that being endorsement by the Parliament.

If we are to have a significant soccer facility in the Yarra Ranges shire, it has got to be on the available flattish land, which limits the options for these sorts of recreational pursuits. I should say of course that this is an intensification of use from the area's current use as agricultural land. There will be more activities, more footprint, if you like, more planning issues to manage here than there were previously. I do not know if we have ever had an amendment brought here by this or other ministers that de-intensified the use within the green wedge zone. I would like to see that. I would like to see some more green wedges and some more permanently protected green wedge land created rather than an ongoing process of intensification. But this is a

facility that will be well valued by the local community, and there has been quite a bit of work done during the planning scheme amendment process to ensure that off-site impacts on neighbours will at least be minimised.

I note that at the bottom of the explanatory report it says a vegetation offset management plan will be required with the development and:

This will ensure net gain will be achieved under the native vegetation framework ...

At the time the minister approved this explanatory report that might have been the case, but as we now know, in the future the Victorian native vegetation framework will not ensure a net gain at all; it will ensure no net loss, and that is a retrograde step. We expect to see those planning scheme amendments coming through around about September this year, and as anyone who understands the state of native vegetation here in Victoria knows, we are one of the most ecologically damaged states, probably the most ecologically damaged state in Australia, and every bit of native vegetation is precious. Native vegetation and the animals that inhabit it are in danger of ongoing decline.

That is the key difference between net gain and no net loss. A position of no net loss locks in the existing rate of decline of native ecosystems. They are particularly threatened in the western half of Victoria and they are quite threatened in the Dandenongs as well, where weeds are one of the major threatening processes. Ensuring net gain is the thing we should be aiming to achieve, and we should be facilitating that through mechanisms such as an easier access to offset and more funding to protect and enhance the existing remnants, including in national parks, and in this case there are national parks in the area which are under ongoing threat from pest plants and animals and to which significant funding needs to be allocated to enhance that whole ecosystem, including for native vegetation on private land and on community-owned land.

The Greens will be supporting this amendment, significantly because the local council and the local Greens councillor, Sam Dunn, have done such good planning around this development. The house can be sure that whenever changes to the green wedge areas or to the Upper Yarra Valley and Dandenong Ranges region come before this Parliament — as they must under the provisions of the Planning and Environment Act 1987 — the Greens will give them very close scrutiny.

Hon. M. J. GUY (Minister for Planning) — I thank Mr Tee and Mr Barber for their contributions. I have responses to a couple of points that were raised. I advise Mr Tee that there is no problem with the funding. Once the intention is there, as it has been, obviously, and it has been signed off by me, then it follows the process we are going through today. There is no problem with the timing in that respect, no problem with the funding and no problem with the council-initiated process. I add that in terms of amendment time reform, when Mr Tee talks about it sitting on my desk for six months, I did try to undertake amendment reform in this state to provide 100 per cent guidelines on these exact kinds of points, and Mr Tee opposed it, so it is interesting that he is now calling me up on that very issue that he opposed. That aside, I am grateful to everyone for providing their support to this amendment, and I hope it will effect a speedy resolution to an issue in the shire of Yarra Ranges.

Motion agreed to.

BUDGET PAPERS 2013–14

Debate resumed from earlier this day; motion of Hon. P. R. HALL (Minister for Higher Education and Skills):

That the Council take note of the budget papers 2013–14.

Mrs PETROVICH (Northern Victoria) — I am pleased to join the debate today on the coalition's budget papers. I would have to say that 18 months ago we walked into very difficult economic circumstances, and in spite of that we have continued to deliver infrastructure and services to Victorians in an unprecedented way. I commend the Premier, Denis Napthine, and the new Treasurer, Michael O'Brien, for their delivery for Victorians, as well as the previous Treasurer, Kim Wells, and his staffer Glenn Corey, who I believe had insight into where the previous government's budget and supposed surplus lay, as well as the misleading facts around that. They highlighted those things very early in our term, which has placed us in a very good position to deliver those infrastructure initiatives that Victoria needs. From the perspective of northern Victoria, we have seen the delivery of the Bendigo Hospital, which is a major project delivering health services for the whole of northern Victoria and in particular the Bendigo region.

We have also seen changes to the Melbourne-Lancefield Road, which was easily recognised by community members as a very poor road. It had claimed a number of lives. The shoulders on that road were in very poor condition, and there

were no overtaking lanes. As part of an election commitment to the people of the shire of Macedon Ranges and beyond, that project was delivered, and it was overdelivered in many respects; the commitment has grown to meet the demand of that road — which is heavily used — to \$7.6 million. That money has provided works along the Clarkefield section of the road, particularly between Station Street and Bolinda Creek Bridge, Clarkefield. Overtaking lanes have been added to the Melbourne-Lancefield Road. I remember in opposition meeting with community members and with a very good councillor at the Macedon Ranges Shire Council, Cr Joe Morabito, who had campaigned on that issue for many years partly due to some personal experience he has had of the dangers of that road.

We were able to deliver for that community, and it is something that people thank me for on a regular basis; in particular those people who travel that road from Lancefield all the way through to Sunbury are very pleased with the works that have been done. I travel that road myself a little bit, and I have to say that it is now a different world from what we used to see: potholes with the capacity for vehicles to be lost in and overtaking lanes that caused a great deal of frustration.

We have also made a \$6 million investment in the Kilmore and District Hospital, which was announced as part of the coalition government's \$120 million commitment to ensure that key hospital infrastructure projects are delivered to communities across the state and that vital medical equipment is replaced. The Kilmore and District Hospital has a catchment of around 250 000 people, it employs 191 staff and is a vital resource to the Kilmore community and surrounding towns — and we know that that area is part of a growth corridor.

The Victorian government will invest \$6.1 billion in infrastructure projects across the state; \$11.2 billion will be invested in acute health; \$420 million will be invested in elective surgery to reduce waiting times and increase the number of procedures being performed; and the next generation of nurses, doctors and other health professionals will also have access to better training resources, with \$238 million being invested in training programs across the state.

Regional towns such as Kilmore are growing all the time, and this government has invested \$20 million in Kilmore district health. It is committed to the Kilmore community and surrounding towns, such as Broadford, Pyalong, Lancefield, Romsey, Craigieburn and Wallan.

I would also like to say that our investment in the first home buyers grant saw an increase in the grant from \$7000 to \$10 000. It is a great investment in the futures of young Victorians who need every bit of help they can get to get a start in the home-buying market. There is also a 40 per cent cut in stamp duty. These incentives are about supporting young people who are trying to get a home and who want to build their first home. All the time I see the increased cost of living and people hurting out there, so it is important to provide those first home buyers with as many opportunities as possible, and this program certainly does that. We are committed to providing support to young people who are trying to break into the homeowner market. It can be very difficult to make that initial investment because there are so many additional costs. Young people who are buying existing homes will also benefit under the scheme, with a 40 per cent reduction in stamp duty, which will occur after 1 September. Anything that helps young people get a start is a good thing.

This government is also meeting an election commitment around Gisborne, with a new stadium. This has been a great partnership between the council, Gisborne Secondary College and the state government. The project will include a performing arts centre, a stadium with change rooms and other facilities. This is something that had not been committed to by the previous government. It is certainly in demand; I think there are something like 600 netballers playing on a Saturday morning in the Gisborne area. It is a sport for young women, and we want to encourage everyone to participate in sports. I think it is particularly important for healthy outcomes and a committed and connected community that we have that participation by young women — and some not-so-young women — who continue to play a sport that they love.

One of the great initiatives for the area that I represent is the \$6.8 billion commitment to the east–west link. That will give great relief for those communities right along that corridor, particularly for those who commute daily and are continually being caught in a bottleneck. At the moment it is very difficult for those people to get through that bottleneck — and I have experienced it many times myself — and we are looking to the possibility of cutting down travel time, which will allow our commuters to get home to their families in a timely manner or in fact get to their jobs when they need to in the morning.

We have a record infrastructure program. One can see in the budget papers that the investment projected all the way through 2012–15 is set to increase. We are committed to responsible economic and financial management, and we will see the government sector

infrastructure investment maintained at 1.3 per cent of gross state product calculated as a rolling five-year average, while the net debt burden will be reduced over the period to 2022. The coalition has developed and delivered a record infrastructure program, of which I am very proud. Since coming to government in 2010, each year the government has been and is investing an average of around \$5 billion, compared with an average investment of around \$3 billion per year during the previous decade.

In 2013–14, general government sector investments on roads, public transport, health, schools and other infrastructure is expected to total \$6.1 billion, a new infrastructure record for Victoria. This investment builds on the \$5.6 billion estimated infrastructure spend in 2013.

I could go through the list very easily and talk about the \$630 million for the new Bendigo Hospital, creating an integrated cancer centre, a mental health unit, 372 beds and 10 operating theatres for this thriving regional centre. I know what that means for that community. We will have built a better, bigger hospital for that community. Those people out there who are knocking it are not supporting the people of Bendigo or the people of northern Victoria, and they should be ashamed.

The regional rail link is one of Australia's biggest rail infrastructure projects. The project is building dedicated regional rail tracks to serve passengers travelling on the Geelong, Ballarat and Bendigo lines. That is well under way. I was sitting on a train last Friday night, listening to people talking about that. They say it is an ambitious project, but people are very supportive of it and are talking about it, which is good to hear. Things are happening, and things in Victoria are positive.

Significant investment in emergency services infrastructure includes \$60 million for Country Fire Authority station upgrades and replacements and operational resourcing. There is \$126 million for new and upgraded police stations and other infrastructure upgrades. They will accommodate an additional 1700 front-line police and 940 protective services officers (PSOs). Sitting on a train on Friday night going through the Footscray area it was great to see the PSOs on the station, chatting away to commuters on the platforms in a friendly and approachable way. The PSOs offer a great level of security and comfort to people travelling from a station that was not always a friendly place to be — perhaps especially so for a woman standing on her own on a platform at that station on a winter's night, waiting for the train.

There is \$408 million in the budget for new and upgraded schools and other improvements to school facilities. There is funding for stage 1 of the \$6 billion to \$8 billion east–west link project that will provide a 6-kilometre freeway-standard link between the Eastern Freeway at Hoddle Street and CityLink at Parkville. That is part of our government’s longer term commitment to the east–west link, a planned 18-kilometre road link to connect the Eastern Freeway and the Western Ring Road.

This is a very good budget; it is a fiscally responsible budget. In spite of the coalition having been left with a deficit, its careful management and skill are providing more infrastructure and more programs for Victorians than we have seen in the previous decade. I am very proud to have been part of that, and I look forward to continuing to work with my communities to deliver services and infrastructure projects.

Ms BROAD (Northern Victoria) — I rise to make some remarks about the 2013–14 budget papers. At the outset I acknowledge the remarks made by the shadow Treasurer, the member for Tarneit in the Assembly, in setting out Labor’s macro response to the budget. I will also make some remarks about Mrs Petrovich’s contribution, in particular her claim about improvements to the first home buyer grant. I draw her attention to the *Herald Sun* story headed ‘Victorian government grant cut will hit most first home buyers’. It states:

A total of 20 000 Victorian first home buyers a year will miss out on assistance under state government plans to dump grants for established homes.

It goes on. This follows the dumping of the regional bonus in regional Victoria in the previous budget brought down by the Liberal-Nationals government. So that was a quite extraordinary contribution by Mrs Petrovich, rewriting the facts about what the government has actually done in relation to the first home buyer grants.

Coming back to some other remarks, I acknowledge also the remarks by the shadow minister for agriculture, Mr Lenders, who set out the impacts of the budget on regional and rural Victoria, the part of Victoria that I represent and on which my remarks will be focused. Those impacts include a 10 per cent reduction in staff numbers — that is, some 200 jobs — in what was formerly the Department of Primary Industries. As a consequence, the department’s efforts have been reduced and there have been office closures. This has led to cuts to positions such as fruit fly inspectors and many others besides. According to my constituents, this, I might say, is most certainly not what they voted

for when they voted in the current Liberal-Nationals government, and they are somewhat dismayed at the failure of their representatives to defend them from these reductions in services and jobs, which are very important in rural and regional Victoria.

As well as presiding over these cuts by the Napthine government, The Nationals Minister for Agriculture and Food Security and Minister for Water, Mr Walsh, has also reneged on an election promise to Sunraysia irrigators to provide for the election of members of rural water authority boards. Again, constituents are dismayed and feel betrayed by the Nationals-Liberal government in not delivering on this promise.

Meanwhile, partly as a result of the reductions in the budget and staffing positions of the former Department of Primary Industries and many others besides, we have continued to see under the current government a rise in unemployment in regional and rural Victoria, and yet we still have not seen a jobs plan for rural and regional Victoria. Victorians living, working and looking for jobs in regional and rural Victoria are very well aware that jobs do not just grow on trees but the development of systematic plans, including jobs plans, is required for members of families to be able to find the jobs that they most certainly want.

As well as the reduction in employment and training opportunities in rural and regional Victoria caused by the TAFE cuts that have been inflicted on those areas by another Nationals minister, the Minister for Higher Education and Skills, Mr Hall, we have seen cuts to the Victorian certificate of applied learning coordinators and the like, which further reduces opportunities that communities certainly need. In the face of economic change in communities such as those in the Shepparton area, the lack of a jobs plan is severely affecting the capacity of those communities to adjust to economic change and to move into new industries.

My colleague in Northern Victoria Region, Kaye Darveniza, has drawn attention to comments of Mr Crisp, The Nationals member for Mildura in the other place, about the Napthine budget and in particular his criticism of members of the Mildura community and the Mildura Rural City Council. I intend to make some remarks about this as well. As far as I am concerned, and I think as far as any reasonable person would be concerned, the remarks of Mr Crisp seem completely out of line with the terms of the job of an elected representative. Far from representing the community he was elected to serve, Mr Crisp is intent on criticising council members for not being grateful enough for government investment and for continuing to advocate for making their community a priority for

government investment, which I would have thought was the right of every community across rural and regional Victoria. Mr Crisp has gone even further in claiming that the council is 'whingeing, whining and carping' for daring to have a view about the Victorian government's priority.

It is pretty clear that Mr Crisp is returning to his old way of using Mildura Rural City Council as his personal whipping boy when he needs to cover for the failure of the Napthine Liberal government to deliver to regional and rural Victoria or to even protect regional and rural Victoria from the impact of budget cuts. The truth of the matter is that The Nationals had their state conference in Mildura shortly before the Victorian budget was brought down. Members of The Nationals, including ministers and the Leader of The Nationals and Deputy Premier, Mr Ryan, spent a good deal of time in that community talking up the Victorian budget and what it was going to deliver and raising expectations. In spectacular fashion they then failed to deliver.

It was not surprising that members of that community, having had their expectations raised and then having had them dashed, should express some doubts about the priorities that had been set in the delivery of the Victorian budget that came so soon after the conference in Mildura. To round on the community, as Mr Crisp did as their elected representative, is as far as I am concerned completely unacceptable. I think the councillors who have spoken up in their own defence and in defence of the community against Mr Crisp's attacks are well within their rights to have done so and to have rejected the criticisms that were levelled at them by Mr Crisp, who is supposed to advocate on their behalf.

As well as commenting on those matters I would like to draw attention to some other matters that were not addressed in the budget that was just brought down. As many families with children living in rural and regional Victoria are well aware, the Labor government was partway through delivering the Victorian schools plan and through that rebuilding every school so that each one would have the facilities they needed to deliver the very best education opportunities to students in rural and regional Victoria and so that we could maximise opportunities that are so sorely needed, given the lower participation rates that exist across regional and rural Victoria. With the election of the now Napthine-Ryan government, that plan was scrapped, and it has not been replaced with anything. As a result there are a great many schools, particularly across northern Victoria, which are on hold. The lives of the members of those school communities are on hold, and they have no

information from the current government as to if or when their needs might actually be addressed.

To give one recent example, Labor leader and member for Mulgrave in the other place Daniel Andrews visited a school in Wodonga West, which is in the region I represent — Northern Victoria Region. It is a primary school that is literally falling down before that community's eyes. Other primary schools in the community that have been rebuilt are finding that their classrooms are overflowing because parents, quite reasonably in the circumstances, prefer that their children attend schools that have been rebuilt and which can offer the facilities children need to get the very best education. Quite understandably the Department of Education and Early Childhood Development has decided that spending money on maintenance of this school is throwing good money after bad because the school evidently needs to be rebuilt. But the school community has no information about when or even if that might be a priority for this government.

Mr Tilley seems to have been unable to get any answers for this school community about when its needs might be addressed, so I think it is reasonable to raise these issues in this budget contribution and to call on Dr Napthine and his government to inform this school as to when or if it is going to be a priority. Under the former government the community received funding for planning. All that work is done. Everything is ready to go. The current school is falling down. The toilets are not toilets that any parent would want their children to have to go into. This desperately needs to be addressed, and this community deserves an answer. It is not the only community in northern Victoria in a similar situation.

In the short time I have left to contribute to the debate, I draw attention to the needs of the school community in Seymour, which was quite reasonably expecting as part of its redevelopment that its needs would be met in terms of the school oval. That has not happened. The community was not informed that this was not going to be addressed, and so it is looking for answers, but it has not been able to get those answers from the local Liberal Party member in the other place, Ms McLeish. Again I take this opportunity in my contribution to seek answers on the community's behalf. It certainly was a very reasonable expectation on its part that those needs would be addressed. With those remarks I conclude my contribution.

Mr P. DAVIS (Eastern Victoria) — I am pleased to have an opportunity to speak on the matter before us, which is the Victorian state budget. In so doing I reflect

on the fact that for many years at this time of year I enjoyed a tour of what used to be known as North Eastern Province, when a former member of this place, the Honourable Bill Baxter, MLC, would take us all on a journey through his electorate. Of course that was in the days before we had time limits on debate, and Mr Baxter would give us an erudite contribution about the needs of his electorate and the commitments that were made to various projects throughout his community. I touch on that because often in these budget debates we tend to focus on the immediacy of some local parish-pump issues, which of course are very important to our constituents, and we do not necessarily look at the aggregate of the outcomes from the budget.

You would not know from listening to the debate, or in fact from reading *Hansard*, that what we are considering in the budget papers is more than 1000 pages of significant information developed by departments, particularly the Department of Treasury and Finance, effectively to outline the financial and business plan of the state for the next 12 months. The Public Accounts and Estimates Committee (PAEC), which I can virtuously discuss at this point given that I am no longer a member of it, takes a robust approach to examining the detail of the budget papers, and as part of its process it examines in public hearings all the ministers by portfolio, along with their senior departmental representatives, and it draws out information which is then reported on in some considerable detail in reports to the Parliament. Yet it seems to me that not many people, including members, are conscious of the detail of that process.

The Public Accounts and Estimates Committee has a lot of research staff, and from my experience of chairing the committee for a couple of years and having spent endless hours in the examination of the budget papers and other information made available to PAEC, particularly taking into account the public submissions made during the inquiry process and the information provided in responses to the written questionnaires sent to all departments, aggregating all that information, consolidating it, summarising it and putting it into printed reports in effect means that not only can parliamentarians rely on the budget papers but they can rely on the assessment, summary and information contained in the estimates reports of PAEC. It depends on the year, but in the first year I chaired the Public Accounts and Estimates Committee there were three reports on estimates. Last year there were two reports because one of them was consolidated. I imagine there will be two reports this year, but that is a matter for the present committee.

My point is to acknowledge the great work that the research staff of the secretariat undertake and the demanding role for members of that committee. Parliament owes the members of the committee a vote of gratitude for undertaking that task. Taking just the public hearings and forgetting about the preparation necessary for the hearings or an examination of the transcripts, the hearings themselves go for 54 hours in total. That is equivalent to a whole year of question times in the Assembly and the Council combined, so that is a very long time for members of that committee to be examining ministers.

I congratulate the ministers too and for that matter the Presiding Officers, and given that Acting President Finn is in the chair, I can do that without blushing. The Presiding Officers make themselves available and transparently answer questions, although there are some aspects to the estimates process which I would prefer to examine, particularly the value of the investment in a parliamentary shop, but that is for another day.

The Parliament is provided with a lot of information from the government and successive treasurers in the budget papers and the appropriation bills, and we need to look at these papers in aggregate. What is the story that is being told here? It seems to me we need to understand that there has been a monumental shift in policy direction coincidental with the election of a new government in 2010. Retrospectively, I publicly want to make it clear that the former Premier and Treasurer — that is, Ted Baillieu and Kim Wells — took some important steps and made some significant changes in direction which have been to the benefit of all Victorians and, frankly, to the sustainability of our fiscal position.

There is absolutely no doubt that for a decade we saw a significant growth in outlays, and outlays were growing in excess of increases in revenues. There has been lots of debate at a commonwealth level about, for example, missing the benefit of the boom years of the resources boom. Given that Victoria is not a resources state, I think we can dismiss that rhetoric because I do not think it is relevant. Certainly Victoria did show from a fiscal perspective a significant growth in revenue; that is unquestioned. But equally, coincidentally, we saw a very significant growth in expenditure and outlays. The net effect of that was that for approximately a decade the difference between the growth in expenditure and the growth in revenue meant that we were running ahead of ourselves to the tune of more than 1 per cent per annum — every year. Year on year the growth in net expenditure was going on. That projection was clearly unsustainable. You cannot continue to grow

your expenditure ahead of your growth in revenue indefinitely.

The change in policy direction that was put into effect in the first two budgets of the coalition government under former Premier Ted Baillieu and former Treasurer Kim Wells was very significant and important, and great credit needs to be given to the then Premier and then Treasurer for that change in direction. Equally I want to recognise the great contribution to the Victorian community, the public, the Parliament and the government by Michael O'Brien as the Treasurer, who has introduced the budget that we are considering today. Michael O'Brien has made a great fist of building on the work that was the foundation, if you like, that had been laid by his predecessors, and he is doing a very significant job in confirming the direction of the government, certainly with respect to constraining growth in expenditure.

We also have a significant change in direction with regard to investment in assets. One of the issues that has been attracting a good deal of commentary from stakeholders in the political arena has been the need for new infrastructure. I am a strong advocate for infrastructure which will lead to productivity gains, and there are a number of areas where you can invest in infrastructure that will develop improvements in productivity — in the energy sector, in the transport sector and in the information and communications technology sector. Essentially ICT is a field for the commonwealth government. There is little we can do about that, and only at the margin, and even then we are dependent upon the policy decisions made by the commonwealth. I would hope that it would make better policy decisions than building a \$90 billion white elephant, but that is a debate for another forum.

I think there are investments that can be made in the energy sector according to good, soundly based public policy. By that I mean that given that Victoria no longer owns and controls energy assets itself it needs to have, along with the national codes, a comprehensive policy suite that attracts investment in the energy sector. I am pleased that this budget leads back towards attracting investment into the preponderance of energy that we have really not yet tapped — that is, the energy resource of the Latrobe Valley. It is critically important that we develop that resource. It is an energy resource equivalent to that of the North West Shelf in terms of its latent energy, and we need to find ways of exploiting that. The government is leading in terms of investment in research and exploration work in that field. In the short run that is probably the best we can do, except that — and I make this point — in a policy sense we have to look at alternative gas supplies particularly.

That is another controversial issue which the government is working through, but I do not want to be distracted by that.

But the real driver for productivity improvements is in fact transport. Where is it that we, as a state, can quickly get outcomes? When I say 'quickly', in infrastructure everything is relatively slow, but in the relative time line where can we make great gains in terms of productivity? That is in transport. It is in unclogging the traffic arteries, if you like, of the city — in getting containers, goods and produce on and off the docks, getting those containers away from the docks and creating a free flow on major transport infrastructure. That will allow the city to operate, people to get to their destinations and importantly heavy transport to access both the manufacturing and agricultural produce areas and the docks.

One of the projects that we have had some discussion about is the east–west link. I do not want to get stuck on a particular project, because I do not want to talk about the budget in micro terms, which is always the temptation and which I have alluded to. I have talked about my great respect for my former colleague the Honourable Bill Baxter, who was able to entertain us — for hours on end, as a matter of fact — in that respect. What I want to say particularly is that I strongly support the government's approach to developing surpluses that will enable the implementation of the soundly based responsible budget policy of paying for infrastructure out of those surpluses.

It is very pleasing to see that this budget delivers a record \$6.1 billion in infrastructure. That will be a testament to the success of the budget strategy and a legacy. There is no doubt that it will be a legacy for the fiscal strategy of the state to enable major infrastructure to be delivered without accruing significant debt. The risk for Victoria was that if we had continued to operate with no change of policy, according to the Bracks-Brumby-Lenders formula, we would have prospectively been in a position where we would have had an insurmountable mountain of debt to jump over — in the same way, frankly, as what we had to deal with after the last change from a Labor government in 1992, which you and I both remember full well, Acting President, because we were both elected with a mandate to make that change. Clearly it is a similar story; we are telling the same story today. The only difference is that the Victorian public made a decision to change governments before we could be swamped by that debt mountain, but that was clearly what was projected.

I congratulate the Treasurer, Michael O'Brien, on bringing down what I think is an enormously responsible budget which sets a very clear new direction for the state. Along with other members of this place I would like to congratulate Premier Denis Napthine and Treasurer Michael O'Brien for the hard work that they have put into bringing this about.

Ms PULFORD (Western Victoria) — The budget this year was a terrible disappointment to many parts of the Victorian community. There is a further \$209 million of cuts to our health-care system, \$1 billion of cuts across the board and no relief in sight for an ambulance system that is by any measure in crisis. This is a budget that is much more about creating the impression of an infrastructure program for Melbourne than it is about actually delivering anything real or meaningful for Victorians.

During the Public Accounts and Estimates Committee hearings there were some extraordinary admissions from government members. The \$200 million allocation to support the TAFE transition was found to have a gaping hole in it. The Deputy Premier finally admitted that the alleged \$1 billion Regional Growth Fund has only got \$500 million in it, something we have been saying for a few years now. When asked where the second \$500 million was, Mr Ryan said, 'It's in the legislation'. I am not sure that you can tuck money away in legislation; it really needs to be in the budget and the forward estimates. It is a \$1 billion fund in name only, and finally the truth has been revealed.

Another area which is of great concern to me is the lack of certainty around continued funding for the WorkHealth program, which the Assistant Treasurer, Mr Rich-Phillips, indicated is under review. This program has undoubtedly saved many lives in its five years, as people have gone for tests and been sent to a doctor for immediate attention as a result of very high-risk measures on their health checks.

The impression of doing things that the government is hell bent on creating — donning the hi vis every day and getting out there — is an impression that is going to need a little bit more work, I think, before people are going to buy it. But you would have to say that the government has certainly gotten better at spin, if nothing else. The \$294 million in the budget for the east–west link proposal is but a drop in the ocean for what is a \$6 billion project, and of course \$10 million for the government's no. 1 transport priority, Melbourne Metro, really is not going to go a long way for an \$8 billion project.

The government shook this budget around to create the impression of activity to compensate for the fact that

there has been spectacular inactivity in Victoria since November 2010. The budget does nothing to deal with the crisis in our health system and the massive blow-out in our public hospital waiting lists for elective surgery. There are further cuts to education — some \$69 million. This is on top of all the injury and insult that has been dished out to students in Victoria over the last couple of years in the changes to the Victorian certificate of applied learning, TAFE, the School Start bonus and Free Fruit Friday, and in the scrapping of the Victorian schools plan so that for some 500 schools that had every reasonable expectation of having an upgrade that will now not occur. This government has again demonstrated that it just does not give a hoot about public education.

If you had to say something nice about the government and this budget, you would say that it is consistent when it comes to cutting money, it is consistent on health and it is consistent on public education. Consistency is really the only nice thing I can think to say about this government and this appalling budget.

On the Victorian schools plan, I know that we in the upper house represent very large and diverse constituencies, so there are countless examples of disappointed communities that I could talk about today. But nothing really matches the disappointment in Horsham at the lack of a commitment from this government to fund Horsham College. This is a terrible disappointment for that community. Mr Delahunty, the member for Lowan in the Assembly, gave the Horsham community every expectation that if the Liberal-Nationals government were elected in 2010, Horsham College would be built.

Every May community members get their hopes up, and every May their hearts break again. It is a terrible indictment of this government that it has been unable to support the community and the students in Horsham and the kids at Horsham College. Their facilities are not up to scratch, and the government needs to fix this problem. Before the election the government said that it would fix the problems and build for the future. In terms of Horsham College the experience could not have been further from the truth.

I was pleased to hear the contribution to the budget debate of my colleague Mr Melhem, as a new member in this place. Mr Melhem and I did a little bit of an office shuffle, as happens from time to time when people move around here. The moving of my office necessitated a spring-clean. As part of my spring-clean I recycled lots of things and threw out lots of other things, having been there for a couple of years, and I found a poster from around February last year — some 15 months ago or more — from the protest I attended in

Horsham about the need for Horsham College to be funded. The students at the time were going to school on a building site, as the special school which sits within the education precinct in Horsham was being redeveloped.

The poster — a straightforward bit of A3 that turned up in my spring-cleaning — says, ‘It’s time to rebuild our college’. I saw this and thought, ‘Wow, wouldn’t it be just the worst thing ever if I had to recycle this poster?’. I hung onto it because I did not have that much hope that the government was going to fund the school, but I think the community really expected the government to fund the rebuilding of the school this year. However, the government did not do that, and the community was disappointed. Hearts were broken again. For another year the school will not be upgraded. If I have to hang on to that poster for one more year, I am not sure how Mr Delahunty will walk down the street in Horsham, because that is but one example of the disdain with which this government treats regional and rural communities and the disdain for public education that this government has demonstrated budget after budget, decision after decision, with its callous and cruel cuts that limit the futures of Victoria’s young people.

This budget is the highest taxing ever. Revenue will be raised from fines like it is going out of fashion, and there is only the impression of an infrastructure program rather than an actual infrastructure program. This is a government that, frankly, ought to have the training wheels off by now — it has been two and a half years. The government still has no plans for Victoria’s future, no plans to relieve congestion in Melbourne, no meaningful support for regional Victorian communities and no jobs plan. It is little wonder that the government has failed to do as it promised before the election and come into this place with a families statement on an annual basis, because Victorian families are suffering under this government. Their cost of living is increasing, and their access to essential services in health and education is of a lower standard than it was two and half years ago.

This government is failing Victorian families, so it is little wonder that we have not seen the promised and much-hyped annual Victorian families statements for a couple of years now. I would be embarrassed too if I were part of this government.

Debate adjourned on motion of Mr BARBER (Northern Metropolitan).

Debate adjourned until next day.

Sitting suspended 6.14 p.m. until 8.03 p.m.

PARLIAMENTARY AND PUBLIC ADMINISTRATION LEGISLATION AMENDMENT BILL 2013

Second reading

Debate resumed from 30 May; motion of Hon. G. K. RICH-PHILLIPS (Assistant Treasurer).

Mr LENDERS (Southern Metropolitan) — Forty years ago the federal Parliament established a remuneration tribunal seeking to set a rate of pay for federal members of Parliament, which a few years later the states adopted as a benchmark for the rates of pay for state MPs. These are always challenging matters, because the community has a very strong view that members of Parliament should not set their own salaries. For 40 years Victoria has operated in an environment where the decisions made by the federal Remuneration Tribunal have flowed through to state parliamentary salaries.

In the last 20 years we have seen on at least eight occasions, under the last five governments, decisions made to suppress part of the salary adjustments recommended by the independent tribunal. When the commonwealth tribunal awarded a very generous pay rise a few years ago the state government made the decision that it should not be passed on in full to Victorian MPs. The legislation we have before the house today seeks to regularise that adjustment which the government thought was appropriate. It is interesting to note that if this bill is not passed, the base salary of the Victorian MP will go up by 34.4 per cent.

The bill before the house seeks to apply the policy consideration of the government that salaries should be suppressed through another independent process. Malcolm Hazell, a retired commonwealth public servant, gave a report to the government on how to deal more modestly with salaries and to make some adjustment within the envelope that was put in place. It is interesting that almost all of Mr Hazell’s recommendations have been accepted. We now have a system before us that sets a new base and relies as a measure of adjustment into future years on average weekly earnings rather than the commonwealth Remuneration Tribunal.

I think it is worth noting for the record that not a single member of the Victorian Parliament will receive the 34.4 per cent that would have been received previously. In fact the only real issue here is the level of salary suppression under this proposal. I think it is a debate that we as parliamentarians will not be able to convince our constituents about, but it is worth noting for the

record that for the eighth time in the last 20 years and under five governments the Parliament has chosen to suppress wage increases recommended by an independent tribunal. There is nothing more for me to say on this other than to repeat what my colleague Mr Pallas, the member for Tarneit in the other place, said in the Legislative Assembly: the Labor Party will vote for this bill.

Mr BARBER (Northern Metropolitan) — I am sure most members of the public, as well as all members here individually, instantaneously formed a view on what they thought about the pay increases for MPs contained in this bill. So far, however, the debate on the bill in this house has been around how MPs pay and other conditions might be set. If this had been discussed in an open way involving all parties, we might have reached some agreement about the process by which future entitlements could be determined, just as Mr Lenders pointed to something of a consensus that existed in the past.

The bill, as members know, contains a series of clauses. Quite a number of them have not much to do with salaries or other sorts of perks that MPs get, so it is not our intention to vote against the bill at the second reading. In fact if we were successful in blocking the bill, it would lead to an even bigger increase, as Mr Lenders pointed out, flowing through from decisions made in the federal jurisdiction. However, we do intend to go to certain clauses of the bill and pick out issues that were apparently determined between the Labor and Liberal parties on their own prior to this bill being announced or presented to the Parliament. During the committee stage we would like some answers in relation to particular decisions that have been made to award certain types of perks to certain types of people. Since we are making law and various other people will have to live by the law of this land, we want to know how that will work.

In short, for me and for the three members of the Greens in this Parliament, the objection to how this pay deal has been structured is simply one of equity. We are sick to death of seeing, over our time in Parliament — six and something years now — other groups of public servants marching up and down the street until they are footsore and ultimately arriving on the steps of this Parliament to ask for some very basic increases in pay and conditions to do jobs that none of us would want to do. Most of us like being parliamentarians; very few of us would like to be ambulance drivers, primary school teachers, firefighters charging into toxic fumes and hazards, electorate officers who work for MPs or for that matter staff of the Parliament, who from time to time have had to come in here and take what industrial

action they could in order to get some very modest increases, which we will certainly exceed for ourselves here tonight and do so in double-quick time. Since most people in this place profess to value and even revere public service and public servants — the protectors and deliverers of public goods — there is an obvious contradiction between what we are doing here tonight and what they have to do to try to get modest increases to their already modest salaries.

Mr P. DAVIS (Eastern Victoria) — I rise to speak on the Parliamentary and Public Administration Legislation Amendment Bill 2013. I cannot recall how many bills I have spoken on in relation to this broad subject — that is, parliamentarians' salaries and entitlements — but it is approaching 21 years that I have been here, and as a preamble I will reflect on that. When I was preselected as a candidate for the electorate I was elected to — Gippsland Province, initially — I did not actually know, to be honest, what the terms and conditions of employment were. At about the time I came into Parliament I broadly understood the salary arrangements, but it took me a few years to work out that there were a lot of rather opaque member entitlements in addition to a salary. However, the principle of the salary was clear: there was a direct nexus with the federal Parliament.

From memory, the base salary of an MP at the time was \$60 000-odd, reflecting the commonwealth parliamentary salary scale less \$500. If I do the mental arithmetic, the salary for a member of Parliament today is approximately double what the salary was when I came in 21 years ago — \$130 000-odd, without going into the precise numbers. If you double the differential, it would go from \$500 to \$1000. It is clear, though, if I look at the particular numbers, that according to the salary scale the differential is now \$5733. How did that come about? As Mr Lenders properly pointed out, over the last 20 years there were eight occasions on which the adjustment to salaries adopted by the commonwealth Parliament on the recommendation of the Remuneration Tribunal did not directly flow to state members. Progressively there have been deferments — that is, an adjustment has not been made in one year but deferred for a period — or rather, in practice, the nexus has been progressively increased, from \$500 to \$5733 as we speak on this bill today.

My point in mentioning that is to come to the difficulty that members of Parliament have. You could say on one hand that it is political expediency, but I would call it political embarrassment. Members of Parliament are inevitably judged by the electorate and more particularly are robustly held to account by the fourth estate — that is, the media — so any discussion about

the terms and conditions of employment for members of Parliament brings questions in the media and therefore public embarrassment in the electorate, as I remarked upon. Many members feel awkward about discussing their terms and conditions of employment with their constituents, because unfortunately there are many constituents who think that the only basis on which a member of Parliament should serve is if they pay the public to be here. Whilst most members, in my opinion, on all sides of the house — and I say this in relation to government, opposition and crossbench members — come here with the best of motives, in civil society today there is not the respect there once was for the role that parliamentarians play.

Interestingly, given that I am the third member of my family to serve in this chamber, I think I am actually the first to receive a salary as a member of Parliament. It is interesting that my two forebears were not paid because of the debates around at the time. The point I am making is that there would be some people who think that should still be the case. If that were the case, it would clearly limit the gene pool, you might say, of the people who could serve in this place. There may be some of us who would willingly come and serve in the Parliament without remuneration, but that would mean the Parliament would not reflect the wider community, and I think that would be extremely poor for democracy. Those debates were had. The Victorian upper house was strongly opposed to the payment of members for a very long time, but in the 1930s that changed. The reality is we have to pay members of Parliament because that is the community expectation.

What does this bill achieve? It further expands the differential in the nexus between state and federal members. At one level that is hugely disappointing, because I regard the work that state members do to be of equal value to that of federal members, but having said that, it is quite clear that the community has a strong view about the remuneration of members of Parliament needing to reflect community standards. Therefore it is my view that it is difficult for us to follow the recent change in the base salary for federal members. I say difficult not because I am acknowledging in any sense a lesser value of contribution by state members but simply because the community regards such a significant increase in base salary as unacceptable — or at least that is our perception of it.

This comes back to the issue of how to have a system that puts these decisions at arm's length. The mechanism which is adopted in this bill is important because consistent with government wages policy from 1 July there will be a 2.5 per cent increment and then on

1 July 2014 there will be another 2.5 per cent increment. After 2015 the salary increases for MPs will be indexed in line with the increases in average weekly earnings for Victoria as determined by the Australian Bureau of Statistics.

As the previous two speakers have mentioned, this bill comes out of an independent review of salary entitlements by Mr Hazell, who has made a fair fist of identifying benefits that are redundant simply because of their lack of transparency and contemporary relevance. Entitlements have continued for many years in relation to accessing Crown land, meaning MPs do not have to pay to go into places like the MCG and the zoo. I have to say it has been a long time since I went to the zoo. I go to the MCG regularly, but I go as a member of the Melbourne Cricket Club.

An honourable member interjected.

Mr P. DAVIS — Somebody just interjected, 'Who do I barrack for?'. Unfortunately the Melbourne Football Club, my team, is not going as well as it could, and I was there to see it thrashed again yesterday.

Mr Ramsay interjected.

Mr P. DAVIS — I will not pick up that interjection from Mr Ramsay.

The important question for us to address, though, is whether this is a fair mechanism for reflecting on the work of MPs. A key change I would like to highlight is that shadow ministers will receive a 15 per cent expense of office allowance for the first time. I speak as a former shadow minister when I say that is a warranted reflection of an additional role and burden that shadow ministers have to perform. When I used to travel the state on behalf of the opposition undertaking my various duties as a shadow minister I recall it was somewhat of a frustration to find that I had a significant burden of out-of-pocket expenses, which were inevitably met from my pocket. While I did not object to that, I thought it was a bit odd that the harder you worked in that role, the less net income you had because of the expenses you incurred along the way. I thought that was a bizarre remuneration arrangement. I have no objection to and indeed support the new initiative. I note as a result of these changes that the opposition rooms will be better resourced to the tune of half a million dollars.

Mr Barber interjected.

Mr P. DAVIS — Mr Barber has, I am sure, some comment to make around all of that. I am sure Mr Barber will have comments to make in the

committee stage around a lot of the proposals in this package. It would be a fair point for Mr Barber to make the claim — perhaps he should make the claim — that in future the government may need to give consideration to the resourcing of the crossbenches. From my experience that would come about at some stage in the inevitable future when there were discussions about resourcing as a result of a situation where minor parties had the balance of power. We saw that in the lower house when Steve Bracks became Premier. He provided additional resources to the Independents who held the balance of power in the Legislative Assembly, and I am sure those discussions could happen in the future, but I doubt that they are going to happen in the short run.

It is important to note that the initiative being introduced which relates to the issue of members who are defeated is new and significant. The question is: why is it warranted? Having been here for as long as I have, I have seen members come into this place and give their all, from both sides of the house, then find that they have become detached from their professional background and, on leaving the Parliament, are unable to recover their career and find themselves in difficult circumstances.

The government has tried to deal with this initiative to assist members in exactly the same way as the federal Parliament does when federal members lose their seats at an election or lose their endorsement. It is reasonable to provide limited transition assistance, or in this case, as described, a resettlement allowance payable to a member who is defeated. In fact I can recall that after 1999 and 2002 many members struggled for a long time to find useful employment again. That is a reflection of the fact that, frankly, defeated members are not hot property in the employment marketplace.

Mr Finn interjected.

Mr P. DAVIS — Mr Finn makes that point, having had that bitter experience, so it is not an unreasonable measure.

I strongly support the initiative to bring into line with the commonwealth Parliament the arrangements for superannuation post the Latham reforms. I saw Mark Latham on *Q&A* on Monday night. He never goes away, does he! But one of his great contributions to public life was to change the basis upon which MPs superannuation arrangements were structured, and clearly it is appropriate that Victorian members arrangements reflect those of the commonwealth Parliament. So, again, the changes there are sensible.

The government's position is actually a modest effective increase in members salaries and allowances, and a significant step back from the commonwealth arrangements. In fact, by any measure, I think we are in the long run doing a disservice in terms of recruitment of members into this Parliament by making that differential so stark.

Motion agreed to.

Read second time.

Committed.

Committee

Clause 1

Mr BARBER (Northern Metropolitan) — The lead speaker for the government — in fact the only speaker for the government who was willing to get up and put on the record that he believes he deserves this package of salaries and benefits — said something about Daniel Andrews, the Leader of the Opposition, getting another half a million dollars. Can the minister explain what his government representative was referring to?

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — Far be it from me to speak for Mr Davis, but I think Mr Davis was referring to the budget provided for the opposition, which is outside the scope of this bill.

Mr BARBER (Northern Metropolitan) — So the minister is saying this half a million dollars that Daniel Andrews is going to get is not provided for in this bill but is just some arrangement that has been struck in parallel to this bill being brought forward, perhaps by the Premier and the Leader of the Opposition?

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — As I said to Mr Barber, the subject matter of funding for the opposition, which is obviously a longstanding arrangement for funding facilities for the opposition, is not within the scope of this legislation.

Mr BARBER (Northern Metropolitan) — It is funny that it was within the scope of the debate, though, because the lead speaker for the government got up and confirmed what I think I have been able to find out before, which is that the opposition leader gets about \$1.5 million to run his office and now he will get half a million dollars on top of that to run his office, but it is in no way being brought through this legislation. Nevertheless I think we are entitled to believe that it may have been part of the negotiations over this bill.

The DEPUTY PRESIDENT — Order! The minister has said on two occasions that it is not covered within the scope of the bill, so I am not sure that Mr Barber's question is in order. I will leave it to the minister as to whether he wishes to make any further comment. He does not.

Clause agreed to; clauses 2 to 4 agreed to.

Clause 5

Mr BARBER (Northern Metropolitan) — My understanding of the workings of clause 5 is that the existing schedule of allowances is to be modified. Certain named people — that is, named in terms of their position: Premier, Deputy Premier and so on and so forth down the line — not only get an additional salary from what you might call the base rate, but they also get something called an expense allowance. All MPs will get an 8 per cent expense allowance, but shadow ministers are going to get a 15 per cent expense allowance.

Despite the fact that I have 11 shadow portfolios, as do Ms Hartland and Ms Pennicuik, we are not going to be recognised as shadow ministers under this legislation. However, I believe the process is that the Leader of the Opposition nominates who the shadow ministers are, so theoretically he could nominate me as one of his shadow ministers, but I do not think he is going to do that. So the Greens will continue to work that out between the three of us. Despite not being named for any special position — —

Mr Finn interjected.

Mr BARBER — State Senator Finn is going to join the conversation in a minute. He wants a title more than he wants a pay rise.

Despite the fact we are not going to be shadow ministers, we will be getting an 8 per cent expense allowance. Up until now I have not been getting this expense allowance, Deputy President, so I would like to ask the minister: what is this expense allowance for?

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — The expense allowance of 8 per cent which accrues to members who do not otherwise receive an expense allowance is in recognition of expenses incurred by members of Parliament in their roles as members of Parliament: representing their electorate, participating in parliamentary affairs et cetera. Members of Parliament have out-of-pocket expenses, and this is in recognition of that. In his introductory remarks Mr Barber indicated that all members are getting an 8 per cent expense allowance.

That is not what the bill provides for. The bill provides for those members who are currently not entitled to an expense allowance to get an 8 per cent allowance, and for those who already have an expense allowance to either remain on the same expense allowance or have a slight increase to an existing expense allowance.

Mr BARBER (Northern Metropolitan) — That was a good point. The minister already gets an expense allowance, regardless of what this bill provides. It is really those shadow ministers as well as people not otherwise named as having a special position who will be getting something that they have not been getting. I am really looking for a bit of clarity, I suppose, around what the expense allowance is meant to cover, because the question goes to accountability. What are MPs supposed to spend this on, and what is to stop them from simply pocketing it or using it for things that have nothing to do with their roles as parliamentarians?

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — As I said, the expense allowance is of the same nature as the existing expense allowance. It recognises that members have out-of-pocket expenses associated with being members. Some existing office-holders receive an expense allowance in recognition of that. This bill provides for all members to receive an expense allowance in recognition of that, so that out-of-pocket expenses are not deducted from their base salary. As it is with the existing expense allowance, it will be at the discretion of the member how they expend that, but the reality is — and I think Mr Barber would recognise this — that members have out-of-pocket expenses associated with the office they hold.

Mr BARBER (Northern Metropolitan) — Is that for things like dry-cleaning or haircuts or something? Most workers do not get an expense allowance for those things and they cannot claim them on their tax either, but it seems that now we are to be remunerated for those sorts of things.

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — I will say again that it is in the nature of the expense allowance which currently exists for office-holders in recognition of out-of-pocket expenses.

Mr BARBER (Northern Metropolitan) — I have not been one of those up until now, so I do not know what it has been spent on or what accountability mechanisms there are around that. Are there certain types of things that it can be spent on? Are there any regulations or guidelines that go with it? What is it that creates this connection that the minister says is between being an MP and therefore needing money for

out-of-pocket expenses versus just giving someone some money and saying, 'There you go. We gave it to you because you're a good guy; you can do what you want with it'? Is there any rule, guideline, incentive or oversight that causes you to spend it on what the minister is calling out-of-pocket expenses that are there because you are an MP?

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — Again, the concept is not new. It is being introduced to a new class of member of Parliament, but the concept is not new. Again, it recognises that members of Parliament incur expenses by virtue of being members of Parliament. This is to provide some compensation for that.

Mr BARBER (Northern Metropolitan) — The minister keeps saying it is by virtue of being an MP, but what I am trying to find out is whether really you can spend it on whatever you want — that is, it does not have to be spent on things that came out of your pocket because you are an MP. It does not have to be spent on dry-cleaning because you have to wear all these suits; it does not have to be spent on travel because you travel to Wonthaggi for a meeting; it does not have to be spent on Christmas cards for constituents. You can just take the money, if you like, as a bonus and spend it on yourself or your kids' education. It is not really a question. I have asked the question three times. Clearly there is no guideline, regulation or anything that says what it is to be spent on. Effectively it is just a gift to the MP to spend it how they would.

The DEPUTY PRESIDENT — Order! Mr Barber is correct; it was not a question. Does he have anything further on clause 5?

Mr BARBER (Northern Metropolitan) — Because I have not had this expense allowance up until now, I do not know the answer to this question. Is tax taken out of it before it is given to the MP? In other words, is it a bit like salary?

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — My advice is that it is taxable. Tax is not deducted at the time that it is paid, but it is a taxable allowance, based on the treatment by the Australian Taxation Office (ATO) of such allowances.

Mr BARBER (Northern Metropolitan) — So it is like the electorate allowance, which I have been getting since I have been an MP. If I spend that, as I always do, on things that relate to my electorate and to my servicing my electorate one way or another, which therefore are taxed deductible under the Australian Taxation Office ruling for MPs and like occupations,

then there will not be any further tax to be paid, because it is all being spent on tax-deductible items; but if an MP — and I am not suggesting who might do this — simply pockets the money, they might get a tax bill at their marginal rate of income tax; would that be correct?

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — Mr Barber's question is sort of straying into asking me to give some tax advice to the house. If expenditure is deductible in accordance with the ATO tax ruling for MPs or general advice around deductions for salary earners, then I imagine it would be deductible and if it is not it would not be.

Mr BARBER (Northern Metropolitan) — Why has the government used this method of giving this extra money to MPs rather than simply increasing the electorate allowance, which it can do by regulation through another section of the act that already exists?

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — It is the government's view that it is appropriate to recognise the additional costs — as I indicated before, the out-of-pocket expenses — which are incurred by members of Parliament by way of an expense allowance which follows the structure which is used for existing office-holders.

Mr BARBER (Northern Metropolitan) — It sounds as if it is the same as the electorate allowance. We have not had a reason given as to why it would not have been given as an electorate allowance; therefore I guess there was no reason. There was some preference somewhere along the line but not necessarily a reason.

I was amazed when I became an MP and I was told that you get this thing called an electorate allowance. By the way, members get an electorate office budget, which is tightly controlled. It can be spent on only certain things. You have to hand in all your receipts and have them checked off by the Department of Parliamentary Services. It is all very much a tight ship. Then you get this other amount — \$30 000-something now and rising — and I have been told, 'You're not accountable to anybody for how you spend it. It's an electorate allowance. If you spend it on these things, you'll get your tax back, but that's between you and the Australian Taxation Office and really you could spend that money on whatever you want'.

It seems that in this way what we are doing here is taking what some people might call a slush fund, because the spending of that is completely unaccountable to anybody other than the MP, and expanding it with no extra accountability. If it is about

expenses that come out of your pocket because you are such a busy MP, then it could be dealt with through the expenses of your office, but it is my view that it is being handed over in such a way that there will be no accountability for how it is being spent.

Ms PENNICUIK (Southern Metropolitan) — Following on from the theme that Mr Barber was talking about, at the moment we have an electorate allowance which we spend on helping us service our electorate, whereas this is called an ‘expense allowance’. I am struggling to see the difference, but I presume it is that all MPs who are not in the table associated with clause 5 of various office-holders will get the base 8 per cent and others will get more. The Premier gets 42 per cent, the Deputy Premier 21 per cent and the allowance for ministers is up from 15 per cent to 18 per cent — is that right? Anyway, they are getting 18 per cent.

But at the moment certain office-holders are in receipt of that expense allowance, so my question is: how do receivers of that expense allowance account for it at the moment? A person out in the workforce, if they were claiming expenses, would have to provide a receipt, for example, to show that they expended that money on a particular item or activity that was associated with their work or within the rules. Is there anything like that to provide for accountability and transparency with regard to the expenditure of the expenses allowance?

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — No, the allowance is paid to office-holders in recognition, as I said before, of the fact that they incur expenses. If those expenses are of a deductible nature according to the Australian Tax Office prescriptions, then they are deducted from that allowance — they can be deducted from a person’s tax — otherwise the allowance is taxable. But it is not reconciled. It is an allowance in recognition of the fact that expenses are incurred by those office-holders and ultimately — in terms of the 8 per cent — by members of Parliament.

Ms PENNICUIK (Southern Metropolitan) — I think we have clarity there. Exactly. The keeping of receipts et cetera as to what expenses the 8 per cent allowance is expended on is for the purposes of the tax office. The MP, or the office-holder with the higher expense allowance, would be maintaining those receipts in order to assure the tax office that it was expended on expenses incurred in doing the job of an MP.

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — That is correct.

Committee divided on clause:

Ayes, 37

Atkinson, Mr	Lenders, Mr
Broad, Ms	Lovell, Ms
Coote, Mrs	Melhem, Mr
Crozier, Ms	Mikakos, Ms
Dalla-Riva, Mr	O’Brien, Mr
Darveniza, Ms	O’Donohue, Mr (<i>Teller</i>)
Davis, Mr D.	Ondarchie, Mr
Davis, Mr P.	Petrovich, Mrs
Drum, Mr	Peulich, Mrs
Eideh, Mr	Pulford, Ms
Elasmar, Mr (<i>Teller</i>)	Ramsay, Mr
Elsbury, Mr	Rich-Phillips, Mr
Finn, Mr	Scheffer, Mr
Guy, Mr	Somyurek, Mr
Hall, Mr	Tarlamis, Mr
Jennings, Mr	Tee, Mr
Koch, Mr	Tierney, Ms
Kronberg, Mrs	Viney, Mr
Leane, Mr	

Noes, 3

Barber, Mr (<i>Teller</i>)	Pennicuik, Ms (<i>Teller</i>)
Hartland, Ms	

Clause agreed to.

Clause 6

Mr BARBER (Northern Metropolitan) — Clause 6 relates to something called a resettlement allowance, which is given to MPs who are no longer MPs as a result of certain circumstances. If they have served as members for one Parliament, they will get the equivalent of three months base salary. If they have served for more than one consecutive Parliament, they will get six months of the annual basic salary. So the allowance is three months after serving for four years, and six months after serving for eight years and beyond.

The stipulations as to who would or would not get the resettlement allowance are quite peculiar. Certainly it is clear that you must no longer be an MP — that is easy enough to ascertain. But subparagraphs (i) and (ii) of new section 7E(1)(b) set out two more circumstances. The first is one in which the MP does not seek re-election as a result of not being endorsed by a registered political party for any reason other than corrupt conduct — in other words, if you did not get preselected by your party and therefore decided not to run for Parliament. Can the minister tell me how this subparagraph is to be interpreted and who will be doing the interpreting for the purpose of determining whether the MP gets this payment?

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — I am advised that that would be managed

by the Department of Parliamentary Services and that a member, having lost endorsement, would need to provide evidence of that. Their party would also need to provide evidence of that.

Mr BARBER (Northern Metropolitan) — So a public servant is going to be making this decision about whether an MP gets a resettlement allowance that could be worth anything from \$35 000 to \$75 000, roughly speaking. In order for the public servant to do that, the MP has to prove that they did not seek re-election — that is easy — and that the reason they did not seek re-election was the result of not being endorsed by a registered political party for any reason other than corrupt conduct. How does an MP provide proof of the reason a political party did not do something, such as endorse a person? What proof can a person proffer to say, ‘The reason my political party did not preselect me was nothing to do with corrupt conduct’?

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — The reference to corrupt conduct is a reference to corrupt conduct under the Independent Broad-based Anti-corruption Commission Act 2011, so it would be a demonstration of corrupt conduct under that legislation. It is pretty easy to determine if someone has been endorsed or not endorsed by their party — that is, are they or are they not on the ballot paper? If there was corrupt conduct involved, it is corrupt conduct as defined by IBAC legislation.

Mr BARBER (Northern Metropolitan) — The definition of corrupt conduct in this bill relates back to the definition of corrupt conduct in the IBAC act.

Ms Pennicuik interjected.

Mr BARBER — Do not get Ms Pennicuik started on that one. But the definition in the IBAC act was created for the purposes of determining whether IBAC can open an investigation. It is not probative in and of itself; it is simply a test that IBAC has to meet before it starts an investigation.

What the minister is saying and what this bill is saying is that if the reason your party did not preselect you is that you did something, and if that something were referred to IBAC, which it may not have been, it would have been enough for it to open an investigation. That is quite bizarre, because someone first of all needs to know what is going on in the mind of your political party during the preselection process, which in the case of the Labor Party could be a mixed vote of both local members and a public office selection committee made up of some dozens of members. Then somehow out of the decisions made by those two separate bodies and

the many individuals involved we have to be able to determine that the reason Joe Blow was not preselected was that during the process of preselection all of those people in that party thought he might have done something and that thing was such that, if it had ever gone to IBAC, it would have been enough for IBAC to have an investigation.

That is the actual test that some poor public servant in the Department of Parliamentary Services is going to have to wind their way through in order to determine whether this person is ineligible for what will probably be around \$75 000. I think that is nearly an impossible test or assumption to make; you would practically have to involve that person in doing the work of IBAC simply to determine if someone can get \$70 000 or not. In reality, under this subsection nobody will ever be excluded from getting their \$75 000.

Mr Finn — How about Eddie Obeid?

Mr BARBER — This is a false test, because even if, as State Senator Finn interjects in my left ear, that person had actually been dragged at some stage before IBAC, you would still have to prove a second thing, which is: that was the reason they were not endorsed by the Labor Party, the Liberal Party or the Greens through all the many different processes.

We might have a process of preselection that involves six people meeting as a confidential selection committee deciding who can and cannot run. You might have the entire membership of the Greens voting as to whether someone can or cannot run. How do you go to the minds of every one of those people involved in those processes — some of which were private, some of which were secret, some of which were highly public — and say, ‘There it is: that’s the reason they did not preselect him. It was because he did that thing which someone reckons would have got him dragged before IBAC’, regardless of whether he was or was not. I put it to Minister Rich-Phillips that this test will exclude absolutely nobody; therefore you wonder why it is there. What is its provenance? Who first suggested it and in relation to what set of circumstances?

The DEPUTY PRESIDENT — Order! I am humoured by the reference to the Greens party from Mr Barber, but I think we did get some questions for the minister after a few minutes.

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — As I said earlier to Mr Barber in respect of this clause, if a person is not endorsed by their party, the party would have to indicate that to the Department of Parliamentary Services, and in indicating that to the

Department of Parliamentary Services they would have to indicate it was not for reason of corrupt conduct.

Mr BARBER (Northern Metropolitan) — In relation to the words ‘for any reason’ in the middle of that section, it is the political party that will have to proffer the reason, and that will be considered to be evidence, will it?

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — As I indicated to Mr Barber, the political party would have to indicate that the person was not endorsed and that the reason they were not endorsed was not as a consequence of corrupt conduct.

Mr BARBER (Northern Metropolitan) — So you have to prove that you went for preselection, you have to prove that you were not endorsed and you have to prove that the reason was nothing to do with any concerns your party might have had about you being corrupt; are those the three things you have to prove in order to get your \$70 000? How does an individual prove that versus a political party proving that? Who is it that has to satisfy our Parliamentary Services public servant who is interpreting this clause and deciding whether or not to pay someone what will probably be around \$70 000?

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — I think I have indicated the process to Mr Barber — that is, the member and the party would need to indicate they were not endorsed and that it was not for the reason of corrupt conduct.

Mr BARBER (Northern Metropolitan) — Is that the party or the member of the party?

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — Ultimately it will be the responsibility of the member, but they will need their party to indicate that.

Mr BARBER (Northern Metropolitan) — So a member of Parliament who has not been preselected gets a note from his party to say, ‘He was not preselected, but we assure you it wasn’t anything to do with us thinking he was corrupt’. Is that how it will work?

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — I think I have already indicated how it will work.

Mr BARBER (Northern Metropolitan) — In the Greens party it will be a straight open vote of the members. Some ballots will go out, and any Greens party member who lives in a certain seat will get to

choose who will be their MP. The party itself will be able to attest to the fact that there was a postal ballot in which 200 people voted, but it will not be able to prove the reason. It will be able to attest to the fact that a certain process occurred but will not be able to say what the reason was. The person concerned could be someone who has had very cruel and unfounded allegations of corruption thrown against them. I have seen it in this chamber a few times. I have seen it recently, where it has been said that if someone has had a finding against them, they should be investigated by the Independent Broad-based Anti-corruption Commission, and then someone else has argued that, no, they should not. Really the reason is in the minds of those 200 people who filled in a preselection ballot. How does the party or the member attest that the reason they lost preselection had nothing to do with the allegations about them taking brown paper bags but was to do with some other thing? I do not know how democratic it is inside the Liberal Party. I presume it has membership ballots as well — secret ballots.

An honourable member — We have membership as well.

Mr BARBER — You can have secret ballots, but I do not know how you could from a secret ballot, taking the law and the facts together, in effect, produce what is seen to be the reason that that person did not get preselected and say it was nothing to do with an allegation — not a finding, but an allegation — of corrupt conduct. I cannot see how it would be possible to actually explain in most circumstances the reason why people do not get preselected. People do not get preselected all the time, and people are still arguing about it even after the result. They are arguing about the reasons: it was this, it was that, it was the other thing. They say, ‘It was dirty tricks’; ‘He didn’t talk to enough members’; ‘They didn’t like his haircut’, or whatever it may be. There are always a million reasons in a democratic ballot why someone does not get preselected. The minister is trying to tell me that a member has to get a note from the party that explains the outcome of a preselection as being a result of one thing and not another thing, and I think it is an impossible test. In reality every MP who does not get preselected will end up getting their package, so it is really for everybody, and we should just admit that.

The DEPUTY PRESIDENT — Order! It is not a question, and I cannot ask the minister to comment on Greens party processes as described by Mr Barber.

Mr BARBER — I am not reflecting on your ruling at all, Deputy President, but it is interesting that you say you cannot ask the minister to reflect on Greens party

processes, when in fact the operation of this section depends totally on the processes of all the different political parties — not just Labor, Liberal, Greens and Nationals but any political party coming down the line. It is absolutely a function of the individual processes, which are different for every political party in ways we might not have even imagined. They could use ouija boards to choose their candidates, if you like.

Hon. G. K. Rich-Phillips — Do you?

Mr BARBER — No, we have a highly comparative meritocracy, you will find, Minister. Each winnable seat is now contested by a number of very good candidates, all of whom would make great Greens MPs, so do not worry about that.

I want to move to new section 7E(1)(b)(ii):

is defeated at the general election or declared not elected as a result of a declaration of the Court of Disputed Returns ...

It is pretty clear when someone is defeated; it is not hard to prove that. But I am just interested in who this would apply to. My reading of the bill is that anybody who is an MP in either house and is defeated in a general election for any seat — not necessarily the one that they have been representing — would still be eligible for the resettlement allowance under this section; is that correct?

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — If anyone who is entitled to the resettlement allowance is defeated, they would be entitled to receive it, yes.

Mr BARBER (Northern Metropolitan) — Taking myself as an example, I am currently a member for Northern Metropolitan Region, which is a reasonably strong area for the Greens. I think I got elected with more than enough votes, with a little bit left over. But at the next election I could decide to contest the state seat of Mildura — I would have to contest a state and not a federal seat — where the prospect of a Green getting elected is almost impossible, at least at this coming election, I would say, Deputy President. Who knows what the future holds? The result of that — —

Hon. W. A. Lovell interjected.

Mr BARBER — Don't worry, Ms Lovell; we will run a really good candidate, and they will definitely raise many issues in the Mildura electorate, which will be bringing the Mildura hospital back into public hands, I am sure. But if I am defeated in any seat, really, I will get a resettlement allowance, even though I was effectively running for a seat which it was almost

impossible I was ever going to win. I ask the minister if that is also the case.

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — If you are an eligible member of Parliament and you are defeated, you would be entitled to the resettlement allowance, yes.

Mr BARBER (Northern Metropolitan) — Likewise, simply, I am no. 1 on my party's ticket at the moment. If I get pushed into the no. 2 or no. 3 or no. 7 spot in an upper house seat, then I am still on the ticket. Everybody knows I am not going to win, because we are not going to sweep the pool in Northern Metropolitan Region, but I will become eligible for a resettlement allowance, which is to do with my defeat, even though my defeat was pretty much inevitable by the choice of seat I contested. Is that not correct?

The DEPUTY PRESIDENT — Order! I think the minister has answered the question, but I will allow him to answer this one.

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — Thank you, Deputy President. Yes, I have already answered the question. If you are an eligible member of Parliament and you are defeated, you would be entitled to the allowance.

Mr BARBER (Northern Metropolitan) — So you can change houses, you can change seats or you can even change to an unwinnable position on a party ticket and get this resettlement allowance. Is it not likely then that that is what all MPs will do in order to get their resettlement allowance, and therefore basically everybody is going to get a resettlement allowance at the end of their time in Parliament?

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — I guess that is a fairly hypothetical proposition, but I can say in my years in this place most members of Parliament I have come across have actually wanted to stay members of Parliament, not to find unwinnable seats to run in.

Mr BARBER (Northern Metropolitan) — Yes, but you have got to go one day, maybe because you have been deselected, or whatever, under this other clause. Say one does not win preselection, and they say, 'Oh, we feel sorry for Gordon. Even though he didn't get preselected, he has done a lot of good work for us, so you know what? He can run for the seat of Brunswick. He is not going to win, but he will get \$70 000 out of it'. That is how it is going to work, is it not? Will all members, one way or another, not make an arrangement with their party to get a resettlement

allowance simply by the device of putting them on an unwinnable spot somewhere?

The DEPUTY PRESIDENT — Order! It is not really a question if one puts a proposition and then adds, ‘Isn’t it?’ to it, but I will allow the minister to answer the question.

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — Thank you, Deputy President. I guess Mr Barber is asking the same question he has asked several times before, as to who was entitled to the resettlement allowance. As I said before, an eligible member of Parliament who is defeated would be entitled to the allowance.

Mr BARBER (Northern Metropolitan) — The reason I am labouring this point is that there are some people who are not entitled to a resettlement allowance. It seems like anybody who can make it to the end of their term and strike some sort of deal with their party or their party membership so that they pass one of these two tests will get this resettlement allowance. But what if mid-term — particularly mid-first term, of course — a member’s spouse dies and they therefore decide they have to leave their seat in Parliament and become the carer of their family? What if a member gets a serious illness — which has happened in Parliament before — recovers from it and decides that they have to leave Parliament because their personal health is their most important priority and they need the full time to recover? That is not simply a matter of getting leave from Parliament. They have to leave the Parliament and take care of their health, their rehabilitation or whatever. However, inconveniently for them, if they do not get to do that around preselection time or around the end of the term, they are going to get nothing. Those people seem to me to be more deserving of a resettlement package — which is what this is — than someone who simply waits it out, or even does some deal with their mates to engineer a lost seat.

That is the view of the Greens. We think this resettlement allowance could have been structured very differently. We think it could have been structured along the lines it is for the public sector, and probably for other groups of workers, in which there is so many weeks pay for so many years of service. If that were the case, then there would be no need for these rather strange and, I would argue, highly rortable tests. It would simply be a matter of determining how many months you had been in Parliament, and then you would get your appropriate resettlement allowance. After all, the logic of a resettlement allowance is that you have been out of the real world for a long time and you have spent so many years in Parliament that it is

not immediately obvious what useful work you can do when you leave. I do not think that will be a problem for me. I will go back to what I was doing before, or head around the country picking fruit or whatever. I will probably need a bit of time off! I will find something useful to do when I leave here; do not worry about that.

Mr Finn — That will be a nice change for you.

Mr BARBER — Mr Finn again seeks to make light of a reasonably serious area of public policy. The best way to structure a package of resettlement for a group of workers whose departure is unavoidable — or at least where it would have been highly punitive to force them to stay at work for longer — is to give them an amount of money to help with their transition into another career or another life. The method I have suggested, whereby the allowance is related to a certain amount of pay for a certain number of months of service, is more or less how it works in the public service in Victoria now, is it not?

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — I am not in a position to comment on that, but Mr Barber is right: this provision does relate to exiting Parliament at defeat at a general election, not mid-term.

Ms PENNICUIK (Southern Metropolitan) — I would like to go back a step and talk about the clause in general. I ask the minister what the thinking is behind the resettlement allowance and why a resettlement allowance is being inserted into this act. What is the actual purpose of it?

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — The resettlement allowance goes to the point Mr Barber raised before, which recognises the difficulties and challenges that members of Parliament who suddenly find themselves former members of Parliament often have in moving on with their lives. It mirrors a provision that was put in place for commonwealth members of Parliament.

Ms PENNICUIK (Southern Metropolitan) — I do not want to re prosecute what Mr Barber has been saying, except to say that I am concerned about clause 6(1)(b)(i) in that it opens a Pandora’s box — particularly if somebody is not preselected and someone else, who does not have the best interests of that person at heart, decides to throw an allegation around. It would leave that person or that person’s political party in an invidious position which I do not think they would be able to prove their way out of. If that is the purpose the minister is saying the clause is

for, this would really undermine it, and that particular subsection of the clause would not be needed.

Mr Barber raised another issue which is of concern to me. That is that if certain MPs leave — ones who are not preselected for a legitimate reason; that is, not due to corrupt conduct — and an allegation is thrown around, I do not know how they would prove they did not lose preselection due to corrupt conduct or how anyone would prove that they did. Perhaps the police would have to be called in to prove that. I just think it opens up a can of worms.

Moving to the section I want to go to, which is subsection 3, I have looked at the explanatory memorandum and the second-reading speech and there is no explanation for a particular term which is used here:

- (3) The resettlement allowance is —
 - (a) if the person served as a member in the Parliament immediately prior to the general election ...

That term is mirrored in subsection (3)(b). I want to know what ‘immediately prior to’ means.

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — It means ‘in the Parliament prior to the general election’ — that is, in the Parliament before that particular general election; not in an earlier Parliament, but in that Parliament before that general election.

Ms PENNICUIK (Southern Metropolitan) — For clarification, it means that they must serve in a particular Parliament, but does it have to have been for the full term of the Parliament? Can it be for six months of that Parliament — so at any time in that Parliament? Going back to new section 7E(1), it can only be for the two reasons there: the loss of preselection or a loss at the general election. I suppose the unspoken purpose is that there is a gap between those who are on defined benefits and the rest, who are not, and this is trying to partly plug that. That is probably the unspoken reason for this particular clause.

Mr Barber raised the issue — and the minister himself said this — that most people who are elected to Parliament do not necessarily want to leave. They may of course at some stage decide not to stand again, but as Mr Barber said, unexpected things can come up in people’s lives. Like a person who is defeated at a general election or a person who is not preselected, it has not been their choice, but because of a family circumstance or an illness they have to leave. Those people are not going to be captured under this particular clause. Did the government even think of those

circumstances, or did it decide to exclude those particular MPs?

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — The government formed the view that the resettlement allowance was appropriate for members who had been defeated, as this mirrors a provision that was put in place for commonwealth members of Parliament. That related to involuntary exit at a general election or associated with a general election.

Ms PENNICUIK (Southern Metropolitan) — Yes, I am also talking about involuntary exit from Parliament and people who, for one reason or another, have to leave the Parliament. My question is: has the government thought of any other provisions for those members? Is it only to do with elections and the unworkable new section 7E(1)(b)(i)?

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — It is only for defeat; yes, that is correct.

Ms PENNICUIK (Southern Metropolitan) — It says in the second-reading speech that all political parties were consulted. We were not consulted, so I need to ask these questions. My question is: were these circumstances and/or others, apart from re-election, ever discussed between the parties or within the government as to how to extend the provisions to any member of Parliament who, for whatever reason beyond their control, is forced to leave the Parliament?

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — My advice is that this provision was put in place, as I said, mirroring the commonwealth, and the consideration was only in relation to defeat.

Ms HARTLAND (Western Metropolitan) — I just have one question around the issue of equity. Say, for example, that come the next election I either do not get preselection or am defeated. My staff certainly will not get as generous a relocation or redundancy package as the MPs will. Was that considered when looking at this? The fact is that what will happen to our staff is nowhere near as generous as what we are going to be offered.

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — No, this bill was not framed with consideration of parliamentary staff in mind. There are other entitlements for parliamentary staff, and there are some entitlements around their member being defeated or retiring. I am not able to outline to Ms Hartland what they are, but that was not given consideration in this bill.

Ms HARTLAND (Western Metropolitan) — In fact it is 4 weeks for executive officer staff up until seven

years of service, when it becomes something around the 14-week mark. It is very ungenerous in comparison to what we are being offered.

Mr BARBER (Northern Metropolitan) — The Greens will oppose this clause. It is arguable that there is a need for a resettlement allowance for former MPs. In the context of an overall package it could be argued that it is a good way to pay someone, with an allowance payment effectively at the end of their time in Parliament, but the test is almost completely wrong. The test is that you will not get it if you were disendorsed by your party after someone said you were corrupt. The test is that you will get it if you engineer yourself to run for an unwinnable seat, but you will not get it if you have a serious, debilitating, possibly terminal, incurable illness and decide that you cannot actually go at a time of your own choosing; you have to wait it out for another period of years. The same thing or something similar could happen to a family member, forcing you to make quite a difficult choice.

Whatever the logic was in the commonwealth Parliament, it seems to be a very unfortunate set of incentives that this clause sets up. The Greens would certainly consider a different formulation if that were to be brought forward in legislation. Nobody ever asked us about the content of this bill. This bill and its broad principles were never discussed with us, and it is for that reason we are going to vote against this particular clause.

Committee divided on clause:

Ayes, 37

Atkinson, Mr	Lenders, Mr
Broad, Ms	Lovell, Ms
Coote, Mrs	Melhem, Mr (<i>Teller</i>)
Crozier, Ms	Mikakos, Ms
Dalla-Riva, Mr	O'Brien, Mr
Darveniza, Ms	O'Donohue, Mr
Davis, Mr D.	Ondarchie, Mr
Davis, Mr P.	Petrovich, Mrs
Drum, Mr	Peulich, Mrs (<i>Teller</i>)
Eideh, Mr	Pulford, Ms
Elasmar, Mr	Ramsay, Mr
Elsbury, Mr	Rich-Phillips, Mr
Finn, Mr	Scheffer, Mr
Guy, Mr	Somyurek, Mr
Hall, Mr	Tarlamis, Mr
Jennings, Mr	Tee, Mr
Koch, Mr	Tierney, Ms
Kronberg, Mrs	Viney, Mr
Leane, Mr	

Noes, 3

Barber, Mr (<i>Teller</i>)	Pennicuik, Ms
Hartland, Ms (<i>Teller</i>)	

Clause agreed to.

Clauses 7 to 9 agreed to.

Clause 10

Mr BARBER (Northern Metropolitan) — The effect of this clause is to increase superannuation for those MPs not on the defined benefit superannuation scheme to about 15 per cent of salary, at the moment. The Greens are trying to increase the superannuation of all workers as a national policy objective, and we think that 13 per cent would be a pretty good start. However, the way this particular deal has been structured is that it is based on the minimum statutory rate plus 6 per cent, which at the moment brings it up to 15 per cent but in reality makes it always higher than the minimum statutory rate. I was surprised to see it structured this way. Can the minister tell me in relation to other examples in the public service whether deals struck to pay above the minimum statutory rate are in fact written in as minimum statutory rate plus X, rather than simply saying that they are to be for 11 per cent, 12 per cent, 13 per cent or whatever number is worked out?

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — This provision is dealt with in this way in recognition of the fact that the commonwealth has indicated an intention to increase the minimum statutory superannuation guarantee amount to 12 per cent. Obviously the purpose of putting in place the additional 6 per cent was to raise superannuation entitlements for members of Parliament above the statutory minimum. If that was hard-wired in the legislation at 15 per cent and the commonwealth statutory minimum increased, then that would erode the difference, so it has been put in at 6 per cent in anticipation of the proposed increase in the statutory superannuation guarantee charge.

Mr BARBER (Northern Metropolitan) — Is that superannuation increase still going to go through if Tony Abbott is elected?

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — That will be a matter for the commonwealth government.

Mr BARBER (Northern Metropolitan) — I am not sure if it has been legislated yet, and if so how or on what timescale. Is the minister indicating it may have been legislated for?

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — I cannot say conclusively, but I believe it has.

Mr BARBER (Northern Metropolitan) — If the average Australian worker covered under that law is

about to get 12 per cent superannuation, assuming Tony Abbott is not going to take it away if he becomes Prime Minister, then really we are going to get an 18 per cent superannuation contribution for those eligible under this clause. Is my maths right?

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — If the statutory minimum is 12 per cent, we will get an extra 6 per cent above the statutory minimum, which would be 18 per cent. That is correct.

Ms PENNICUIK (Southern Metropolitan) — Just for the record, that should be compared with the current agreement for our electorate officers, which over the next three years will give them a 0.5 per cent increase on the 9 per cent statutory minimum. It will take them to 10.5 per cent, if they are lucky, after three years. But I also understand that that is not being funded by the government, so that is a great comparison. Under clause 10 in the bill's explanatory memorandum it says:

... 6 per cent above the minimum statutory contribution rate, unless that contribution would result in the person incurring a liability to pay excess contributions tax on those contributions.

How would that practically work?

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — That would rely on members of Parliament advising the Department of Parliamentary Services if they were to go over those caps, and obviously those caps move from time to time. The Department of Parliamentary Services would not be obliged to pay an amount that would cause the member to exceed the cap, because obviously that would trigger a tax liability for the member.

Clause agreed to; clauses 11 to 20 agreed to.

Reported to house without amendment.

Report adopted.

Third reading

Motion agreed to.

Read third time.

ABORIGINAL LANDS AMENDMENT BILL 2013

Committed.

Committee

Hon. W. A. LOVELL (Minister for Housing) — I seek leave of the committee to have Mrs Coote join me at the table.

Leave granted.

Hon. W. A. LOVELL (Minister for Housing) — I think it is appropriate, as we are debating an Aboriginal lands bill, that we start the committee stage by acknowledging the traditional owners of the land and pay our respects to their elders past and present.

Clause 1 agreed to.

Clause 2

The DEPUTY PRESIDENT — Order!
Ms Pulford's amendments are designed to repeal certain aspects of the principal act from 1 July 2015. Some of those aspects are already part of the principal act and some are being inserted by this bill. As a result of Ms Pulford's objective to repeal them from 1 July 2015 and not immediately, her amendments include a new clause with the repeal provisions and an amendment making a new clause operational from 1 July 2015. Ms Pulford's amendment 1 is a test for her remaining amendments 2 to 5, which she may canvass at the point of moving her amendment 1.

Ms PULFORD (Western Victoria) — I am thankful to all the drafting experts in this room and in other rooms. I move:

1. Clause 2, line 6, before "This" insert "(1)".

My amendments were circulated during the second-reading debate, which occurred during the last sitting week, which was also National Reconciliation Week. These amendments seek to insert new section 38, effective from 1 July 2015, and repeal section 23 of the principal act. Subsections 23A to 23L are existing provisions that relate to the administration arrangements for Framlingham and Lake Tyers. Subsections 23M to 23R relate to clause 29 of the bill, as the Deputy President indicated, and I will not try to explain it a second time. The effect of all this is to repeal the administration arrangements old and new. The amendments also repeal the definitions of 'administrator' and 'board' because they will be redundant if my amendments are successful.

In speaking briefly to these amendments, we in the Labor Party believe there needs to be a deadline on the return to self-governance and that July 2015 is entirely appropriate. We believe that these amendments have the support of the affected communities. As I said, the effect of these amendments is to repeal the amendments that the government's bill seeks to make and also the arrangements for administration that have existed to date. I am of the understanding that the government will oppose these amendments, and Mrs Coote indicated the government's reasons for that during the second-reading debate.

Mr BARBER (Northern Metropolitan) — The lead speaker for the government, Mrs Coote, who is now assisting the minister at the table, said during the second-reading debate that the community wants this. I think she was referring specifically to Framlingham. That was a fairly broad and sweeping claim to make. The community itself was not particularly defined by her statement, and I presume that 'wants this' was a reference to this bill. There is very little in the second-reading speech that would suggest a process that the government went through in order to determine the will of the community, since it can no longer determine its own will on a day-to-day basis through its own body but in fact has administrators appointed by the government.

The difficulty I now have is the competing proposal from the Labor Party, which is saying that the community does not want what the government is putting forward but that it wants the Labor Party's version of the act as it would be if it were amended. Could the minister outline for me, since it is not in the second-reading speech, what processes this government has gone through in its two and half years to determine what the community wants and assure me that the outcome of that is what is in this bill?

Hon. W. A. LOVELL (Minister for Housing) — I think before answering Mr Barber's question I really need to outline why the government is not supporting the opposition's amendments. The opposition's amendments as put forward by the member on behalf of the shadow minister for Aboriginal affairs and Closing the Gap, Richard Wynne, the member for Richmond in the Assembly, make a number of changes to the act, but what the proposed amendments do not include are any transitional provisions for a trust that had already appointed an administrator at the date of commencement of the new section — that is, 1 July 2015. As a preliminary matter I also note that the amendment as drafted does not indicate where the new section will sit in the principal act. It is described as 'New Clause to follow clause 37' of the bill, but there is

no description of where the section would be inserted into the principal act.

Some observations that the minister's office has made on the legal effect of the proposed new section, or sunset clause, include that the new section proposed by the opposition fails to make any provision for the cancellation of the appointment of an existing administrator of either trust or for the election of a committee of management to replace the administrator on the commencement of operation of the new section. As drafted, the new section does not provide that on commencement of operation the appointment of a current administrator appointed to either trust is cancelled. However, all the remaining provisions setting out the functions, powers and reporting obligations of the administrator are repealed on commencement of the new section.

The effect of this on the operation of the new section would be that the currently appointed administrator of a trust would remain appointed as an administrator but would not have any powers, functions or obligations under the principal act. Furthermore, the minister would not have the power to extend or to cancel the appointment of the administrator as sections 23C and 23D are also repealed by this amendment. Conceivably an administrator who was a current appointment as at 1 July 2015 could remain as an administrator until the expiry of the period of the administrator's appointment but during such time would not be required to act in accordance with the principal act as all the relevant sections would have been repealed.

The new section also fails to make provision for the appointment of a committee of management to replace the administrator on the commencement of the new section. Section 23L of the act provides for the election of a new committee of management at the end of a period of administration. However, this section is repealed by the new section and there are no provisions for replacing that administrator. That is why the government will not be supporting this amendment.

Mr Barber asked about the consultation and support of the Framlingham community. I can advise Mr Barber that extensive consultation has been undertaken with the Framlingham community over a six-month period. The consultation commenced with the publication and distribution of a discussion paper and the creation of a dedicated web page on the Office of Aboriginal Affairs Victoria website in September 2012. The consultation at Framlingham has included two meetings with the current committee of management of Framlingham, in August 2012 and November 2012. Subsequent to those meetings at Framlingham the minister's office has had

regular contact with the chair of the Framlingham Aboriginal Trust committee of management, Mr Jim Berg. The Office of Aboriginal Affairs Victoria met with the committee of management at Framlingham on 31 May 2013, and at that meeting the committee again confirmed its support for all amendments proposed in the bill.

Ms PULFORD (Western Victoria) — I take the opportunity to confirm our expectation that the government will be opposing this amendment and our understanding of the reason why. I do not think we are in disagreement about the effect of my amendment; we just disagree about whether it should proceed. We believe that it allows sufficient time for autonomous governance to occur in these two communities. That is the point at which we disagree.

Mr BARBER (Northern Metropolitan) — Since we debated this bill last sitting week I received a piece of correspondence that was sent to the minister but courtesy copied to me and I believe the Labor Party in relation to the Lake Tyers proposal. It is not for me to name the person who sent it, firstly, because going public is a matter for them, and secondly, because it was correspondence addressed originally to the minister. Could the minister at the table assure me that in the view of the Minister for Aboriginal Affairs the Lake Tyers community supports this measure and not Ms Pulford's measure?

Hon. W. A. LOVELL (Minister for Housing) — What I can assure Mr Barber is that extensive consultation has been undertaken with the Lake Tyers community over a six-month period. The consultation with Lake Tyers also commenced with the publication and distribution of a discussion paper and the creation of a dedicated page on the Office of Aboriginal Affairs Victoria website in September 2012. The consultation included three meetings with the Lake Tyers Aboriginal Trust working group — in August 2012, December 2012 and February 2013. The Minister for Aboriginal Affairs personally met with community members and the working group at Lake Tyers in December 2012.

Some of the things individual community members reported to the minister during her visit last December has led to the inclusion in the bill of the requirement for six-monthly reporting by the trust on the economic and social wellbeing of the community of residents, which is contained in proposed section 18E(1) on page 9. The Office of Aboriginal Affairs Victoria attempted to arrange a follow-up to the December meeting with the Lake Tyers working group and the minister on three occasions. Because of community business at Lake Tyers this meeting did not go ahead. The Office of

Aboriginal Affairs met with the working group at Lake Tyers as recently as 30 May 2013, and at that meeting the working group raised no specific questions in relation to amendments proposed in this bill. However, in contrast to Framlingham, it would be true to characterise the Lake Tyers community as having mixed views on the amendments in the bill.

Mr BARBER (Northern Metropolitan) — I am really inviting Ms Pulford on behalf of the Labor Party to explain — I know I cannot question a member who is moving an amendment — why the Labor Party, as a result of consultation with the same group of people, has formed a different view as to what it is those people want in relation to their trust.

The DEPUTY PRESIDENT — Order!
Ms Pulford, I am happy to call you to make a contribution, but I am not sure about you having been invited to do so by another member.

Ms PULFORD (Western Victoria) — The opposition is not opposing the bill. The opposition just has a view about what time frame is appropriate for all the administration arrangements to sunset. I am advised by my colleague Mr Wynne, that in his discussions with people in the affected communities they have indicated their support for our amendment, which simply seeks to sunset the arrangements. I will just leave it at that.

Mr BARBER (Northern Metropolitan) — I would like to make a final statement, which reflects what I said during my second-reading speech. It is not good enough for different groups of whitefellas to come here with their own different views about what is good for the community and claim that they speak for the community. There is a lot of confusion here as a result of different parties putting different things forward. The minister has talked about a program of consultation, which of course is welcome. She has been open enough, as has the Minister for Aboriginal Affairs, to say that at Lake Tyers the parties may have reached much less of a consensus. But I am seeking a process in this sort of law making — and I do not think this will be the last time that we make laws for Aboriginal people in this Parliament — to ensure that we achieve a process of informed and willing consent before we make such laws. Even that is only second best to the full sovereignty that Aboriginal people in this country have always deserved and continue to deserve.

Hon. W. A. LOVELL (Minister for Housing) — I assure Mr Barber that both the minister and I live in the largest Aboriginal community in regional Victoria. We understand the sensitivities of the Aboriginal

community and the desire of that community to make its own decisions. That is why the minister has consulted extensively on this bill.

Progress reported.

Business interrupted pursuant to sessional orders.

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

That the sitting be extended.

House divided on motion:

Ayes, 21

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

Noes, 19

Barber, Mr	Mikakos, Ms
Broad, Ms	Pennicuik, Ms
Darveniza, Ms	Pulford, Ms
Eideh, Mr	Scheffer, Mr
Elasmar, Mr	Somyurek, Mr
Hartland, Ms (<i>Teller</i>)	Tarlamis, Mr
Jennings, Mr	Tee, Mr
Leane, Mr	Tierney, Ms (<i>Teller</i>)
Lenders, Mr	Viney, Mr
Melhem, Mr	

Motion agreed to.

DISTINGUISHED VISITORS

The PRESIDENT — Order! I note that Ron Barassi is in the gallery. I indicate that we have an organisation here called the Spring Street Demons, whose members support the Melbourne Football Club. At the moment we are divided on whether Mr Barassi should be approached to be president, coach or ruck-rover!

**ABORIGINAL LANDS AMENDMENT
BILL 2013**

Committee

Resumed from earlier this day; further discussion of clause 2 and Ms PULFORD's amendment:

1. Clause 2, line 6, before "This" insert "(1)".

The DEPUTY PRESIDENT — The question the committee is considering is Ms Pulford's amendment 1, which is a test of her remaining amendments.

Committee divided on amendment:

Ayes, 19

Barber, Mr	Mikakos, Ms
Broad, Ms	Pennicuik, Ms (<i>Teller</i>)
Darveniza, Ms	Pulford, Ms
Eideh, Mr	Scheffer, Mr
Elasmar, Mr	Somyurek, Mr
Hartland, Ms	Tarlamis, Mr
Jennings, Mr	Tee, Mr
Leane, Mr	Tierney, Ms
Lenders, Mr (<i>Teller</i>)	Viney, Mr
Melhem, Mr	

Noes, 21

Atkinson, 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>)	Petrovich, Mrs
Elsbury, Mr	Peulich, Mrs
Finn, Mr	Ramsay, Mr
Guy, Mr (<i>Teller</i>)	Rich-Phillips, Mr
Hall, Mr	

Amendment negated.

Clause agreed to; clauses 3 to 38 agreed to.

Reported to house without amendment.

Report adopted.

Third reading

Motion agreed to.

Read third time.

ADJOURNMENT

Hon. P. R. HALL (Minister for Higher Education and Skills) — I move:

That the house do now adjourn.

Department of Environment and Primary Industries: jobs

Mr LENDERS (Southern Metropolitan) — The matter I raise for the adjournment tonight is for the attention of the Minister for Agriculture and Food Security, Mr Peter Walsh, and it relates to the departmental offices of the former Department of Primary Industries (DPI) and the former Department of Sustainability and Environment (DSE) and their fate

under the recent amalgamation of those two departments, in essence, into the new Department of Environment and Primary Industries.

Last year when the then Department of Primary Industries closed its office in Camperdown the Victorian Farmers Federation president said at the time, and I paraphrase, that places like Camperdown will be hurt by this decision because jobs should be kept in a town instead of pushing them into the large centres. There may be some economic benefit to the government, but it is at the expense of small towns that want their services delivered locally. That is a sentiment that I would share, as would most people in regional Victoria.

Last year we had the closure of DPI in Camperdown, and this year, with the amalgamation of the two departments, we appear to be facing a second closure, this time of the DSE office in Camperdown. These offices are there to serve a purpose, and the purpose is to provide services to the clients of the Department of Environment and Primary Industries. Dare I mention the environment movement, which is a dirty word to this minister? When it comes to the agriculture, fisheries, food security and forestry component of the department, which are not dirty words to the minister, we are seeing services close down.

Since the election of the coalition government the budgets for what were formerly the Department of Primary Industries and the Department of Sustainability and Environment have been cut by more than 10 per cent, if you measure it in staff numbers. This is the manifestation of it. Communities like Camperdown are seeing their government offices close and they are seeing cuts to services, which means in the end there are fewer services for farmers and other people who rely on those departments. The specific action I seek from the minister is that he stop this process of closing down regional offices of the Department of Environment and Primary Industries and that he stick to what he said he would do in opposition and to what his party said, which was that it would not reduce services to regional and rural Victoria.

Royal Botanic Gardens Melbourne: vandalism

Mrs COOTE (Southern Metropolitan) — My adjournment matter this evening is for the Minister for Environment and Climate Change, and it is to do with the Royal Botanic Gardens in South Yarra. In 2010 and again recently our beautiful botanic gardens have been destructively attacked by vandals. The botanic gardens were established by von Mueller and Guilfoyle and are renowned across the world. In 2010 the 24-metre-tall,

400-year-old river red gum, which was the site of celebrations on 15 November 1850 when Victoria broke away from New South Wales and which was from then on called the Separation Tree, was ringbarked by vandals overnight. I am happy to say it is recovering. As then director Philip Moors said, it was a terrible insult. These river red gums are an evocative part of Australian history and the Separation Tree tells the story.

In June of this year vandals with machetes got into the cacti garden near Guilfoyle's Volcano and chopped down cacti that were up to 30 years old. These cacti were planted there by gardeners over 30 years ago because they had been in other parts of the botanic gardens and were suffering and not looking very healthy. The gardeners moved the plants and they flourished in the new location. I am on the record as being critical of the number of cacti in the botanic gardens, but I would have to suggest that the planting of the cacti around Guilfoyle's Volcano has mellowed my opinion. It is very good and it complements this excellent 30-year-old cacti garden. I would have to say that time has proven me wrong, and Guilfoyle's Volcano and the cacti around it have been a very pleasing addition to the botanic gardens. The jury is still out in my mind as to whether there should be quite so many cacti in other places, but I will leave that for those who are now running the botanic gardens to establish.

This recent attack was absolutely cowardly. It was done in the dead of night. It was vandalism that members would not see elsewhere, and it was mindless. Eighty per cent of the cacti and succulents, which are from South America and Africa, were destroyed. My request this evening is for the minister to work very closely with the new director of the botanic gardens, Dr Entwisle, on how our botanic gardens in South Yarra can be better protected from mindless vandals in future.

Ringwood Trade Training Facility: funding

Mr LEANE (Eastern Metropolitan) — My adjournment matter is directed to the Minister for Education, Mr Dixon. It concerns Ringwood Secondary College and in particular Ringwood Trade Training Facility. I call on the minister to fund the maintenance of this centre. Recurrent funding is needed for cleaning, utilities and insurance for this particular facility, which the school community has been calling on the department and minister to provide for quite a period of time.

This trade training centre used to be an Australian technical college. Ringwood Secondary College school

community took over this facility when it ceased to be a technical college and it has been providing Victorian certificate of applied learning training, especially in automotive and engineering studies. It has had an increased number of students going through since these courses ceased to be offered at Swinburne's Lilydale campus. In the outer east this is probably the last option for people to do mechanical engineering and some other trade training.

The school has been very frustrated that the Department of Education and Early Childhood Development and the minister have not agreed to fund the continued existence of this important facility. If it was not important before, it is very important now. I repeat the call to the minister to provide the funding for this building to be maintained and cleaned, as well as for utilities and insurance, for which the school has been calling for a long time.

Local government: federal referendum

Mrs PEULICH (South Eastern Metropolitan) — I wish to raise a matter for the attention of the Minister for Local Government. It concerns the local government referendum that is being instigated by the federal government to be run concurrently with the federal election, which is a concern in terms of its being a distraction from the important issues that confront the nation. However, on the referendum issue I was interested to read that a number of councils have voted to put money into the promotion of a yes campaign by the Municipal Association of Victoria (MAV). I would hope that those councils are taking heed of community sentiment, but more importantly the concern that has been raised with me is whether or not the Municipal Association of Victoria is using mandatory subscriptions, either collected currently or accumulated in the past, to fund the yes campaign.

The Municipal Association of Victoria gains its powers from a governing act, the Municipal Association Act 1907, which mandates under legislation subscriptions for local government. I was not aware of this; I thought MAV was a peak body and people subscribed because they thought they were getting good representation. Therefore I believe this would be an inappropriate use of the funds without some sort of resolution or agreement from all the councils concerned.

What I seek from the minister is her action to establish some dialogue with the Municipal Association of Victoria to determine whether or not subscriptions mandated under the state legislation that gives it its life are being misused for the purpose of promoting a single side of the argument. In doing so, I would also like to

commend the minister for articulating many of the concerns that are shared by the community. Duplication and cost shifting have been concerns for local government for a long time, and I believe a successful yes campaign would further exacerbate that. In particular I am interested in the MAV's plans to fund this campaign and whether there is any intention to use subscriptions mandated by legislation for other purposes in this yes campaign.

Rail: St Albans level crossing

Mr MELHEM (Western Metropolitan) — I rise to raise a matter of importance to rail commuters, motorists and pedestrians across the west. I raise it for the attention of the Minister for Public Transport, as well as for the attention of my colleagues in this house — especially those members representing Western Metropolitan Region who are members of this state coalition government. My concern is the Main Road rail crossing in St Albans. Multiple lives have been lost at this crossing in recent years, 16 having been lost over the past three decades. The need for urgent action at this rail crossing cannot be stressed enough. We cannot afford the loss of any more lives at Main Road, St Albans.

Mr Finn supported what I said in my maiden speech — that is, this issue should be one that both sides of politics should be able to agree on. I thank him for his words. Unfortunately Mr Finn's words are just that, and words alone will not fix the issue of the Main Road rail crossing. We need action from the coalition government. We need a funding commitment to the Main Road rail crossing that will cover the cost of grade separation. We do not need a commitment of planning money to be shared across seven projects in Melbourne.

Mr Finn has said the St Albans Main Road rail crossing is the next priority for this state government. If it really was a priority for this government, we would have seen a funding commitment in the 2013 budget that addressed the St Albans rail crossing separately from other grade separation planning projects. We then would have seen the St Albans project being done. Unfortunately the grade separation of Main Road was not deemed important enough for that.

Despite the approximate cost of over \$150 million for a grade separation, only \$52 million was provided in this year's budget for planning seven separate projects, with no details, no timetable and no action. More importantly still, if it was a priority for the government, then the Premier and his colleagues would not have refused the \$90 million in grant money being offered to

them by the federal government and the local federal MP, Minister for Employment and Workplace Relations Bill Shorten.

The Minister for Public Transport has claimed that this funding commitment from the federal government is somehow ‘Monopoly money’. However, it is there for the government to have. Unfortunately it all seems too much for Minister Mulder and his coalition colleagues to understand the importance of this project. I call on the Minister for Public Transport to do something, to pick up the phone and ring the federal Minister for Infrastructure and Transport, Anthony Albanese, and match his contribution. We need to get that project going. Talk is cheap. The minister should stand up for the western suburbs, as he claims he does, so we collectively can save some lives.

Western suburbs: truck action plan

Ms HARTLAND (Western Metropolitan) — My adjournment matter is for the Minister for Public Transport and Minister for Roads. I was very disappointed to find out that the government’s Moving More with Less policy, announced in April, which allows bigger, longer trucks on our road network, was released without a proper trial to find out the impacts. This week it was revealed by the *Age* that no Melbourne trucking companies fully participated in the two-year VicRoads trial. Without a proper trial, it is difficult to know what the impact of these freight trucks of up to 36.5 metres long will be. The 2012 report to VicRoads by transport consultant Rob Di Cristoforo regarding the trial noted that the impact on roads and bridges is unknown and allowing heavier trucks on those roads would test the load capacity of roads and bridges.

Last week the minister revealed that last mile access applications had been made to allow trucks of up to 36.5 metres on Pipe Road, Prohasky Street, Williamstown Road, Todd Road, Grieve Parade, Francis Street and Whitehall Street in the inner west. Given this, I suspect that Shepherd Bridge, which crosses the Maribyrnong River on Footscray Road, and Hopetoun Bridge on Dynon Road might be of concern. Shepherd Bridge is already a major safety hazard for cyclists. With the added pressure of these trucks, the risks will increase. Further, the Environment Protection Authority’s third quarter results, which were released last week, from its noise monitoring program on Yarraville’s Francis Street have confirmed average road traffic noise levels of up to 78 decibels. It said this is high enough to cause annoyance and sleep disturbance.

If the last mile access is granted to the port, even bigger trucks will be rumbling down Francis Street, causing even more noise and pollution. I say to the minister that this is not good enough. We need to know what impact these bigger trucks will have on roads, bridges, noise and health before they hit our streets in large numbers. There is a clear alternative to these trucks: one freight train takes 110 trucks off our streets.

The action I seek from the minister is that he conduct a real trial of the impacts on health and infrastructure of having trucks of up to 36.5 metres long on roads in the west before the last mile access is granted and that any relevant roads and bridges be assessed for their safety under the pressure of these 36.5-metre-long trucks.

Echuca-Moama: second bridge

Ms DARVENIZA (Northern Victoria) — I wish to raise a matter for the Minister for Planning, Matthew Guy. The matter that I raise concerns the information that is currently being reviewed relating to the preferred route for the Echuca-Moama second bridge. The New South Wales government has made a commitment of \$60 million for the second Murray River crossing, but the Victorian government is yet to finalise its plans. This information has been with the minister’s department since February, and all the public has heard is that the decision will be made sometime in the near future.

The mayor of the Shire of Campaspe, Cr Ian Maddison, recently told the *Riverine Herald* in Echuca of his frustration at not knowing the time lines for a decision being made. There is simmering frustration in the community about the time being taken to settle on plans for the new bridge. This project has been around for the past five decades and constituents just want it delivered. Twelve months ago the Committee for Echuca Moama initiated a public rally highlighting the community’s concerns, their frustrations and their annoyance at the endless delays in building this second bridge for Echuca Moama. Over 2000 residents stormed the bridge, and called on the government to ‘build the bloody bridge’.

Residents are familiar with the traffic gridlocks, especially during the high tourist times around Easter and Christmas. The Committee for Echuca Moama says that the region has grown extensively since the original bridge was built back in 1879 and that better infrastructure is needed for the community. The second bridge would improve access for emergency services, provide improved road connections for both residents and visitors, as well as provide more secure access, particularly in the event of an accident on the existing

bridge. My specific request of the minister is that he confirm whether he is going to refer the information to a planning panel to consider or if he is going to waive the panel referral and make the decision himself.

Merbein P-10 College: funding

Ms BROAD (Northern Victoria) — My adjournment matter is for the attention of the Minister for Education. Some six months ago I raised with the Minister for Education the need for stage 2 of the rebuilding at Merbein P-10 College to be completed. Stage 2 includes the building of science, technology, arts, physical education, staff and administration facilities to replace the original secondary college facilities. This follows the rebuilding by the former government of facilities for years P-4, 5-8 and 9. Currently it is the year 10 students who are missing out on the facilities that they definitely need.

In response the minister indicated to me that he had toured the school on two occasions with the lower house member for Mildura, Mr Peter Crisp, and that the question of investing in completing the rebuilding of the school was subject to budget priorities. We are now past another budget and there is no commitment to complete the building program at Merbein P-10 College. I take this opportunity in this adjournment matter to call on the Minister for Education to advise the community of Merbein when the government is going to make a commitment to complete the rebuilding program at Merbein P-10 College so that the year 10 students in particular can have the facilities they need to put them in the best possible position to go on to further studies beyond year 10 and so that the staff and administration facilities can be brought up to date.

I might also add that in the minister's response to matters that I raised in relation to the rebuilding program he indicated that the matter of traffic lights at the front of the school, where small primary school children cross, is a matter for the council or VicRoads. This is a matter which still needs to be addressed as well so that children can safely attend Merbein P-10 College following the bringing together of the primary schools and the original secondary college onto the one site.

Youth services: program funding

Ms MIKAKOS (Northern Metropolitan) — My matter this evening is for the Minister for Community Services. After nine months the minister is yet to respond to her *Practical Lessons, Fair Consequences — Improving Diversion for Young People in Victoria* discussion paper released on

24 August last year. It is also disappointing that the recent state budget failed to deliver any new initiatives to divert young people from the criminal justice system.

Julie Edwards, the CEO of Jesuit Social Services, said the budget has:

... missed the opportunity to invest in initiatives which will strengthen our youth justice system ...

The government clearly does not think this issue is important, and it has even rubbished a recent Sentencing Advisory Council report that examined recidivism patterns in the Magistrates Court. The *Reoffending Following Sentencing in the Magistrates' Court of Victoria* report states that adult offenders who received a criminal justice diversion program disposition were least likely to repeat their crimes and refrained from offending the longest. By contrast, those offenders sentenced to a term of imprisonment were most likely to reoffend following their release and return to offending more quickly. A government spokesperson was quoted in the *Age* of 4 June commenting on this report as follows:

It is therefore no surprise that reoffending rates by those put on diversion are lower.

Whilst this report did not directly deal with Children's Court matters, it is of some relevance. If the government is aware that diversion works, why has it failed to invest in it? A submission to the government's discussion paper by Smart Justice for Young People states:

Community safety requires long-term solutions to both prevent children and young people from offending and to stop them progressing through the criminal justice system.

That is a sentiment I agree with. Whilst the government drags its feet on investing in youth diversion programs, it has simultaneously defunded youth employment programs that work with vulnerable young people involved in the youth justice system to help them transition back into the community and re-engage in education, training and employment. A very worthwhile program run by the YMCA, the Bridge Project, is such a program that will no longer receive Victorian government funding come 30 June this year.

In February this year I brought to the minister's attention the Right Step program, which is an effective diversion program aimed at reducing youth offending and recidivism in the Bayside, Glen Eira and Kingston municipalities. I urged the minister to respond to her own discussion paper and support this particular program, but to date this has not happened. I call on the minister to advise when the government will respond to

her discussion paper and actually support measures that divert young people from the criminal justice system, because this is an effective way of reducing youth crime.

Responses

Hon. P. R. HALL (Minister for Higher Education and Skills) — Tonight I have answers to items raised in previous adjournment debates by Mr Ramsay; Mr Viney; Mr Leane on two occasions, 20 March and 18 April; Mr Somyurek; Mr Lenders on two occasions, 7 and 8 May; Mrs Coote; Mr Barber; Ms Darveniza; and Ms Mikakos.

In addition to those matters, tonight nine new matters have been raised for various ministers. The first was raised by Mr Lenders for the attention of the Minister for Agriculture and Food Security. It concerns the future of staff at the office of the former Department of Primary Industries and Department of Sustainability and Environment around the state. Mr Lenders urges the continuation of front-line services in regional Victoria, and I will pass that request on for the minister's consideration.

Mrs Coote raised a matter for the Minister for Environment and Climate Change regarding Melbourne's Royal Botanic Gardens and in particular the vandalism incidents involving the Separation Tree and more recently the destruction of 30-year-old cacti in the Arid Garden. I am well aware of this issue, particularly given that my wife is a volunteer guide at the Royal Botanic Gardens. The matters Mrs Coote spoke about tonight are well known to me. I entirely concur with her about these senseless acts of vandalism and the need to work closely at all levels to ensure that we can minimise the potential for that to occur again and to bring to account, if possible, the people who committed those senseless acts of vandalism. Mrs Coote requested that the Minister for Environment and Climate Change work closely with the director, Tim Entwisle, to provide better protection for the gardens, and I will pass that request on.

Mr Leane raised a matter for the Minister for Education regarding the Ringwood Secondary College training centre. This is a facility that I have also visited, so I can appreciate the value and the significance of that particular building. I remind Mr Leane that, as he said in raising this matter, this is a former Australian technical college and the previous government made arrangements for its continuation. Those arrangements did not provide for its ongoing problems. I am not saying that to abrogate responsibility for addressing what is an ongoing problem with that particular college,

but it is a matter I am familiar with. I will convey that matter to the Minister for Education, and we will collectively put our minds towards finding a solution for that particular issue.

Mrs Peulich raised an issue for the attention of the Minister for Local Government. In particular — and I think quite rightly — she questioned the involvement of Municipal Association of Victoria (MAV) in the yes campaign and whether there was any consultation or agreement that the subscriptions local governments are required to pay to be members of the MAV should or could be used for a campaign contributed to by the MAV in support of the referendum to be held at the time of the next federal election. I know this is of concern to many people in our communities out there, and I will pass on Mrs Peulich's concerns and request to the Minister for Local Government.

Mr Melhem raised a matter for the attention of the Minister for Public Transport. It concerns the Main Road rail crossing at St Albans. In particular he sought some cooperation between state and federal governments to address that problem and find the funding to complete the grade separation at the crossing. I know that matter is of great interest to members on both sides of this house who represent that area, and I will pass that request on.

Ms Hartland raised a matter for the Minister for Roads regarding the use of large truck configurations on Victorian roads. Having been out to her electorate and having had the experience of driving a B-double — albeit within the confines of a training provider at Laverton North — I can appreciate that they are big animals to be in charge of, but nevertheless they are frequently used around Australia. In particular the request from Ms Hartland was for a proper trial of the use of those vehicles before they are allowed to be driven on all Victorian roads. I will pass that request on to the Minister for Roads.

Ms Darveniza raised a matter for the Minister for Planning regarding the alignment of the Echuca-Moama second bridge. This is a matter that has been a consideration of several governments now. It is yet to be resolved, so I will pass on that request from Ms Darveniza for some further action on that matter.

Ms Broad raised a matter for the Minister for Education regarding stage 2 of the Merbein P-10 College redevelopment. She requested in particular to know when there might be funding for development of stage 2. I will pass that request on to the Minister for Education. Ms Broad cunningly slipped in a second request with regard to a matter about traffic lights

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outside the school, but I think that is a matter for the attention of the Minister for Roads. She should perhaps come back at another time and raise that matter so we can convey it to the Minister for Roads.

Finally, Ms Mikakos raised a matter for the Minister for Community Services regarding matters associated with youth justice and the funding of various programs involved in preventing recidivism among youth offenders. I will pass that on to the Minister for Community Services.

The PRESIDENT — Order! The house is now adjourned.

House adjourned 10.47 p.m.

