

PARLIAMENT OF VICTORIA

**PARLIAMENTARY DEBATES
(HANSARD)**

LEGISLATIVE COUNCIL

FIFTY-SEVENTH PARLIAMENT

FIRST SESSION

Wednesday, 28 May 2014

(Extract from book 7)

Internet: www.parliament.vic.gov.au/downloadhansard

By authority of the Victorian Government Printer

The Governor

The Honourable ALEX CHERNOV, AC, QC

The Lieutenant-Governor

The Honourable Justice MARILYN WARREN, AC

The ministry

(from 17 March 2014)

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Deputy Premier, Minister for State Development, and Minister for Regional and Rural Development	The Hon. P. J. Ryan, MP
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Minister for Housing, and Minister for Children and Early Childhood Development	The Hon. W. A. Lovell, MLC
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Assistant Treasurer, Minister for Technology and Minister responsible for the Aviation Industry	The Hon. G. K. Rich-Phillips, MLC
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Minister for the Arts, Minister for Women's Affairs and Minister for Consumer Affairs	The Hon. H. Victoria, MP
Minister for Higher Education and Skills	The Hon. N. Wakeling, MP
Minister for Agriculture and Food Security, and Minister for Water.	The Hon. P. L. Walsh, MP
Minister for Police and Emergency Services, and Minister for Bushfire Response	The Hon. K. A. Wells, MP
Minister for Mental Health, Minister for Community Services, and Minister for Disability Services and Reform	The Hon. M. L. N. Wooldridge, MP
Cabinet Secretary	Mrs I. Peulich, MLC

Legislative Council committees

Privileges Committee — Ms Darveniza, Mr D. Davis, Mr Drum, Ms Lovell, Ms Pennicuik, Mrs Peulich and Mr Scheffer.

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

Legislative Council standing committees

Economy and Infrastructure Legislation Committee — Mr Barber, Mrs Coote, #Ms Crozier, Mr Finn, #Ms Hartland, #Mr Leane, Mr Lenders, Mr Melhem, Mr D. D O'Brien, #Mr Ondarchie, Ms Pulford, Mr Ramsay and #Mr Scheffer.

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

Environment and Planning Legislation Committee — Mr Dalla-Riva, #Mr Finn, #Ms Hartland, Mrs Kronberg, #Mr Leane, Mr Ondarchie, Ms Pennicuik, #Mrs Peulich, Mr Ronalds, Mr Scheffer, #Mr Tarlamis, Mr Tee and Ms Tierney.

Environment and Planning References Committee — Mr Dalla-Riva, #Mr Finn, #Ms Hartland, Mrs Kronberg, #Mr Leane, Mr Ondarchie, Ms Pennicuik, #Mrs Peulich, Mr Ronalds, Mr Scheffer, #Mr Tarlamis, Mr Tee and Ms Tierney.

Legal and Social Issues Legislation Committee — Ms Crozier, Mr Elasmr, Mr Elsbury, Ms Hartland, #Mr Leane, Ms Mikakos, Mrs Millar, Mr D. R. J. O'Brien, #Mrs Peulich, #Mr Ramsay and Mr Viney.

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

Participating member

Joint committees

Accountability and Oversight Committee — (*Council*): Mr D. R. J. O'Brien and Mr Ronalds. (*Assembly*): Ms Kanis, Mr McIntosh and Ms Neville.

Dispute Resolution Committee — (*Council*): Mr D. Davis, Mr Drum, Mr Lenders, Ms Lovell and Ms Pennicuik. (*Assembly*): Ms Allan, Ms Asher, Mr Clark, Ms Hennessy, Mr Merlino, Mr O'Brien and Mr Walsh.

Economic Development, Infrastructure and Outer Suburban/Interface Services Committee — (*Council*): Mr Eideh, Mrs Millar and Mr Ronalds. (*Assembly*): Mr Burgess and Mr McGuire.

Education and Training Committee — (*Council*): Mr Elasmr, Mrs Kronberg and Mrs Millar. (*Assembly*): Mr Brooks and Mr Crisp.

Electoral Matters Committee — (*Council*): Mr Finn, Mrs Peulich, Mr Somyurek and Mr Tarlamis. (*Assembly*): Mr Delahunty.

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

Family and Community Development Committee — (*Council*): Mrs Coote. (*Assembly*): Ms Halfpenny, Mr Madden, Mrs Powell and Ms Ryall.

House Committee — (*Council*): The President (*ex officio*) Mr Eideh, Mr Finn, Ms Hartland, Mr D. R. J. O'Brien and Mrs Peulich. (*Assembly*): The Speaker (*ex officio*), Ms Beattie, Mr Blackwood, Ms Campbell, Ms Thomson, Mr Wakeling and Mr Weller.

Independent Broad-based Anti-corruption Commission Committee — (*Council*): Mr Viney. (*Assembly*): Ms Kanis, Mr Kotsiras, Mr McIntosh and Mr Weller.

Law Reform, Drugs and Crime Prevention Committee — (*Council*): Mr Ramsay and Mr Scheffer. (*Assembly*): Mr Carroll, Mr McCurdy and Mr Southwick.

Public Accounts and Estimates Committee — (*Council*): Mr D. R. J. O'Brien and Mr Ondarchie. (*Assembly*): Mr Angus, Ms Garrett, Mr Morris, Mr Pakula and Mr Scott.

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

Rural and Regional Committee — (*Council*): Mr D. R. J. O'Brien. (*Assembly*): Mr Howard, Mr Katos, Mr Trezise and Mr Weller.

Scrutiny of Acts and Regulations Committee — (*Council*): Mr Dalla-Riva. (*Assembly*): Ms Barker, Ms Campbell, Mr Gidley, Mr Nardella, Dr Sykes and Mr Watt.

Heads of parliamentary departments

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

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

Parliamentary Services — Secretary: Mr P. Lochert

MEMBERS OF THE LEGISLATIVE COUNCIL
FIFTY-SEVENTH PARLIAMENT — FIRST SESSION

President: The Hon. B. N. ATKINSON

Deputy President: Mr M. VINEY

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Mr Ramsay, Mr Tarlamis

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Deputy Leader of the Government:

The Hon. W. A. LOVELL

Leader of the Opposition:

Mr J. LENDERS

Deputy Leader of the Opposition:

Mr G. JENNINGS

Leader of The Nationals:

The Hon. D. K. DRUM (from 17 March 2013)

The Hon. P. R. HALL (to 17 March 2013)

Deputy Leader of The Nationals:

Mr D. R. J. O'BRIEN (from 17 March 2013)

Mr D. K. DRUM (to 17 March 2013)

Member	Region	Party	Member	Region	Party
Atkinson, Hon. Bruce Norman	Eastern Metropolitan	LP	Lovell, Hon. Wendy Ann	Northern Victoria	LP
Barber, Mr Gregory John	Northern Metropolitan	Greens	Melhem, Mr Cesar ²	Western Metropolitan	LP
Broad, Ms Candy Celeste ⁹	Northern Victoria	ALP	Mikakos, Ms Jenny	Northern Metropolitan	ALP
Coote, Mrs Andrea	Southern Metropolitan	LP	Millar, Mrs Amanda Louise ⁴	Northern Victoria	LP
Crozier, Ms Georgina Mary	Southern Metropolitan	LP	O'Brien, Mr Daniel David ⁸	Eastern Victoria	Nats
Dalla-Riva, Hon. Richard Alex Gordon	Eastern Metropolitan	LP	O'Brien, Mr David Roland Joseph	Western Victoria	Nats
Darveniza, Ms Kaye Mary	Northern Victoria	ALP	O'Donohue, Mr Edward John	Eastern Victoria	LP
Davis, Hon. David McLean	Southern Metropolitan	LP	Ondarchie, Mr Craig Philip	Northern Metropolitan	LP
Davis, Mr Philip Rivers ⁵	Eastern Victoria	LP	Pakula, Hon. Martin Philip ¹	Western Metropolitan	ALP
Drum, Mr Damian Kevin	Northern Victoria	Nats	Pennicuik, Ms Susan Margaret	Southern Metropolitan	Greens
Eideh, Mr Khalil M.	Western Metropolitan	ALP	Petrovich, Mrs Donna-Lee ³	Northern Victoria	LP
Elasmr, Mr Nazih	Northern Metropolitan	ALP	Peulich, Mrs Inga	South Eastern Metropolitan	LP
Elsbury, Mr Andrew Warren	Western Metropolitan	LP	Pulford, Ms Jaala Lee	Western Victoria	ALP
Finn, Mr Bernard Thomas C.	Western Metropolitan	LP	Ramsay, Mr Simon	Western Victoria	LP
Guy, Hon. Matthew Jason	Northern Metropolitan	LP	Rich-Phillips, Hon. Gordon Kenneth	South Eastern Metropolitan	LP
Hall, Hon. Peter Ronald ⁷	Eastern Victoria	Nats	Ronalds, Mr Andrew Mark ⁶	Eastern Victoria	LP
Hartland, Ms Colleen Mildred	Western Metropolitan	Greens	Scheffer, Mr Johan Emiel	Eastern Victoria	ALP
Jennings, Mr Gavin Wayne	South Eastern Metropolitan	ALP	Somyurek, Mr Adem	South Eastern Metropolitan	ALP
Koch, Mr David Frank	Western Victoria	LP	Tarlamis, Mr Lee Reginald	South Eastern Metropolitan	ALP
Kronberg, Mrs Janice Susan	Eastern Metropolitan	LP	Tee, Mr Brian Lennox	Eastern Metropolitan	ALP
Leane, Mr Shaun Leo	Eastern Metropolitan	ALP	Tierney, Ms Gayle Anne	Western Victoria	ALP
Leanders, Mr John	Southern Metropolitan	ALP	Viney, Mr Matthew Shaw	Eastern Victoria	ALP

¹ Resigned 26 March 2013

² Appointed 8 May 2013

³ Resigned 1 July 2013

⁴ Appointed 21 August 2013

⁵ Resigned 3 February 2014

⁶ Appointed 5 February 2014

⁷ Resigned 17 March 2014

⁸ Appointed 26 March 2014

⁹ Resigned 9 May 2014

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Wednesday, 28 May 2014

The PRESIDENT (Hon. B. N. Atkinson) took the chair at 9.33 a.m. and read the prayer.

The PRESIDENT — Order! I inform the house that I have been advised that the Legal and Social Issues Legislation Committee will be meeting this day following the conclusion of the sitting of the Council.

PETITIONS

Following petition presented to house:

Emergency services funding

To the Legislative Council of Victoria:

The petition of certain citizens of the state of Victoria draws the attention of the Legislative Council to the underfunding of our state's emergency services, including a \$41 million cut in funding to the CFA.

The petitioners therefore request that the Legislative Council take urgent steps to improve funding of our emergency services and to provide better pay and conditions to emergency services personnel.

By Ms TIERNEY (Western Victoria)
(16 signatures).

Laid on table.

ROAD SAFETY COMMITTEE

Serious injury

Mr ELSBURY (Western Metropolitan) presented report, including appendices, together with transcripts of evidence.

Laid on table.

Ordered that report be printed.

Mr ELSBURY (Western Metropolitan) — I move:

That the Council take note of the report.

This is a very good and detailed report on the way in which serious injury is dealt with in the state of Victoria. It is an important report because it asks serious questions about the way in which governments view serious injuries caused by incidents on our roads.

By visiting the Transport Accident Commission (TAC) website we can easily find the figures for the road toll, including the figures for the year to date today, which is 102 individuals, a figure that is up on last year. We can see the figures for the last four years to date. We can

see the statistical breakdown — male and female, age groups, vehicle type or even how many are pedestrians. Much harder is to find how many people are seriously injured. There are many reasons for this. It is not just that it is hard to find on websites but that the definition is in itself ambiguous.

It is currently accepted that 5000 Victorians suffer a serious injury on our roads annually. However, the ambiguity I speak of stems from such injuries being defined by the person having been admitted to hospital. This conveys little of the gravity of the health issues faced by individuals dealing with the aftermath of serious traffic incidents. Injuries should be defined by medical professionals who can best assess injury based upon the treatment needed for active recovery. At the moment we allow the police to make an assessment as to whether someone is seriously injured. The police base this assessment on whether someone is put into an ambulance and taken away. It might be a broken leg, or it might be less serious than that because that person's time in hospital might be only a few hours. The police do not know how that injury will be dealt with or how long recovery will take, but medical professionals do.

It is important that we understand the seriousness of the injuries that are going into our hospital system. Therefore the committee is asking for a tiered approach to defining injuries from a road traffic accident. This is important information to gather. We have also made recommendations on various other aspects of the serious injury issue. The committee made 42 recommendations based on 47 findings to improve the way in which Victoria — the government and its agencies — manages and deals with serious injury on its roads.

One point I would like to highlight in particular is the need for accurate models for assessing the cost of serious injury. If we get this wrong, it can skew the reasoning used to justify the deployment of road safety projects to the detriment of other remedies or programs which could benefit from the funds expended. That is why the current human capital approach is reinforced by this report, even though there is a strong push from authorities to move towards the willingness-to-pay model, which I and the other committee members found to be too based on statistical weighting designed by the people managing the survey exercises used to define the costs that were developed. Willingness to pay suffers from methodological weakness, and this would need to be seriously addressed if it were ever to be used as a model for forecasting injury costs and analysis.

The committee has raised the issue of data and how it is shared amongst agencies. Moving that data around to get a full picture of what is happening on our road networks and how people are dealing with serious injury is best done by a third party — another organisation — being developed where information from the TAC, hospitals and police can come together and where other agencies within government can use that information to link road safety data and understand the full picture of what is happening on our roads.

I would like to take this opportunity to thank the secretary and staff of the committee. I thank executive officer Ms Yuki Simmonds; research officer Mr John Aliferis; office manager Christianne Castro; and former executive officer Kylie Jenkins. I would also like to thank my fellow parliamentary colleagues who were members of the committee: chair, Murray Thompson, the member for Sandringham in the Assembly; deputy chair, Telmo Languiller, the member for Derrimut in the Assembly; Bill Tilley, the member for Benambra in the Assembly; and Jude Perera, the member for Cranbourne in the Assembly. This is an important document which I am sure will be of great benefit to governments for many years to come.

Motion agreed to.

PAPERS

Laid on table by Acting Clerk:

Auditor-General's reports on —

Shared Services in Local Government, May 2014.

Universities: Results of the 2013 Audits, May 2014.

Subordinate Legislation Act 1994 — Document under section 15 in respect of Statutory Rule No. 36.

MEMBERS STATEMENTS

Motor vehicle registration fees

Mr TARLAMIS (South Eastern Metropolitan) — I rise today to condemn the Napthine government for once again dipping into the pockets of Victorians by slugging them with an increase in the cost of car registration. This increase takes the cost of annual renewal for a standard car to \$744.50 once the Transport Accident Commission payment and taxes are included. What happened to the government that pledged to ease the cost of living pressures for families that were struggling? This is not the first time this government has increased car registration, and it represents yet another broken promise in a long line of broken promises to the people of Victoria.

Denis Napthine now reaps \$1.4 billion from vehicle registration fees — \$797 million more than when his government came to office. The government has removed car registration stickers, claiming it will reduce red tape and save Victorian taxpayers around \$20 million a year. If \$20 million is being saved by scrapping registration stickers, why are taxpayers paying more? The Treasurer claims the fee increase is because of Victoria's declining share of GST revenue, yet this government now reaps \$784 million from fines. That is \$225 million more than when it came to office. Speed camera fines will increase by \$38 million and stamp duty will go up by \$288 million — all under this Treasurer.

With all this extra revenue from fees and taxes, how can this government expect to ease the cost of living pressures for families who are struggling? The answer is that it cannot, and that is why my office has received an overwhelming response from residents in the south-east condemning these increases. Anyone considering giving up their car for public transport will find no joy there, as this government has increased fares by 21 per cent, not to mention its plans to disconnect the city loop from the south-eastern suburbs. These increases are regressive and affect the most disadvantaged Victorians the most. Members of this government should hang their heads in shame.

Hanging Rock

Mrs MILLAR (Northern Victoria) — No decision has touched my community more deeply than the announcement by Matthew Guy, the Minister for Planning, in conjunction with Ryan Smith, the Minister for Environment and Climate Change, on 16 May that Hanging Rock and the surrounding area will be protected from development and funding will be provided for the upgrade of the park's existing public facilities. As I have reflected in my five speeches in this place that have mentioned Hanging Rock, it was here in the Parliament that the match was ignited to light the flame. Hanging Rock is a place woven into the souls of locals in the Macedon Ranges and many from far beyond. Ethereal, iconic and mesmerising, it is a deeply treasured place which has drawn people to it for generations.

The announcement by the coalition government has been celebrated and lauded. Hundreds of locals have spoken to me about protecting Hanging Rock, and more than 6000 have signed petitions. I thank each person who has acted, and I specifically recognise Luke and Megan Spielvogel, Hilary and Penny Roberts, Natasha Gayfer, Matthew Nickson, Georgie Garvey-Hawke,

Nathan Alexander, Stephen Copeland and Richard Hughes.

Our party and our party alone has raised these voices in the Parliament, and our party alone has listened and acted. The day Minister Guy climbed the rock with me, my predecessor in Northern Victoria Region Mrs Donna Petrovich, members of the Hanging Rock Action Group and others was instrumental in the outcome. On behalf of many thousands in the Macedon Ranges, our great thanks go to Matthew Guy and Ryan Smith. To quote Joan Lindsay, who wrote *Picnic at Hanging Rock*:

Everything begins and ends at exactly the right time and place.

Hanging Rock is resting again as a protected place for all to experience. Hanging Rock, as it was in the beginning, is now and ever shall be.

National Reconciliation Week and National Sorry Day

Ms PENNICUIK (Southern Metropolitan) — I acknowledge that we are meeting on the land of the Wurundjeri people and I pay my respects to their elders, past and present, and acknowledge them as the traditional owners of the land on which we meet. National Reconciliation Week marks two historic events: the 1967 referendum which finally acknowledged the first Australians as citizens of this land and, 25 years later, the 1992 Mabo decision, which put an end to the notion of terra nullius.

The theme of Reconciliation Week this year is 'Let's walk the talk!' to achieve recognition of our first Australians in the Australian constitution. Constitutional recognition has been a longstanding policy of the Greens, and we are continuing to work with the Aboriginal community to achieve it. It strikes me that 2017 will mark 50 years since the 1967 referendum, and we should aim to at least achieve recognition of the first Australians in the constitution by that date.

Last Monday marked National Sorry Day. It is a significant occasion that reminds us of the strength and struggles of many thousands of Aboriginals and Torres Strait Islander people affected by forcible removal and allows us to gather to reflect on the mistakes of past policies and their serious, long-lasting consequences for the Aboriginal people of this nation.

Victorian Education Excellence Awards

Hon. W. A. LOVELL (Minister for Housing) — It was a pleasure to join my colleague the Minister for Education, the Honourable Martin Dixon, MP, at the recent 2014 Victorian Education Excellence Awards. The awards showcase the remarkable educators who are leading the way in turning good education into great education for future generations of young people.

Winners in the 14 categories were presented with professional development and research grants worth between \$10 000 and \$50 000. It was wonderful to present the Victoria Teachers Mutual Bank Early Childhood Teacher of the Year award to Rachael Weber of East Karingal Kindergarten, whose dedication and passion inspires our young people. I would like to congratulate all the winners and of course the finalists, many of whom were very highly regarded for their achievements. I thank them for their commitment to providing high-quality education for young Victorians.

Services Connect

Hon. W. A. LOVELL — Recently I was thrilled to announce that the Services Connect initiative will be expanded to Wodonga. Services Connect is a new approach that improves the way services such as housing, homelessness, family services, mental health, child protection and disability work together, particularly for people and families with complex needs. By giving people one clear point of contact this approach has already assisted hundreds of Victorian families and individuals in regional Victoria to build the strengths and capabilities they need to move out of the cycle of disadvantage. This is another example of the way the Victorian coalition government is building a better Victoria by assisting the most vulnerable Victorians.

Federal budget

Ms TIERNEY (Western Victoria) — The Prime Minister, Tony Abbott, and the federal Treasurer, Joe Hockey, have now delivered their first budget, and the people of Australia are truly gutted by what they have seen. The federal budget is an assault on the most vulnerable in our society and a betrayal by a craven government, despite the promises it made to the electorate prior to and following the election. We are witnessing the true ideology of the Prime Minister and his government. None of the disadvantaged in our communities have been untouched by the federal government's partisan display of economic subterfuge. Mr Abbott will try to say that these measures must be

taken for budgetary reasons. However, the truth is that these decisions to cut funding to families, the needy, the unemployed, the young and the disabled — the list goes on — were made because Mr Abbott truly believes in these cuts.

Tony Abbott believes that if you are a single parent with children and have very little money, you are rorting the system and you should pay \$7 for yourself and each of your children when you see a doctor. Tony Abbott believes that doctors should police his bad laws and that if the doctor does not take the \$7 fee, because the patient simply does not have it, the doctor should be punished. Tony Abbott believes that if you are under 25 years of age and cannot get a job, it is your fault. His government has never believed in working people having access to higher education, because this creates a more egalitarian society, where a person's capacity to contribute is not stunted by their capacity to pay. Tony Abbott believes that health and education should be cut because this will not affect the wealthy in our society. Tony Abbott believes that if you are on a disability or an age pension, then your life is too easy, so from 2017 you will get a lower pension rate. In short, the Prime Minister believes that the divide between the wealthy and the disadvantaged in this country needs to be widened, and that is exactly what this federal budget will do.

Burra Foods Australia

Mr D. D. O'BRIEN (Eastern Victoria) — The Victorian dairy industry has some great opportunities at the moment, none more so than in the great dairy region of Gippsland, which my colleague Mr Ronalds, a member for Eastern Victoria Region, knows very well. I had the great pleasure of joining the Deputy Premier, who is also the Minister for State Development, the Minister for Regional and Rural Development and the member for Gippsland South in the Assembly, in Korumburra last Friday for the launch of the first production line of infant formula at Burra Foods Australia.

This is a fantastic development, which has been supported by \$1.5 million from the Victorian coalition government, which is assisting our manufacturers and our dairy and agricultural industries to capitalise on the lucrative Asian export market. The first production of infant formula foods was a great opportunity for Burra Foods to tap into particularly the Chinese market. An investment of \$1.5 million from the Victorian coalition government's \$1 billion Regional Growth Fund has created 60 construction jobs and 26 new full-time jobs across the business, and it has secured more than 100 jobs at the plant.

Maffra Cheese Company

Mr D. D. O'BRIEN — The previous week I had the pleasure of joining the Minister for Local Government and the member for Gippsland East in the Assembly, Tim Bull, in announcing a \$150 000 investment in Maffra Cheese Company through the Latrobe Valley Industry and Infrastructure Fund. This is again a great little company, which is now expanding into soft and club cheese production. This project will create 15 new jobs, taking the overall employment at Maffra cheese to 45 jobs. I congratulate Sam Riggall and his mother, Ferial Zekiman. I also congratulate Grant Crothers, CEO of Burra Foods, on these great developments.

Andrew Fairley Avenue, Shepparton

Ms DARVENIZA (Northern Victoria) — The proposed road discontinuance of Andrew Fairley Avenue in Shepparton by the Greater Shepparton City Council is generating a lot of debate in the Shepparton community. The Minister for State Development, who is also the Minister for Regional and Rural Development, Mr Peter Ryan, has acknowledged that the road closure was raised during funding negotiations with the council, and his statement 'Shut it' was met with public outrage. Minister Ryan went as far as to invite the council to initiate conversation with the state government regarding alternative infrastructure to cater for what might flow from the closure of the road. Constituents have come into my office for clarification on whether the \$22 million assistance package to SPC Ardmona is contingent on the road closure. If the state government made any promises during negotiations that Greater Shepparton City Council would grant sole access to SPC Ardmona and close the avenue, Minister Ryan must be transparent and come clean with the Shepparton community.

On a positive note, the council is consulting with the community, and there has been an overwhelming response with hundreds of submissions received. The matter is now with the Greater Shepparton City Council.

Budget

Mr ONDARCHIE (Northern Metropolitan) — Labor's \$1 billion gaffe shows that Labor cannot be trusted to run the state's finances. Labor's shadow Treasurer, Tim Pallas, has demonstrated yet again that he is not fit to run Victoria's finances. The claim made on Monday by Mr Pallas that the 2013–14 state budget would actually carry a deficit without \$1 billion of federal government funding for the east–west link is not

just wrong but hopelessly wrong. Mr Pallas claimed in his media release:

The Abbott government is planning to hand over \$1 billion of the \$3 billion contribution to the east–west tunnel before 30 June, allowing Denis Napthine to turn a \$65 million deficit into a \$935 million surplus for 2013–14.

Mr Pallas is wrong. The commonwealth budget proposes that \$1 billion out of the \$1.5 billion towards the western section of the east–west link be paid to Victoria in 2013–14. However, not a single dollar of funding for the western section of the east–west link was assumed for the 2013–14 financial year in the Victorian budget. Any such federal funding paid in 2013–14 will simply add to the healthy Victorian surplus already forecast for this year.

Think about the litany of Labor liabilities handed to Victorians: the desalination plant at \$1.8 million per day, the myki ticketing system, the north–south pipeline and other underfunded projects. But the biggest liability Labor has inflicted on the Victorian people is Tim Pallas.

Government procurement policy

Mr MELHEM (Western Metropolitan) — Today the Australian Workers Union is launching a report on the future of the Victorian steel industry and the impact of the government’s procurement policy.

Honourable members interjecting.

Mr MELHEM — If you care about jobs, you will pay attention. Stop playing politics.

The steel industry provides over 25 000 direct jobs and three times as many indirect jobs. The Victorian government is about to embark on spending \$27 billion on major projects. It is vital that the focus on local supply is maintained and aimed at maximising the scale of local content for transport and construction projects into the future. Hence the procurement policy of any government is important in making sure that locally made products are procured. There are a number of examples. Countries across the world give their steel industries a fair go. For example, Canadian government policies favour Canadian value-added steel, and a 10 per cent price preference is given to local steel. In the US the Buy American Act mandates the use of local steel in government projects.

It is time the state government gave preference to our steel industry and to local jobs, and this should be a bipartisan approach. Here is a challenge for those on the other side: mandate that locally made steel be delivered

on all projects in Victoria. Get it done, and we will support you.

Royal Australian Air Force East Sale base

Mr RONALDS (Eastern Victoria) — On Friday I had the privilege of taking a familiarisation flight in a PC-9 Roulette, and what a pleasure it was. It was a lot of fun going upside down and flying along the coast at 220 knots, but I will admit that getting out of the plane was something I will never forget — that ground felt very nice! It was a very enjoyable time.

This simple flight showed me a lot about the Royal Australian Air Force, and the base we have in my electorate of Sale is a well-oiled machine. There is a lot involved, including the preparation of flight suits, the fuel, the air traffic controllers, the sick bags — as my colleagues have been pointing out — and, should the unthinkable happen, the parachutes. It is a well-oiled machine. It made me think about the Napthine government and the teamwork, the preparation and the work that goes into good government. We have recently experienced a state budget which delivered a \$1.3 billion surplus while still delivering good services for all Victorians, including \$73 million for the hospital in the Latrobe Valley.

It is a bit like the Roulettes: it takes discipline and skill, but it is an absolute pleasure to be part of this government that is building a better Victoria.

Anzac Day

Mr ELASMAR (Northern Metropolitan) — On 23 April, along with some of my parliamentary colleagues, I attended the annual Anzac Day observance ceremony organised by Northern Health. I was proud to lay a wreath at the memorial located just outside the Bundoora extended care facility in Plenty Road, Bundoora. As always the event was very well attended, with clients from the centre participating in the ceremony.

Bank of Sydney

Mr ELASMAR — On Tuesday, 6 May, I attended a small function, along with my upper house colleague Jenny Mikakos, to commemorate and celebrate the first birthday of the Bank of Sydney. I met with the Consul General for Greece, Ms Christina Simantirakis, who officiated at the ceremony. I thank the organisers for a well-organised and pleasant occasion.

Northern Horizons — 50 Year Infrastructure Strategy for Melbourne's North

Mr ELASMAR — On Wednesday, 21 May, along with state and federal parliamentary colleagues, I attended a briefing on the *Northern Horizons — 50 Year Infrastructure Strategy for Melbourne's North* report. The report contains a 50-year plan that incorporates a comprehensive transport plan and an employment strategy to stimulate business growth in Northern Metropolitan Region. The seminar was conducted at La Trobe University in Bundoora and gave us all an insight into what is possible for a bright future for the northern suburbs of Melbourne.

Waurin Ponds shopping centre

Mr RAMSAY (Western Victoria) — Last week demonstrated to me what enterprising, inventive and smart people we have in this country, but sadly it also demonstrated flaws in the character of individuals who abuse the power and privilege they are given. It was a pleasure to join the Premier and my parliamentary colleague David Koch, along with the chief executive officer of Coles supermarkets, Ian McLeod, at the opening of the new Coles supermarket and retail precinct at Waurin Ponds. It will mean 300 new jobs and potentially another 700 new jobs with three other supermarkets in the Geelong area.

Carbon Nexus

Mr RAMSAY — Across the road the Premier, with Vice-Chancellor Jane den Hollander, launched the Carbon Nexus project at Deakin University. This exciting new product, known as carbon fibre, is lighter and stronger and is described as aluminium for the 21st century. Carbon Revolution, a company that is producing wheel rims out of carbon fibre, is already exporting and is employing over 150 people in the Geelong region. I am sorry the Prime Minister was not able to be there to be part of this very exciting, revolutionary initiative by the Carbon Nexus team at Deakin.

Member for Ballarat West

Mr RAMSAY — Less exciting last week was the disgraceful abuse of parliamentary privilege by the member for Ballarat West in the other place, Sharon Knight, as she slandered and slurred the Premier and City of Ballarat councillor John Burt to distract from the great budget the Napthine government delivered to Ballarat. The fact Cr Burt — —

Mr Lenders — On a point of order, President, I am reluctant to raise a point of order during members statements, but the comments Mr Ramsay is making about Sharon Knight, the member for Ballarat West in the Assembly, are reflecting on her character. They are emotive, and I would put to you that if the member wants to raise those issues, he should do so by substantive motion rather than under the cover of a 90-second statement, because outside this place those comments would be defamatory.

The PRESIDENT — Order! My view is that they would not be defamatory outside this place. At this stage I am not in a position to judge where Mr Ramsay is going with this, so I will allow him to continue. I think he is aware that where substantive allegations are made against a member in another place or indeed in this place, that should be done by way of a substantive motion rather than a 90-second statement. However, my understanding of what Mr Ramsay has said to this point is only to suggest that the member in another place actually made comments which were derogatory to the Premier and another individual. From that point of view I do not see that as defamatory in its own standing, nor do I see that to this point that would require a substantive motion. However, I will listen with interest to the remainder of his contribution.

Mr RAMSAY — The fact that Cr Burt, a man of high integrity and honesty and who is committed to serving those less fortunate, was treated in this way is a disgrace and shows that Labor will sink to any level to draw attention away from a very successful and widely acclaimed Victorian budget. Now Greens councillor Belinda Coates has jumped on the gravy train of Labor's smears and is calling for the opposition to — —

The PRESIDENT — Order! Time, thank you.

The History of Outlook

Hon. E. J. O'DONOHUE (Minister for Liquor and Gaming Regulation) — On Sunday, 18 May, I attended the launch of *The History of Outlook*, a book celebrating the 45-year history of Pakenham-based not-for-profit organisation Outlook. It was a great privilege to be there. The book was formally launched by the federal member for McMillan and Life Governor of Outlook, Mr Russell Broadbent. The book, written by Ms Margot Yeomans, is a wonderful history not only of Outlook as an organisation but also of the changes that have happened in the Berwick-Pakenham community and surrounds. It is a great contemporary history.

The book is also an opportunity to acknowledge the new facilities that have been built at Outlook following the floods in 2011 — which had a massive impact on the organisation — through federal funding and cooperation with the state. The buildings have been rebuilt, and now there is a fantastic new facility at Outlook.

Outlook has always been an innovator and a dedicated defender of the rights of the disadvantaged in our community. It was the first supported employment service in Australia to pay award wages to its workers with a disability, and it was the first special needs school in the state to integrate its students. I commend the board of management and everyone involved at Outlook on continuing to uphold the organisation's values as outlined by CEO Tony Fitzgerald: the inclusion, empowerment, rights and dignity of people with a disability. I would particularly like to mention Tony Fitzgerald, Anne McCormick, Edwin Hume, Brian Paynter and all the staff and volunteers at this amazing organisation.

FEDERAL BUDGET

Mr LENDERS (Southern Metropolitan) — I move:

That this house condemns the federal coalition government for its unprecedented and callous budget, including —

- (1) \$12.5 billion in cuts to Victoria's health system;
- (2) abandoning Victorian schools and students by ripping up the Gonski education agreement;
- (3) driving up the cost of higher education and skills training;
- (4) forcing Victorian families to pay more for petrol, to see a doctor and to purchase the medicine they need; and
- (5) privatisation of vital government services and cuts to the ABC and SBS;

and notes with concern that these measures will negatively impact Victoria's most vulnerable residents, including kindergarten students, pensioners, the unemployed and the disabled.

I will speak to most of these points, but I am conscious of the fact that a lot of colleagues also wish to speak on this motion. I will keep my remarks on some of the points shorter than others.

The starting point for why I am moving in the Victorian Parliament that we condemn the federal coalition for this is the last paragraph — that is, because it affects Victorian citizens on so many levels. The words I use at the start, 'for its unprecedented and callous budget', partly go to the lead-up to the budget, how it has been

done and what I would say is the deceit with which it was done. We all hear the mantra that the federal government is trying to get its backbench and ministers to chant about Labor's debt and deficit disaster. It is trying to set the scene for why it had to put in place this callous budget.

In the 1970s, the 1980s, the 1990s or even 10 years ago, before you had the midyear update, the pre-election budget updates and various amounts of information, the lines that the federal coalition has been using — that there was a black hole and they had to fix it and all the rest — were arguments that people used. But I take up Mr Ondarchie's point from before: there was nothing in this federal budget and nothing in the federal finances that would have been any surprise or shock to anyone with the most basic ability to read budget papers and documents. That is not taking away from the fact that you need to be focussed on the long-term issues associated with an ageing population and all these things, as previous governments of all persuasions have known, but none of this was a surprise to federal Treasurer Joe Hockey, federal Minister for Finance Mathias Cormann, Arthur Sinodinos — when he was still on the job as the federal Assistant Treasurer — or anyone else in the federal economic team. Their eyes were open; they had the forecasts.

The man who is now Prime Minister of Australia chose to reaffirm on the Thursday before the election his call for people to trust him: there would be no cuts to education, no cuts to health, no cuts to the states and no increases in taxation. Mr Abbott reaffirmed all of these promises on the Thursday before the election, and within weeks reversed them one by one. I am now going to quote a person I do not normally quote very much in this house — none other than the Minister for Housing, Ms Lovell. Her press release of Thursday, 8 November 2012, quotes her as saying:

In tough economic times like these, I think the soul of a government can be seen in the areas it prioritises for funding ...

The words of Wendy Lovell probably sum up better than I can why this federal budget is heartless and callous and what characterises the federal coalition government. In the words of Wendy Lovell, in 'tough economic times' the choices you make and the priorities you have for funding sum up your soul or lack thereof.

I will start by going through some of the items in this federal budget program that affect real citizens, real Victorians. Firstly there are cuts of \$12.5 billion from Victoria's health system. Periodically the state Minister for Health in this house dwells on these matters. It is

always fascinating to hear the different arguments used by members opposite. In this house Mr Ondarchie has said that budget papers obviously are transparent and has told us what he thinks. If I had a choice between the economic literacy of Tim Pallas and that of Mr Ondarchie, I know who I would be backing, and it would not be Mr Ondarchie.

It is fascinating. Senate estimates committee hearings have been held in the last couple of days in which committee members have gone through the budget clause by clause and line by line. The federal government is on the back foot trying to explain the choices it has made. Again I quote Ms Lovell:

In tough economic times like these, I think the soul of a government can be seen in the areas it prioritises for funding ...

Just this morning I was listening to *AM* while writing and finalising the notes I am using for this debate. I heard the amazing debate in which George Brandis, the federal Attorney-General, admitted that he has taken money away from a royal commission into people who have been exploited and disadvantaged by institutions and moved that money to fund the government's royal commission into the home insulation program. Without overly dwelling on that, I will make a couple of observations about who can manage money.

During the Gillard government, and with bipartisan support, the Labor Party set up the royal commission into institutional responses to child sexual abuse and provided sufficient funds for the royal commission to do its job. Firstly, on the issue of who can manage money, the Gillard government made sufficient provision so that the royal commission could do its job. Now, for reasons of their own, members of the current government have said, 'There is more money than you need'. Either it was a choice or it was an acknowledgement that the Gillard government provided more than enough money for a royal commission, but the current federal government has now moved some of that money away. There are a couple of questions on either side of this.

Secondly, there is the amazing contrast between the actions of the Gillard government and those of the Abbott government in relation to royal commissions. The Gillard government provided money for a royal commission and provided more than was needed. The Abbott government set up a royal commission into the home insulation program and did not put in enough money, so it removed funding from one royal commission and gives it to another. That is interesting in terms of who can manage money. Where does this argument come from? It is from the Abbott-Liberals

'We can manage money' argument. The whole foundation for these cuts came from the National Commission of Audit, the establishment of which was the first announcement of the Abbott government, and what happened to the commission? It overran its budget by almost 100 per cent.

Let us reflect a little on some of the comments that have been made about who can manage money. The commission that tells the government how to manage money overran its budget, and yesterday in a Senate estimates committee hearing we heard that of two royal commissions, the one established by the former Labor government was overfunded and the one established by the present Liberal government was underfunded, and that funding has been moved from the former to the latter. I am making a point about managing money. If those opposite listened to themselves occasionally, they might be a bit surprised at some of the choices they have made and the examples they are using.

I return to the central premise of what Ms Lovell said about the choices governments make. When this federal government came to office it had the most transparent books. That is not hyperbole; it is the reality of amendments to legislation because of the compact with the Independents and the minor parties. It was the most transparent set of books that any federal government has ever inherited. Members of the new government looked at them. Mr Abbott said on the eve of the election, 'We can honour all our promises. We have looked at the figures. Have no fear: we will honour Gonski for the first four years. We will honour the health agreements with the states. We will honour all these commitments, we will do paid parental leave, we will cut company tax, we will get rid of the mining tax and we will make the books balance'. Surprise, surprise! Once it came in it suddenly found it had overpromised, despite having all the information in front of it, and then it started making choices.

Let us go first to the biggest dollar choice out of all of them. The federal Treasurer blithely announced, 'We are going to be cutting \$80 billion out of health and education beyond the forward estimates, out of the agreement. The indexation rates will change. We have cut our cloth, but it has all been thrown to the states'. This is cunning. It is what John Howard did for 11 years, but let us expose it for what it is.

When John Howard was Prime Minister, for 11 years he came out and said, 'We have increased funding for hospitals by more than inflation'. It is like members opposite chanting statistics in this place. People who were once political will now come out with lines like '\$4.2 million over four years', as if somehow or other

that means anything in the community. They will always say that this is the biggest amount of money ever spent, without recognising rule no. 1 — that is, inflation is 2.5 per cent and population growth is 1.8 per cent, so unless you are actually increasing expenditure by 4.3 per cent, you are cutting it in real terms.

The John Howard rule of every year being able to put hand on heart and say, 'We are spending more on health than inflation' was correct, except that, having started with the federal government paying for 51 per cent of our hospitals and the states for 49 per cent, at the end of 11 years the federal government was paying for 40 per cent and the states for 60 per cent. You effectively had a 1 per cent per year reduction in federal funding simply by playing with the indexation formulas.

This budget is from the same John Howard copybook. Joe Hockey and Mathias Cormann have suddenly cut funding to the states and adjusted their budget by \$80 billion. Victoria represents a quarter of the Australian population, so that is \$20 billion. Over 10 years that is \$2 billion a year. We are talking about 4 per cent of the state budget having just been effectively cut by the federal government making this indexation adjustment. No wonder Mr Hockey and Mr Cormann were sitting there with big cigars thinking they had got away with this trick and they could say, 'We have cut our cloth. We have balanced the books'.

But what have they done? They have caused a monumental problem for eight states and territories. This state, in the simplest of terms, has seen a 4 per cent reduction in its budget in future years. That is how the federal government has fixed what it is calling Labor's debt and deficit problem — by suddenly making it a state and territory recurrent budget problem without effectively addressing the problem. Mr Hockey and Mr Cormann are guffawing while chewing on cigars or dancing in the office and we have this bizarre debate where they are saying, 'If the states and territories want to do something, they can ask us to put up the goods and services tax'. It is a legitimate debate over how taxation should be done between levels of government; do not get me wrong. But it is a pretence that they have fixed the budget when all they have done is make eight states and territories take it. The \$80 billion over eight years, in simplest terms, for Victoria is actually a 4 per cent cut in the Victorian budget across the board. That is Mr Hockey's gift to Victoria.

When we talk about the \$12.5 billion cut in Victoria's health system — I will not dwell on that because my colleague, Mr Jennings, will speak far more eloquently than I would on this area — I must admit that I find that

extraordinary, having numerous times watched Mr Jennings asking Mr Davis, the Minister for Health, questions on the federal budget. I go back to Mr Ondarchie saying, 'You can read the budget papers and know exactly what the feds are doing' and then watching his leader, Mr Davis, day after day saying, 'My officials are still analysing the budget papers'.

When I was the Treasurer in the state government those officials could analyse these papers remarkably quickly. It was amazing. After a federal budget was handed down the Treasury and corporate sectors of each department would work on it and by about 2 o'clock in the morning you would have a full analysis of the budget with a few footnotes and a note that more work needed to be done. Two or three days later detailed tabulations of what it meant for every specific purpose agreement and every national partnership agreement would be available. You would have that information. Either Mr Davis is not reading or Mr Davis does not know how to read or somehow or other the Treasurer, Mr O'Brien, is hiding stuff from Mr Davis, because I am very surprised to hear these strange answers from the Minister for Health day after day that his officials are still looking at it. On the basis that his officials are still looking at it, I imagine the architects who built the Great Wall of China in about 500 BC are still looking at it as well. Eventually Mr Davis will not be able to hide behind that defence.

It got even more ludicrous when the Minister for Health was asked questions on how the health funding is going and we started hearing about Dr Seuss. I think Mr Davis needs to know that Dr Seuss is not a bulk-billing GP somewhere in the outer suburbs of Melbourne or in Ballarat. This is more serious than the minister lets it be known. No matter how the state minister tries to defend it or how often he tries to say he does not like co-payments — and presumably he and the Premier have given the Prime Minister a really angry look — —

Mr Melhem interjected.

Mr LENDERS — That is right, Mr Melhem — wink-wink, nod-nod. In practice nothing is being done to stand up for those Victorians who will be paying the co-payments. However, I am focusing on what a 4 per cent cut in the Victorian budget will be in dollar terms when the \$80 billion is translated across the 10 years in the future. The state budget has been effectively cut by 4 per cent by that single action, and where will that be felt the most? Already we have seen the government having to do some rapid dancing to try to retrieve its position on concessions. We are already seeing it in cuts in health as of 1 July. But more significantly when

these full cuts start coming through they will have the effect of cutting the Victorian budget by 4 per cent, and we will know where that will go — in health, education and all the other areas that need addressing. A cut of \$12.4 billion to the health system is a significant cut that is going to affect every Victorian.

Abandoning Victorian schools by ripping up the Gonski education agreement is probably the second one. I can remember Mr Abbott and Mr Pyne assuring Australians — I could be uncharitable and say oozing insincerity or be charitable and say looking sincere — that the Gonski reforms were safe. I can also remember when the then Liberal Premier of New South Wales, Barry O'Farrell, and Adrian Piccoli, the deputy leader of The Nationals and Minister for Education in New South Wales, signed the agreement with the then federal Labor government for the Gonski funding.

Progressively state after state and territory after territory signed up to streams of funding going forward for education. There was an amazing debate. Whenever the then federal Minister for Education, Bill Shorten, talked to a state or territory, Tony Abbott, Christopher Pyne and Joe Hockey agitated and said, 'You can't lock in a future government, you shouldn't sign'. But state after state, Liberal, Nationals and Country Liberal Party governments were prepared to discuss with the then federal education minister, Bill Shorten, and the then Prime Minister what they thought was a bipartisan approach going forward that would inject money into schools.

There is a debate on all these things, and money is the starting point. What you do with money is equally important. But if there is a promise of delivering money and the money is cut, that is a breach of a promise, and that is why I am asking this house to condemn the federal coalition's budget. What we eventually had, when teachers, parents, students, industry — everybody who wants improved educational outcomes — said, 'The Gonski funding reforms are a critical building block to achieve this' — was a commitment that it would be done. There may not have been consensus on what should be delivered, but Tony Abbott and Christopher Pyne said, 'Trust us. We will deliver this in a bipartisan way, but we only promise it for four years and then we will review it'. That was up-front. They said they would do it for four years so people could plan, but at the first opportunity it goes.

I turn back to Ms Lovell, and I quote:

In tough economic times like these, I think the soul of a government can be seen in the areas it prioritises for funding.

What has the federal government prioritised for funding? It says that it has made a series of promises — 'We have promised paid parental leave'. It has, and it is going to increase taxes on a number of large companies to pay for it. The federal government is legislating to do that. It said it would cut company tax for other companies. It said it would get rid of the mining tax. The federal government said it would do a range of things. They are all promises. I am not saying it should honour or not honour those promises, but it promised not to cut funding to the states for health and education. It also promised not to put up taxes. It further promised not to cut benefits, and the federal government never mentioned that anyone under 30 would be targeted and victimised by it.

What the federal government has done, using the test of Ms Lovell, is in tough economic times it has made choices, and the choices are — —

Mr Leane — Mean choices.

Mr LENDERS — That is correct, Mr Leane. They are mean choices. We have the \$7 co-payment for people who are bulk-billed for their first 10 visits. I have not heard — —

Mr Ramsay interjected.

Mr LENDERS — I take up Mr Ramsay's interjection. I gather he is now saying it is a co-payment paid by someone else. I gather from that that Mr Ramsay supports the co-payment. I am interested in his strident advocacy for a co-payment, because the Minister for Health says, 'We don't like a co-payment and we're going to give the federal minister a really angry look, and we're going to eyeball him. When I call him on the phone he quakes. We'll have a meeting of federal and state ministers and collectively cross our arms and give him an angry look. And we'll give him another angry look'.

Mr Barber — Write him a nasty letter.

Mr LENDERS — That is right, Mr Barber. We will write him a nasty letter and give him an angry look. But in the end the co-payment will go through the House of Representatives, and it will be in the hands of the Senate. I am delighted that the Minister for Health has come into the chamber and chosen to give an angry look to show how much he does not like co-payments. Perhaps he should give his angry look to Mr Ramsay, who — if I heard him correctly — was saying positive things about co-payments, but perhaps I am unfairly referring to him.

If we look at the choices that have been made, we see that as the co-payment comes in there will be adjustments across the board to benefits that people have received and relied upon. They are cruel and heartless, but most significantly they are changes that Mr Abbott, Mr Hockey and the whole gang said would not be made. They said, 'Trust us, the grown-ups are in charge. There will not be any sudden policy changes'.

Mr Jennings interjected.

Mr LENDERS — That's right, Mr Jennings — these grown-ups are mean.

What has happened was all unforeseen. Part of my angst about this is that the government has said one thing and done another. Gonski is being ripped up and money is being pulled out of Victorian schools to the detriment of students. If you are a grown-up, you like to plan. When Mr Davis has not been giving angry looks to the federal minister, he has gone on endlessly about the inequity of any government changing the forward estimates, asking how hospitals can plan when they have been told they will get a certain amount of money, but that amount changes. Families that have been planning on getting benefits have suddenly had those benefits changed. Hospitals, dare I say, have had a change to the money they had been planning to get from the federal government. Schools have had a change to money they have been planning on getting from the federal government.

Mr Ramsay interjected.

Mr LENDERS — I find it truly interesting that the best Mr Ramsay can do is ask, 'How is the carbon tax going?'. Mr Ramsay may well ask that question, and if he wishes to have a debate or view about governments putting policies forward, he may do that, but the motion before the house today is about the promises made by Mr Abbott, Mr Hockey, Mr Cormann, Mr Sinodinos — when he was on the job — and every single Liberal and Nationals member in that Parliament to do certain things which they are not doing any more. They have broken their promises, which makes this a disgraceful budget.

Mr Ramsay interjected.

Mr LENDERS — This is interesting. I will take up Mr Ramsay's interjection about black holes. The first executive action of the federal government was to set up a commission of audit to advise on how to rein in budgets, deal with the future — do all this stuff — and what happened to the commission of audit? Its budget overran by more than 100 per cent. The body that is meant to be advising the federal government on making

the nation work overran its budget. That is a great start to a lecture on fiscal rectitude from those opposite. The commission of audit could not manage its own budget, so the federal Treasurer topped it up out of the Treasurer's advance, but that is no help to families who have had their support cut and will have to pay a co-payment to go to the doctor. They thought the government was a no-increase-in-taxation mob, but it is suddenly indexing the price of fuel.

Without entering into a debate on the pros and cons of cars, members of the state government, who allegedly are the champions of cars — they will build mythical roads for cars to travel on and they will champion cars — have voted to increase the tax on cars and to put up motor registration fees and have taken any opportunity they can to gouge money, and now their federal colleagues have suddenly reneged on John Howard's signature trust-me pledge, 'I will stop the indexation on fuel excise because I am different — I care about motorists', and put the indexation back on. Those opposite seem to be the champions of cars and have tried to brand Labor members as myopic champions of public transport — thank you, we are champions of public transport and all modes of transport — but the state government has increased the tax on cars and increased registration fees, and the federal government has put up the excise on fuel. Go figure who is the friend of motorists.

Mr Leane interjected.

Mr LENDERS — That's right, Mr Leane — push them onto toll roads. The only problem is there needs to be a road to toll, not just an artist's impression — but that is a separate debate.

Mr Ramsay interjected.

Mr LENDERS — I cannot but take up the interjection, 'Why borrow more money?'. It was the Liberal Party, The Nationals and the Greens that voted to increase federal debt, which the Labor Party voted against.

The ACTING PRESIDENT (Mr Tarlamis) — Order! I point out to Mr Ramsay that Mr Lenders has the call. I notice that Mr Ramsay is on the speaking list, so he will have an opportunity to make a contribution.

Mr LENDERS — University of Canberra modelling, commissioned by the federal opposition, shows that a couple with a single income of \$65 000 and two kids in school will have over \$1700 cut from the family budget by this federal budget. Families in Grovedale and Colac — in Mr Ramsay's electorate — will have \$1700 cut from their family budget by the

grown-ups who are in charge federally. That is all as a result of those grown-ups needing to make their own budget work — and they promised it would not happen. Add in health costs, and the Prime Minister is cutting nearly \$40 from a family's budget each and every week. The families in Mr Ramsay's electorate, whether they be in Grovedale, Colac, Ballarat or further west, have had \$40 cut from their weekly budget by a government of grown-ups. Mr Abbott said on the Thursday before the election, 'Trust us. We have seen the figures. There is nothing in here that will not let us carry out every election promise'. They have seen this blatant cut.

It gets worse. Tony Abbott's cuts will get deeper and deeper, more than tripling to almost \$120 a week, by the time of the next election. If you are a citizen on a \$65 000 income with two kids at school, by the end of this term, as a result of changes made in this budget — assuming those changes get through the Senate — you will be \$120 a week worse off now that the grown-ups are in charge.

Mr Melhem — How many coffees is that?

Mr LENDERS — That would be quite a lot of coffees, but I think the people in Grovedale and Colac are probably a bit more concerned about things like the fuel in their car and the cost of public transport tickets, which has gone up endlessly under this government. They are probably more concerned about paying their mortgage, getting food on the table and paying for electricity and things like that than the coffees.

Mr Hockey was the one who did his little deal with the Greens to remove the cap on the level of debt that was in place federally. There has been legitimate debate about levels of debt. I am not into that, but I think it is interesting that this man talks about debt but his government has legislated to allow the debt to go up.

In 2016 a family in Grovedale, Ballarat or Colac will suffer cuts of \$6000 from the family budget because the grown-ups are in charge. All Victorians are going to pay for Tony Abbott's broken promises. In this state more than half a million people receive the age pension. I do not think many of them are jumping with excitement about the indexation changes that have been announced. It is stealth. That is why this budget is bad. If the federal government wanted to say, 'We want to reduce pensions because we've all got to tighten our belts to pay for paid parental leave or the company tax cuts or to abolish the mining tax' — whatever their priorities are — and if everyone has to tighten their belts, it is not just Mr Abbot taking a pay freeze for a

year or high-income earners paying a levy for three or four years, it is the pensioners.

If we look at average weekly earnings versus the consumer price index, we can see that for a single pensioner this year on a full pension of just over \$800 a fortnight with the other allowances that go with it — and the nature of it is that over the last 10 years average weekly earnings have gone up by 1.1 per cent more than inflation — this change to indexation will make a difference of nearly \$9. Whether it goes up with inflation or average weekly earnings, that is what it means to an average pensioner. There are half a million of them in Victoria. We have this again by stealth. The government is saying, 'We are putting up with inflation'. They are putting up state grants with inflation, but they are changing the rules that are in place.

If they had said before the election, 'We're going to do this', it would have been a legitimate election issue. Former Prime Minister John Howard came to an election to bring in a goods and services tax. He said, 'Previously I didn't support it. I'm not going to bring it in in my first term'. He said he was not going to do it, and then during his first term he said, 'If you re-elect me, I will do this', and people did re-elect him. That was legitimate. Here there is no change. We have this tweaking of indexation levels, and the one for the half a million people receiving the age pension in Victoria changes it from indexation based on average weekly earnings to indexation based on inflation — and it is \$9 a week. Mr Abbott might not care, Mr Hockey might not care, the Liberal Party might not care and much of the community might not care, but I can assure members that most of those half a million pensioners are going to notice the \$9 a week that Mr Hockey has taken out of their pockets.

I do not know what a cigar costs; I have never smoked one. Maybe you can buy a cigar for \$9. Maybe I am out of touch. It might not matter to some people.

Mr Melhem interjected.

Mr LENDERS — I will take the advice of my colleague that you cannot buy a cigar for \$9. However, I am sure that \$9 will be noticed by a lot of Victorians who receive the age pension. That is why this is a bad, cruel and unprecedentedly callous budget. A pensioner will be \$1500 worse off because of this tweak in indexation.

I mentioned the \$12.5 billion cut in funding from the health system. Wherever we look there is a slug. We have the immediate cut to hospitals, and we have a

\$328.5 million slug for the increased cost of medicines for the sick. However we look at this, we can see it is a bad budget and a cruel budget.

I will leave it to my colleagues to talk about the deregulation of higher education contribution scheme (HECS) fees, university places and a range of other things. The comment I make is that for Liberal members — whether they are state or federal and whether it be in regard to vocational education and training in schools, the Victorian certificate of applied learning, TAFE or HECS — clearly it is of academic interest. We have had four state budgets in a row that have seen cuts in real terms in this sector.

Mr Hall, the former Minister for Higher Education and Skills, is gone, but the first motion that went on the notice paper from him in this Parliament noted how terrible it was that the number of people enrolled in tertiary education was less in rural and regional areas than it was in Melbourne. It was a legitimate motion. It was a fact. He moved a motion lamenting that situation at the end of a state Labor government's term and during the term of a federal Labor government, but what do we see four state budgets and one federal budget later? Actions that are going to accelerate that gap.

Students in Colac, Grovedale and Ballarat, students in Bairnsdale and students in Maffra, Yarram and all these places are going to find it harder to get an education unless they leave the town and come to Melbourne, where these wonderful market forces are meant to provide them an education. We are closing TAFEs in Bairnsdale. We are closing TAFEs right through western Victoria. We are shutting down educational opportunities for students.

Mr Leane interjected.

Mr LENDERS — Lilydale, indeed Mr Leane. What we are seeing under this government, where the first motion of the higher education and skills minister in this house was lamenting the drift of tertiary enrolments in regional Victoria, are actions that will accelerate that gap. That is all we have seen from the state Liberal government and the federal Liberal government.

Having grown up in Gippsland I can assure the house that if there is a single thing Gippslanders and people anywhere in regional Victoria agree on as being a measure of what is good in legislation or government, it is whether it keeps youths in regional areas. If there is a single issue that people understand, it is that the future is the youth, and if youths abandon the country because

there are no job opportunities or education opportunities and they all head to Melbourne, that is bad for regional areas. These cuts ensure exactly that outcome.

If you have to rely on market forces, you will find there are not a lot of market forces that keep Glenormiston College open in Mr Ramsay's electorate, and there are not a lot of market forces that keep the TAFEs open in Gippsland or Wodonga — you name it — across the state. The reliance on market forces means that if you want education, you come to Melbourne.

Mr Ramsay interjected.

Mr LENDERS — I would like to see Mr Ramsay chair a consultation committee on Gordon TAFE, which would be like the committee deciding the order of a funeral procession. That would be about as relevant to that consultation committee.

What we will see is cuts upon cuts. There is no additional funding for public infrastructure in Victoria. In fact the previous federal Labor government's \$3 billion commitment for Melbourne Metro is gone. It is finished. We can have the debate here on whether the Senate estimates were right and the money has been given to Victoria or whether they were wrong, and on which side of 30 June it will come.

Mr Melhem interjected.

Mr LENDERS — Mr Ondarchie is the expert, of course, Mr Melhem. On which side of 30 June it comes is ultimately irrelevant, because this project has not had a business case. This project is years away. Clearly it is a bit of federal money being shovelled into the state to make the state budget look a bit better. Whether it is this year, next year or the year after that, that money is certainly not going to be spent on the second stage of a road in this financial year or the next financial year. However you look at it — however excited Mr O'Brien gets about it — it is funny money by another name.

This federal budget has shamelessly abandoned public transport infrastructure spending. I will give the Prime Minister credit for being up-front about it. He has said from day one that he supports roads and that he will not support any urban public transport infrastructure. I will give Mr Abbott credit because he is being up-front about that, unlike most of the other things he has said. Credit where credit is due, Mr Abbott has put his flag to the mast. He does not support in any way, shape or form urban public transport infrastructure.

We then move on to Victorian families. I have touched on this matter. They are paying more for petrol; they

are paying more to see a doctor; they are paying more to purchase medicine — and Mr Abbott said that they would not. Mr Abbott is talking about whether he can privatise vital government services. It is endless.

Mr Ramsay interjected.

Mr LENDERS — I know some organisations, like the Victorian Farmers Federation under the stewardship of its immediate, immediate past president, got so deep in red ink that they nearly drowned. The next president of the federation had to come in and sack staff, tighten the belt and cut the cloth, so it is little bit rich for Mr Ramsay to be lecturing anybody from the Labor Party on how to manage anything — unless it is — how to drown in a very deep sea of red ink. It is called the Red Sea for a reason.

Honourable members interjecting.

The ACTING PRESIDENT (Mr Tarlamis) — Order! There are far too many interjections. Mr Lenders has the call.

Mr LENDERS — I conclude by saying to the house that this budget ought be condemned, hence the motion. It is a budget that tweaks indexation to cut out 4 per cent of the Victorian budget in the years ahead. There are \$80 billion in cuts over eight years. That is \$2 billion a year taken out of Victoria. Four per cent of the budget is being cut through a sleight of hand by Joe Hockey. It ought be condemned because of the cute little tweaking of indexation rates.

Honourable members interjecting.

Mr LENDERS — It is interesting. I hope Mr Ondarchie and Mr Finn will face some of the age pensioners in Victoria, one-eighth of whom live in each of their electorates, and say to them that their pension next year will be \$9 a week less because of this tweaking of average weekly earnings to the consumer price index. Clearly Mr Ondarchie is a supporter of the federal budget. Clearly Mr Ondarchie has not taken the lesson from his leader, Mr Davis, to look angry. Whenever he says federal budget, he is meant to look angry.

Clearly those opposite will come here and use mealy-mouthed words and say that they cannot support this motion because the federal government had to do these things, but they will give them really angry stares about the co-payment. They probably will not even mention the pension tweaking because it is not public yet. They will talk about the carbon tax or Tanya Plibersek rather than the real, immediate cuts we are facing federally. The best we will get is a group of

thespians talking about how they can put their angry faces on for Joe Hockey and Tony Abbott while they are on their way to attend big fundraisers at the Higgins 200 Club or the 500 Club with those federal ministers, raising money and cheering on the federal budget. I urge the house to support this motion and send the message to Canberra that we have had enough.

The ACTING PRESIDENT (Mr Tarlamis) — Order! Before I call the next speaker I remind members that it is disorderly to interject, and it is certainly disorderly for members to try to raise their voices above the member who has the call.

Ms CROZIER (Southern Metropolitan) — I am pleased to rise to speak this morning in the debate on Mr Lenders's motion. I note that Mr Lenders was rather angry while he was making his contribution to the debate and that he carried on quite a bit when referring to a number of elements, and I want to refute a few of the assertions he has made. In the last part of his contribution he talked about pensioners. Let us remind Mr Lenders that it was this government that gave all-year-round concessions to pensioners. His government did not.

What we are faced with here in Victoria, and what the federal government is faced with, is fixing yet another Labor mess. It is quite predictable. Let us go back to when the Kennett government came to power in Victoria in the 1990s. The years of former premiers John Cain and Joan Kirner left Victoria in a mess. When former Prime Minister John Howard and former federal Treasurer Peter Costello took over in 1996, Australia was in a complete mess, with a \$96 billion debt. When we came to power in 2010, spending in Victoria was outstripping revenue — again, there was a mess.

Let us not forget what those opposite presided over, including the desalination plant and myki. It was 11 years of inaction and mismanagement. That is what existed we came into power. Victorians are paying \$1.8 million a day for the desalination plant, and Australians are paying \$1 billion a month to repay federal Labor's debt. That is what we are dealing with. Those opposite are hopeless managers of money. Australians know that. Those opposite are entirely predictable. There were 7 years of mismanagement by former prime ministers Kevin Rudd and Julia Gillard and former federal Treasurer Wayne Swan, and there were 11 years of mismanagement here in Victoria.

Mr Lenders launched a fascinating attack on Mr Ondarchie, and he spoke about Mr Ondarchie's ability to manage money as compared to that of

Mr Pallas. That in itself is extraordinary, because it refers to the billion-dollar blunder bloke, Mr Pallas.

An honourable member — He cannot even count.

Ms CROZIER — He cannot count — that is exactly right. Mr Ondarchie has presided over multimillion-dollar companies and businesses. He understands balance sheets, sustainability and how to manage and run businesses — unlike Mr Pallas. What did Mr Pallas do before he came into this place? He was a trade union official with the National Union of Workers and a chief of staff for former Premier Steve Bracks.

Mr Ramsay — Well, well, well.

Ms CROZIER — Mr Ramsay might say, 'Well, well, well'. Mr Ondarchie has real experience working in business, and he understands balance sheets. I hope Mr Lenders is giving Mr Pallas some hints, because at least Mr Lenders understands a balance sheet — unlike Mr Pallas. I am not sure what tips Mr Lenders gave Mr Pallas, but clearly either they were not clear enough or Mr Pallas did not understand them, because he really did muck it up. I know who I would be backing: Mr Ondarchie, every single time. At least he knows and understands budget papers. As I said, the billion-dollar blunder was extraordinary, and Victorians should be very concerned that Mr Pallas is an alternate Treasurer.

Mr Finn — They should be terrified.

Ms CROZIER — They should be terrified, as Mr Finn says.

Mr Lenders — I think they are more concerned about who the Treasurer is at the moment.

Ms CROZIER — Mr Lenders brings me to a very good point. Mr O'Brien is doing a tremendous job — an exceptional job. Mr O'Brien is the man who has delivered a surplus in this state. We as Victorians are the envy of every other jurisdiction in the country. We are delivering an investment of \$27 billion in infrastructure. We are putting a plan in place that will create jobs and economic prosperity for this entire state — unlike those opposite, who have no idea. All they know is how to spend money.

Mr Lenders — We just left you with 11 years of surplus and 11 years of AAA.

Ms CROZIER — That was thanks to the Howard and Costello years and the revenue Victoria received from the federal government. It was not much to do with the management of those opposite. We are now

lumbered with a \$1.8 million-a-day desalination plant budget blow-out, which Victorians remember. Mr Lenders presided over an investment that is costing Victorians \$1.8 million a day, and they recall that.

I will discuss Mr Lenders's next point about Senator George Brandis, the federal Attorney-General, and the Royal Commission into Institutional Responses to Child Sexual Abuse. I am interested in this issue because, as Mr Lenders knows, I headed the Inquiry into the Handling of Child Abuse by Religious and Other Non-Government Organisations along with the other committee members from the Victorian Parliament, who all did a terrific job. Mr Lenders spoke about money being shifted from the royal commission on child abuse to the royal commission on the home insulation scheme. The installation of pink batts was another debacle presided over by the former federal Labor government.

I do not know all the details of the royal commission, but I know some detail. Let us not forget what happened. Former Prime Minister Julia Gillard dithered in making a decision about that royal commission. I believe that royal commission would not have come about if former Victorian Premier Ted Baillieu had not made the courageous decision on behalf of the Victorian government to be the first jurisdiction anywhere in the country to undertake such an inquiry. Julia Gillard dithered. The current federal Opposition Leader, Bill Shorten, said there would not be an inquiry, and two days later Julia Gillard decided the pressure was getting too much and she announced it. Former Attorney-General Nicola Roxon then provided the terms of reference which covered seven pages. How ridiculous! It took months to sort that out. They finally got that right.

Then there was some funding allocated to the royal commission: \$20 million to fit out a room. I am sure there were savings in that whole process. As I said, I do not know the detail.

Mr Koch — Only \$20 million.

Ms CROZIER — Yes, only \$20 million. And there was over \$400 million allocated to conduct the royal commission. Mr Lenders is right. That is something that the former government announced, and that royal commission is still being undertaken. I will be absolutely fascinated to read the interim report that will be delivered to the federal government on 30 June. However, I say again that I do not know what that has to do with the allocation of funds. All I know is that it is probably an efficiency move, and that is what coalition governments do: look for savings. This is taxpayers

money we are dealing with. It does not grow on trees, and it does not just pop up willy-nilly. Those opposite seem to spend, spend, spend and pretend it does not matter. It is an increasing debt. As the federal government has said, it has \$1 billion a month in interest payments. That is a legacy that those opposite need to understand.

I will discuss some other points from Mr Lenders's motion. I would like to remind members that it is true that some of the announcements made in the budget on 13 May by the federal government will have significant impacts on the Victorian health system. That is plain to see. The minister has been very determined. You might say it is the angry face, but — —

Mr Tee — He wrote a letter.

Ms CROZIER — Mr Tee says, 'He wrote a letter'.

Mr Tee — And he made a phone call.

Ms CROZIER — Exactly right. He has actually spoken to his federal counterparts — —

The ACTING PRESIDENT (Mr Tarlamis) — Order! Members should not be engaging in conversation across the chamber. Ms Crozier has the call.

Ms CROZIER — Thank you, Acting President. Through you, I remind Mr Tee that the state Minister for Health, Mr Davis, has been speaking to his federal counterpart about Victoria's position. I remind members that in its recent budget this state government announced an additional investment of \$1.4 billion in the Victorian health system and that money will be going directly into those health services and making an enormous difference.

Mr Leane interjected.

Ms CROZIER — No, I did not say that. Through you, Acting President, I said a \$1.4 billion investment over four years. Since coming to government we have invested over \$3.6 billion, and that has had a significant impact on our very good health system in Victoria. We have a growing and ageing population. In 11 years Labor did very little. We have infrastructure on the ground catering for that population increase. The Monash Children's hospital will service Southern Metropolitan Region, which Mr Lenders and I represent, and that is good news for the south-eastern suburbs of Melbourne and the surrounding areas. There is health infrastructure being built right across the state, including in Geelong and in Bendigo.

Mr Lenders should be supporting that, just as he should have supported the state Minister for Health when the former federal health minister, Tanya Plibersek, announced a \$107 million cut halfway through a financial year. Mr Lenders knows that the health services could not manage — —

Mr Lenders interjected.

Ms CROZIER — Not halfway through a financial year. Mr Lenders should have supported Mr Davis when he took that \$107 million cut to the former federal government and argued against it. Mr Lenders did not support that argument. He supported the former federal Labor administration and he supported those federal cuts.

To get back to the motion in relation to the current budget, we know the federal budget will have a significant impact on the Victorian health service. The national partnership agreement on improving public hospital services will not be renewed and the national partnership agreement on adult public dental services has been deferred for 12 months. Clearly these are significant impacts that will be felt in the Victorian health system. There will be a need for a transition from the national health reform agreement, which includes the removal of the funding agreement, to a funding model based on the CPI and population growth from 1 July 2017.

As Mr Davis highlighted to the chamber yesterday, the government is working through the implications of the federal budget and is in the process of determining the service implications across Victoria's health system. As I said, these changes have implications for health services and, like any responsible minister should, Mr Davis is working through that. He also said that the Victorian government understands and notes the commonwealth's commitment to funding growth and activity and that he is working to finalise with the commonwealth a number of factors which will impact on the 2014–15 payment to the state. A number of areas are being undertaken by the minister in working through those issues.

I also remind members that in his contribution Mr Lenders talked about TAFE cuts. He keeps talking about this. The current Minister for Higher Education and Skills, Nick Wakeling, has done a terrific job in this area since taking over from the previous minister, Mr Hall, and he is very strong on this position. Members need to be reminded that it is the Napthine government that is investing more money into the vocational education and training sector than Labor ever did. We are investing \$1.2 billion every year for

the next four years. That is 50 per cent more than Labor spent in its last year in office, which was \$808 million. Let us not forget that when we came to office we had to fix that mess too. Members opposite are completely wrong when they claim that \$124 million has been cut from the vocational education and training sector.

They are also wrong in relation to those services that affect regional Victoria. Mr Lenders spoke about East Gippsland, and I note that a member for Eastern Victoria Region Mr Danny O'Brien is in the chamber. He represents that area very well and has a good understanding of the implications for his area of Gippsland. The government is supporting and providing for students, including increasing the loading on government subsidies for regional students from 5 to 10 per cent.

As I said, the Napthine government has provided a record level of funding in this area. We have also provided greater support for those people facing disadvantage, and I will quote some figures. I note that the number of unemployed people in training is up 116 per cent — that is, from 62 500 students to 134 800 students. Indigenous people in training is up 35 per cent from 2010 to 2013. There were 4800 students and now there are 6500 students. The number of people with a disability in training is up 49 per cent from 2010 to 2013, from 27 200 students to 40 500 students now. Culturally and linguistically diverse people in training is up 95 per cent, from 70 600 students to 137 500 students. Regional training is up by 33 per cent, from 126 300 students to 167 800 students. They are the figures, they are the facts and that is what is actually occurring. We have seen a record increase in enrolments as a result of record funding.

You cannot say that we are not supporting the sector and not putting more money in. That is just completely incorrect. Certainly there were some courses that needed to be cut because the enrolments were very low and it was inefficient and ineffective to run such programs or services. People understand that. That is what I do not understand when members opposite argue about it. People are not that stupid; they actually know that efficiencies need to be made. They understand that Treasurer Michael O'Brien has done an exceptional job, as I said, in building on the three and a half years of our government's term and fixing the mess of the previous 11 years.

Labor ignored the growth areas and the fact that the population was growing. There were no maintenance programs for schools for years. We have undertaken an audit and put in record funding to provide for new

schools and maintenance programs across the state. The local communities understand that and are well aware of the infrastructure projects that are also being undertaken. They understand that infrastructure is imperative for a growing economy and for Victoria to prosper into the future. It is Mr Leane's mates who will benefit from all the jobs that will be generated by the enormous infrastructure projects.

Mr Leane — I think you overestimate my popularity.

Ms CROZIER — I possibly do, Mr Leane, but I am sure there are people right across the state who will be looking forward to these infrastructure projects and to the opportunity to have employment when other areas of the country are facing significant challenges. We are in a very good position to have that surplus and maintain our AAA credit rating which has a greater impact on our ability to pay down interest. That means more money going into services across the state. There are a number of elements to this debate, but we should be focusing on what is important for Victorians. That is exactly what this government is doing and what the minister has done in taking his concerns to Canberra, as has the Premier.

The minister has been out there arguing the case for Victorians, unlike the opposition which did not argue the case against the \$107 million worth of health cuts, which was very disappointing, to say the least. It should have argued that case because the \$107 million cut had a direct impact on the delivery of health services. It had an immediate impact on elective surgery and other services provided by hospitals.

It is entirely predictable that when coalition governments come to power they have to continuously fix up Labor's mess. An amount of \$1 billion a month in interest to the Australian people is an extraordinary figure, and all Victorians should be very concerned about that, just as Victorians were concerned about the waste and mismanagement of Labor's 11 years of administration in this state. I am very pleased that Treasurer Michael O'Brien and Premier Denis Napthine have a plan for Victoria, and they are putting significant investment into this state which will benefit all Victorians.

Mr BARBER (Northern Metropolitan) — It was just a couple of sitting weeks ago that we were invited by the Liberals in this place to reprise the debate that had already occurred in federal Parliament on the carbon tax, so I suppose it is karma that the Liberals in this place are now going to have to run through all the agony that their federal colleagues have been going

through as they desperately try to explain what their federal budget is all about. At the same time I get the opportunity to reprise some of the things that my federal Green colleagues have said about the federal budget. It may be that some of the Liberals in this place are secretly hoping that the Greens are successful in knocking off the \$7 doctor co-payment — or call it what it is, a sick tax — and that is one of the items in Mr Lenders's motion.

For the Liberal Party, that period a couple of sitting weeks ago when we were debating the carbon tax must seem like the golden era. Liberal members were feeling quite chuffed back then. In fact they wanted to establish a parliamentary committee inquiry into the impact of the carbon tax on the health budget when it was a known fact that it would amount to the equivalent of 0.1 per cent of the costs. Maybe we should have an inquiry so that there can be some transparency in this Parliament about the hundreds of millions of dollars that will be ripped out of state health and education as a result of decisions made by the federal budget.

What does Mr Ramsay think about that? Are we likely to get that inquiry? Is Mr Ramsay going to put the same energy into getting that inquiry up as he did into rolling along with the carbon tax? It was an impact of 0.1 per cent on the health budget. Is he going to get equally excited about these cuts that are being made by his federal colleagues?

Mr Ramsay — The carbon tax costs more than the health system.

Mr BARBER — It is interesting, just on that subject, because there is one measure in the federal budget that I will applaud — that is, the return to indexation of taxation on petrol. It is something that has the Labor Party very excited. It was completely uncontroversial back in the day, but now its reinstatement has the Labor Party very excited. It is interesting because if you calculate the carbon dioxide value of a litre of petrol, a 1 cent per litre increase in the indexation is equivalent to about \$4 a tonne, and since the government intends to index with CPI regularly, it will not be long before you have the equivalent of probably about a \$15 a tonne extra carbon tax on fuel as a result of this measure.

All I can say to the federal Liberal government on that one is: well done. We could not even convince the Labor Party federally to include transport fuels under the carbon tax, but Mr Ramsay's federal colleagues have done it for us.

I am invited to condemn as callous the federal budget on a number of different measures. Mr Lenders has slipped in the fuel price indexation; obviously I do not agree with him on that, but I will give him a pass on that one because I support the rest of the items in this motion. As is obvious to all members, the federal government has been struggling with this budget. First of all it said there was a budget emergency, which most economists and most people who pay attention to these things have said is false. It was not helped by the fact that it said, 'There is a budget emergency. Here is a deficit tax, but — nudge-nudge, wink-wink — before the next election comes around, do not be surprised if we give all you high-income earners a tax cut'. That is the first mixed message coming along.

The next thing it said was, 'There is a culture of entitlement, and we want to get rid of it. The age of entitlement is over'. That is supposed to get us all out there bashing up on the welfare recipients and the dole bludgers and feeling perhaps a little bit guilty about any sorts of government payments we are getting as the middle class. It did not work; voters are still waiting.

The reason the federal government's fortunes have collapsed so quickly is that the Australian people are smart. They might just have been willing to accept those aforementioned propositions if there was a vision for the country coming out the other side, but the Abbott government has not got one. What it has got is a relentlessly negative approach to politics, which might have got it a small increase in its House of Representatives vote — coupled with a loss of votes in the Senate, hence its problems right now — but there is absolutely no vision at the end of it. Voters would be willing to accept the 'tighten your belts' mantra if they thought it would lead to a better outcome in the medium to long term for the country as a whole. Federal Treasurer Joe Hockey tried to tell us that it would, but he did not tell us what that was. He simply said, 'Trust me — pain now, gain later', with no definition of what his vision for the success of the nation would be.

I have got statistical evidence of this in the form of opinion polling. The majority now say that they do not believe this budget is going to leave them better off in the short or long term, nor that the budget represents a fair distribution of the costs and benefits of these measures. Since the federal government is so defined by the personality of its federal leader, Prime Minister Tony Abbott, it is not surprising that the features of the budget have become attached to the features of the Prime Minister himself.

In an Essential Report poll just released, people were asked, 'Which of the following describe your opinion of the Prime Minister, Tony Abbott?': 'Out of touch with ordinary people' — currently 67 per cent agree with that statement, up 11 points since he entered government; 'Arrogant' — 63 per cent, up 5 per cent; 'Narrow-minded' — 61 per cent, up 5 per cent; 'Intolerant' — I have not even got time to go into that; it is 55 per cent, up 8 per cent. Those are not the kinds of features we would seek from a leader, a government or, for that matter, a budget.

Since I have been invited to discuss the federal budget even before I have made my state budget address-in-reply speech, I suppose I will go to some of the remarks made by the Greens federal leader, Christine Milne, in her budget reply speech. She said:

In my 25 years in politics I have seen governments and budgets come and go — governments like that of Tasmanian Liberal Premier Robin Gray, who cooked the books; governments like that of John Howard, who engaged in gross populism. Remember his 'rivers of gold', manna from heaven, as he squandered the benefits of the last mining boom with tax cuts not to mention his previous decision to freeze the fuel excise to win an election. I have seen governments ignore the challenges ahead, refuse to even mention climate change or the environment, just as this Abbott government is doing, and play instead to comfort zones, promising that if they continue to do what they have always done everything will be okay, in spite of Einstein's great observation that you cannot solve problems with the same mentality that created them.

That mentality is alive and well not only in the federal Liberal Party but also in this chamber.

Climate change would be just one of the leaping-off points to discuss this. The federal budget was a shocker, with billions of dollars of broken promises in the Abbott government's first budget in relation to low-emission and renewable energy programs along with plenty of wiggle room in the budget papers themselves to break even more promises in the next few years. The federal government has now budgeted to spend \$1.15 billion, or less than half, of its so-called Emissions Reduction Fund over the next four years. Action on climate change will be out at the end of 10 years, but this government will not even be in office in 10 years. It is a case of, 'Give me celibacy and sobriety, but not quite yet'. They need another 10 years of pollution to keep their coal-fired puppeteers happy, so even the somewhat dubious measures proposed by the federal Minister for the Environment, Greg Hunt, to reduce emissions will be pushed off into the future.

Gone is the federal coalition's promise of 1 million more solar roofs. That was a specific promise made by Greg Hunt when he launched *The Coalition's Direct*

Action Plan. The plan was to encourage a million extra households to go solar — photovoltaic or hot water — with an extra \$1000 rebate towards their investment. That can be multiplied out pretty quickly; it was \$100 million, and as recently as six months ago Greg Hunt was promising it, but now that has been abandoned and slashed.

Then there was the Solar Towns program. It has been cut down to \$2.2 million and operates in barely a handful of electorates. Notably the federal seat of Corangamite is going to get some chump change from that program, but the federal government is busy getting ready to destroy the renewable energy target and destroy with it all the solar and wind jobs available to the Corangamite electorate and the broader Geelong area.

I turn to the Australian Renewable Energy Agency. Members of the federal coalition government supported the legislation, but now they are going to abolish it and downgrade it to being a subsection of a department, with all the uncommitted funds attached to it being sucked back into consolidated revenue despite the coalition's repeated pre-election promises that it would be kept.

I wonder what some of these regional Victorian members are going to be left with by way of economic development. Up in the state's north-west there are live proposals on foot for an expanded solar array as well as for a biomass generation plant based on agricultural wastes. These are live proposals going through the permit and licence processes. I have seen the Minister for Energy and Resources up in the north-west cutting ribbons on the early stages of a project.

Let me explain to the people of that area what the proponents of those proposals are well aware of. The projects are dead without the renewable energy target. A notorious climate change denialist has been put in charge of reviewing the renewable energy target, so we all know where that is headed. There will be deep cuts to, if not total abandonment of, the renewable energy target that was supported by past governments, state and federal, Labor and Liberal — all parties.

Then there are cuts to the energy efficiency grants program and the National Solar Schools program. Victoria has seen the abolition of the energy efficiency program for major emitters and now, through announcements last year, the abolition of the Victorian energy efficiency target which has helped many homes and businesses around Victoria cut their energy bills and reduce greenhouse gas emissions while they were at it. In his first official act the state energy minister,

Mr Northe, got rid of it — he abolished it — and will soon bring in legislation to scrap it forever. More than 26 000 energy-efficient lights, stand-by power controllers and rebates towards roof insulation, solar hot water and better air conditioning have been handed out through that program in Mr Northe's electorate alone — 26 000! We have discovered through the review of the program that many of its beneficiaries are people on low incomes. The Gippsland community — and indeed the entire Victorian community — is now left without any real practical assistance to help it cut its energy bills, and the Greens are going to have a lot more to say about that in months to come.

To add insult to injury, the announcement came overnight that Geelong is to be one of the first communities to be targeted under the government's expanded and more punitive Work for the Dole program, which is part of this whole age of entitlement thing that we all have to get over, otherwise known as the ability to survive while seeking new employment, in this case in Geelong, a community undergoing massive transition. Young folk will now be forced to start working on projects decided on by the government or have their already starvation wages cut even further. I hope the federal member for that area is personally willing to take on the task of finding jobs for these young people who are watching those above them — those who have already accumulated a lot more skills and work experience — lose their jobs as the manufacturing industry in the area starts to close down.

I hope the rhetoric of mutual obligation can be made real by the federal member, whom I note sits right behind the dispatch box during question time so that she is given maximum prominence on the TV news every night. I hope she does not hide her face when she is walking around Geelong and sees young unemployed people. I hope she takes on her part of the mutual obligation and finds them a job.

I have been in the Geelong region often this year and what I am aware of, to return to an earlier theme, is that there are projects ready to go in that area that would be worth hundreds of millions of dollars and would be big employers in those metal, electrical and mechanical engineering trades but are currently on hold specifically as a result of Liberal government policies. I am referring to the already approved wind farms in the hinterland of Geelong. At Mount Gellibrand, which I drove past on Monday, there is a site office in place and there are some initial roadworks being done, but a \$400 million, 100 construction job-creating permanent source of employment that could potentially produce green power and reduce our energy bills is sitting there with nothing happening because the federal

government has targeted the renewable energy industry for destruction in an ideologically driven crusade, backed up by the money men of the coal industry.

Those are the same people who failed to prepare for the fire environment that led to the Hazelwood mine catching fire. It is the very same company, by the way, that through its retail arm wants to slap you with a higher fixed cost on your power bill if you have the audacity to install solar panels. If you are not buying enough of their electrons, they decide they will get the money out of you anyway by hitting you with a fixed charge.

It is an absolute scandal, and the governments — state and federal — are up to their necks in it. The choices in this budget are not simply unfair to some of our most vulnerable, as Mr Lenders correctly notes in his motion; this is a targeted attack on the environment on which we all depend. It is a last gasp as this government tries to hold back the tide of solar and renewable energy development. Along the way and as part of this grand plan the government wants to keep on working to dumb down the Australian community so it cannot twig to what is going on. There are cuts to the ABC and SBS and cuts to the Bureau of Meteorology, including jobs in regional areas such as Mildura. That was the group of whom Greg Hunt said, 'I don't need a climate change adviser. I can just look up the weather bureau'. Now they are cutting them as well.

It is absolutely breathtaking to watch the Prime Minister and his cigar-smoking Treasurer, together with their hand-picked National Commission of Audit members, try to pull this one; but they have failed. The voters will not have it. It is not self-interest, as many have tried to lecture them on; it is a rejection of the lack of vision of this government. But fortunately in their wisdom they did not give the Abbott government absolute power. In fact they took away votes and representation from the Liberal and Nationals parties in the Senate and gave them to a range of other candidates — anyone but Abbott, basically — and you can be sure that the Greens senators, particularly after Janet Rice joins them from 1 July, will be standing up to the Prime Minister every step of the way.

That is why we are blocking the attack on universal health care and voting against the \$7 GP co-payment. The Minister for Health was in here yesterday stamping his feet about it a bit. He knows the negative impact it is going to have as people flood out of GPs surgeries into public hospitals and turn up at emergency departments instead of going to their local doctor. But of course that was never the point. The point of this exercise, the co-payment — and it has succeeded — was for the

Liberals simply fire the first shot in their ideological culture war against the idea of universal health care. The federal government was never serious about getting this up and it never thought it would get it up, but it was a useful debating tool to start softening people up on the idea of dismantling the universal health-care system that we have here in Australia, a system that is in fact the envy of the world. It has to be explained to foreign visitors, particularly those from America, that when you need health treatment you walk into a hospital with this thing called a Medicare card rather than having to pull out your credit card.

That is why the Greens will be opposing that measure. We will block the cruel changes, if we can get support in the Senate, to the living and study allowances for young people and students, the people who literally are our future and in whom we should be investing, because there is no budget emergency and therefore the necessity of inflicting this pain is illusory. The world has changed. The federal Liberal government represents a group from the last century. National priorities must reflect the global emergency of climate change with its myriad consequences across society.

Mr D. D. O'Brien interjected.

Mr BARBER — Mr Danny O'Brien and I have just begun to have a debate about what those consequences might be.

Mr D. D. O'Brien interjected.

Mr BARBER — That is exactly the point I have been making, Mr O'Brien. The federal government has completely failed to convince the public that there is a budget emergency, that there is a culture of entitlement and that these particular cuts are going to deliver us some golden future, which it cannot even articulate.

Mr D. D. O'Brien interjected.

The ACTING PRESIDENT (Mr Finn) — Order! It would be helpful if Mr Barber and Mr Danny O'Brien were not to conduct a conversation across the chamber. It would also be very helpful for Mr O'Brien, if he feels it is necessary to interject, to return to his seat.

Mr BARBER — I would be even more pleased if he were to take to his feet and explain to me his vision for the future of the country, because I see this federal budget as being about making life harder for our young people, setting up a dog-eat-dog existence in a rust-bucket economy, and that is supposed to get us through the global economic changes, never mind the problems of climate change. One journalist literally

described this budget as an asphalt budget, a massive opportunity cost to our nation, and that is why I am challenging members of this government. If young people are to be ordered to either earn or learn, where is the government going to meet its mutual obligation by creating new jobs with new technologies in new industries rather than simply road building that ends up shifting the traffic jam a few miles down the road, establishing coal ports which are stranded assets and displaying a complete studied ignorance of the global trends likely to hit our nation hard in the coming decades?

I have already put forward many positive suggestions of my own for how regional Victoria could benefit if this government would just open up its eyes and ears, try to look beyond its own feet and continue the good policies that have often been put in place in a bipartisan fashion, many of which I have run through. But it is hard to see that happening, because the government is positively medieval when it comes to attacks on science, research and even the very idea of evidence-based policy. That is why CSIRO and the Bureau of Meteorology have lost \$142 million out of this budget while, at the same time, funding of \$250 million has been directed to the school chaplaincy program. Is that based on priorities?

Even the new medical research fund is a smoke-and-mirrors exercise. We absolutely need medical research, but the federal government is attempting to blackmail the Parliament by saying the funding will not be delivered unless it is able to slap on a \$7 doctor tax, a \$7 sick tax, a \$7 vaccination tax and a \$7 tax every time you have to send an item off to a medical lab or get an X-ray or fill a prescription. The Greens are not going to be railroaded into these insufferable sets of alternatives. There are better ways.

Then there are the massive subsidies on fossil fuel use which are still embedded in the federal budget and are demanded by the big miners. That is interesting, because in the previously mentioned Essential Research polling, ordinary citizens were asked who they thought had the most influence on politicians. I have not seen this sort of question polled before. Top of the list for having too much influence on the Liberal and National parties were property developers at 53 per cent and mining companies at 52 per cent. The same question was polled in relation to the Labor Party, and members may or may not be surprised to learn that the groups that citizens thought had too much influence on the Labor Party were unions at 47 per cent, the media at 46 per cent and at 40 per cent, celebrities. We can all make our own judgement about that one.

It is clear that those voters have got it right. This is a budget that has been written for property developers, who want endless urban sprawl with more and more freeways having to be continuously built to try to keep up with the amount of extra traffic generated. They never do. And it has been written for the big miners who want to go on polluting forever and avoid paying tax on diesel fuel, just as this same government moves to increase the tax on regular, everyday petrol.

The voters have not bought it. The government — and I am just going on my own observation of Liberal and Nationals MPs in this place — is in a state of panic about it. It sees no way to get back from the fork in the road that it took just a little while ago. There is no doubt though that the voters are open to an alternative, and I base this on direct experience from doorknocking in some Liberal heartland areas, particularly those sensitive areas around places like Ballarat and Geelong, where there is an extraordinary amount of activity from Liberal MPs at the moment. Voters are open to an alternative that offers a vision for the future together with a collective effort from across the community to share both the hard work and the reward. That is not a vision they are getting from this federal budget; therefore I will support the motion moved by Mr Lenders.

Mr JENNINGS (South Eastern Metropolitan) — I was expecting a member of the government to step up to make a contribution, because we thought that government members may have wanted to take the opportunity to either support the motion moved by Mr Lenders, which condemns the federal budget for all the atrocities perpetrated on the citizens of Victoria in terms of their health, education, income security and life opportunities into the future, or alternatively explain to the Parliament why Victorian government members will oppose this motion and in effect support the federal government's callous actions and decisions.

In classical parliamentary political debating terms, we recognise that this is a bit of a wedge issue for the government, because it wants to be seen simultaneously as supporting Victorian citizens and the wellbeing of Victorians, yet when push comes to shove it will in effect be supporting its Liberal-Nationals colleagues in the federal Parliament.

I am certain that, when push comes to shove and when it is forced to take a position on this motion, the government will back the callous decisions of the coalition government in Canberra and the reductions in funding to Victoria for health, education and other programs that support the wellbeing of Victorian

citizens. The Victorian government and its members will back those callous actions.

Then government members will be hoisted on their own petard, because in 2012 they moved a motion in the Victorian Parliament that criticised the then Gillard federal government for making reductions in health payments. They called the Gillard government's actions callous and an outrage to Victoria and the rest of the nation for the impact they had on health care. They called upon members of the opposition to support the motion, which was drafted in a gratuitous and self-serving way. From the day the Victorian opposition did not vote in support of this gratuitous motion until today they have portrayed the actions of the opposition as supportive of reductions in funding for Victoria and any adverse outcome from the federal government's actions. They chose to run advertising campaigns in the media to suggest that Victorian Labor had supported a reduction in resources coming to Victoria.

At no stage did the opposition support a reduction in funding to Victorian hospitals or other services in Victoria. We rejected that construction by the government then, and we reject it now. We understand that our actions as parliamentarians should be to advocate for the wellbeing of Victorian citizens, the quality of care in hospitals, the quality of opportunities in our education system, the income security and confidence that can be associated with job training and the ability of members of the Victorian community to join the workforce and, if they cannot join the workforce, to have secure income arrangements that provide for a decent standard of living and allow them to make ends meet in households across Victoria.

We are supportive of the Parliament of Victoria standing up in a united way to protect our citizens from those adverse outcomes. We call on government members to support this motion today, because it is the right thing to do. In its rhetorical response to the federal budget over the last week the Victorian government has given a number of indications that it shares a range of concerns with us. It should go beyond sharing those concerns; it should clearly put on the public record its support for Victorian hospitals, for the Victorian education system and for the ongoing structure of the Victorian budget, which will be decimated if the intention of the Abbott and Hockey government is meted out on the financial wellbeing of the state of Victoria by imposing the cuts that are embedded in federal Treasurer Joe Hockey's budget, which was delivered on 13 May.

All of us in the Parliament of Victoria have been able to call on the fact that Victoria has had a AAA credit

rating for a decade and a half now. Under former premiers Kennett, Bracks, Brumby and Baillieu, along with the current Premier, Dr Napthine, successive administrations in Victoria have posted budget surpluses and have maintained a AAA credit rating for Victoria. That is not a story that government members find convenient and it is not one they repeat, but it is the truth. It is undisputedly a fact that a AAA credit rating has been maintained during those administrations and that a budget surplus position for Victoria has been maintained for the last 15 years, consistently, under governments of both persuasions.

However, that may not be the case in four years time if Prime Minister Tony Abbott, federal Treasurer Joe Hockey and others in Canberra have their way, because they are prepared to decimate the structure of the Victorian budget. They are prepared to decimate the budget position of state and territory governments across the nation through savage reductions in commonwealth payments and in particular cuts to specific purpose payments for health and education. The order of magnitude is quite extraordinary in terms of the scale of the impact on the structure of the Victorian budget. As the Leader of the Opposition in the Council, Mr Lenders, said this morning, the AAA credit rating for Victoria's finances has already been brought into doubt if Tony Abbott and Joe Hockey have their way.

Within 24 hours of the federal budget being delivered, the ratings agencies indicated that the Victorian budget may not be sustainable and that Victoria's financial arrangements may not deliver a AAA credit rating if those budget settings are inflicted upon the state of Victoria. The Victorian government has run away from what changes of this order of magnitude mean, not only for the decimation of the health-care system and education but also the very structure and viability of the entire Victorian budget, which may be put at risk after 2017. Members of the government pay lip-service to that potential problem. Not only do they pretend they can manage the transition to dealing with that financial position, but they desperately pretend there are no immediate and lasting impacts of the federal government's budget announcements.

I reminded the health minister in Victoria yesterday that as soon as 1 July 2014 — now 41 days away — there will be instant and immediate reductions in the availability of health funding to Victoria from what was published in the Victorian budget in the first week in May. The structure of the Victorian budget in health and in other services has already been significantly reduced between the first week in May and now, and come 1 July \$1.393 billion will cumulatively be coming

out of the forward estimates in health alone. Between now and 2017, \$1.393 billion will be ripped out of Victorian hospitals and other health care as a direct and immediate consequence of the decisions of Tony Abbott and Joe Hockey.

I know I am inviting an interjection, because Mr Ramsay looked amazed when I put that on the public record. He looked amazed because he is part of a government bench that obviously lives in denial about what the budget papers say. He chooses to blithely ignore the consequences this funding cut is going to have as it flows through to become an immediate loss of services. As recently as yesterday I asked the health minister in Victoria when the 326 subacute beds that are funded by a \$155 million allocation within this global \$1.393 billion cut imposed by the Abbott government will have effect. After stumbling in response to two successive questions, by the time I got to the third question the Minister for Health acknowledged that those 326 subacute beds are gone. They are gone and they will not be replaced. Out of the mouth of the health minister in Victoria, those 326 subacute beds are gone.

What does that mean for quality of care in Victoria? According to the Australian Institute of Health and Welfare it means that the health minister, whilst promising 800 new beds, has seen a net increase of 43 beds in three and a half years. Of a promised 800 beds, 43 have been provided, and this week the health minister has acknowledged that because of cuts made by the Abbott-Hockey budget 326 beds will go from the Victorian hospital system. This means there are pressures in emergency departments, which we see missing performance targets in relation to patient transfer both from ambulances into emergency departments and from emergency departments into hospital beds. A system that is already floundering and not able to cope will certainly be adversely impacted because 326 beds will be taken out due to the commonwealth government's cuts and not replaced by the state government.

In our hospital system we also see waiting lists that have grown significantly during the life of this government. Currently about 10 000 additional people are on the waiting list compared to when this government came to office. That is a completely unsustainable system-wide problem, and it comes at great personal cost — pain and suffering — to individual patients in Victoria who bear the consequences of not having their elective surgery performed. Those waiting lists will get longer. The pain and suffering will last longer. The ability of the state of Victoria to clear those waiting lists and to clear

emergency departments will diminish and add to the significant problems that the state government meted out to the Victorian hospital system by ripping out \$831 million in the structure of its first three budgets.

The government tries to pretend that it has led the investment profile within health in Victoria for the last three years, but any crude, fundamental, base assessment of what is actually in the budget will indicate that the growth rate in hospital budgets has been extremely slow in Victoria. Indeed the problems in the health system have been exacerbated by the Baillieu and Napthine governments ripping \$831 million out of health. That disastrous situation has now been compounded. Complete chaos will reign in Victorian hospitals because — —

Mr Elsbury interjected.

Mr JENNINGS — Because the Abbott government has cut \$1.393 billion, Mr Illiterate.

Honourable members interjecting.

Mr JENNINGS — The unavoidable, painful truth for Victorian patients is that the Napthine government has ripped money out of health.

The Minister for Health has finally arrived, 1 minute before question time, having totally ignored the debate that has been going on this morning about the disastrous impacts of the callous actions of the Abbott-Hockey budget not only on health care but also on the quality of life of Victorian citizens. Consequences will be seen not only in health but also in education, in opportunities for job creation and for keeping people in income security, which accounts for their circumstances in life. There will be impacts on the wellbeing of pensioners and the wellbeing of young people who are seeking work and seeking to be retrained. The impacts on people who rely on hospitals to deliver services and the people who rely on access to health care will be compounded because of the callous imposition of a co-payment and the callous decision to rip \$50 billion out of health-care funding across this nation after 2017, a \$12.5 billion impact in Victoria alone. Between now and 2017, \$1.393 billion will be taken out.

This is an outrage perpetrated on the people of Victoria. This is an outrage that members opposite cannot ignore and they cannot walk away from. Members cannot do anything but vote in favour of this motion.

Business interrupted pursuant to standing orders.

QUESTIONS WITHOUT NOTICE

Mentone Gardens aged-care facility

Ms MIKAKOS (Northern Metropolitan) — My question today is for the Minister for Ageing. On 17 October last year I asked the minister a question regarding Parklane Assets, trading as Mentone Gardens, a registered supported residential services (SRSs) facility that had been placed into liquidation resulting in about 30 residents losing about \$4.5 million in security deposits. At the time the minister took on notice the date as to when his department first became aware of financial issues at Mentone Gardens, and in a subsequent letter to me dated 22 October 2013 he advised that his department was notified by a family of a deceased resident that they were pursuing a refund of money from the then proprietary company on 11 January 2013 and that they were subsequently advised on 11 February 2013 that the refund had not been made. Can the minister advise whether his department had any reason to investigate Mentone Gardens or its proprietary company in respect of their financial operations prior to 11 January 2013?

Hon. D. M. DAVIS (Minister for Ageing) — As the member correctly identifies, she has asked questions in this chamber regarding Mentone Gardens in the past. I did take some questions on notice, and I have responded to her in some detail about those matters. As the member will understand, I am advised by my department on these matters, and the department gave me advice in the manner that was outlined in the correspondence to the member. The update on Mentone Gardens — I am not sure of the exact date of the letter to her at the time — is in relation to the liquidator's appointment and the liquidator's activities.

Supplementary question

Ms MIKAKOS (Northern Metropolitan) — It is very disappointing that the minister is not even prepared to take my question on notice and actually respond to the very important issues I have asked about. I understand that the residents' security deposits were not placed in a trust account as required under the act, something that is a criminal offence under the Supported Residential Services (Private Proprietors) Act 2010. In a letter dated 17 September 2013 the minister wrote to Mr Alan Lorraine, who is a resident who has lost \$400 000. The minister advised that authorised officers of his department:

... conducted a review of the service in respect of money management, and identified areas of non-compliance to the act in relation to the keeping of trust account records and the preparation of residential and services agreements.

Can the minister advise if anyone has been prosecuted to date by his department for any breaches of the act in this case?

The PRESIDENT — Order! I am a little concerned because I think this goes a bit further than the substantive question, albeit that I understand there was a fairly detailed preamble to the substantive question.

Hon. D. M. DAVIS (Minister for Ageing) — As the member understands, this is a complex scenario where new legislation came in to strengthen the provisions that are available with regard to SRSs. The Mentone Gardens SRS was operational and had taken various moneys in the period before the new legislation, or the new regulations, came into effect. As I have also explained to the house, this is a complex set of regulatory interventions, particularly in terms of the federal involvement in these matters and particularly with the appointment of company liquidators and the matters surrounding that. My department has been in communication with the relevant liquidation authorities, and there have been discussions. I am happy to come back to the member if there is anything relevant that I think can be added to assist.

Prisons

Mr D. D. O'BRIEN (Eastern Victoria) — My question is to the Minister for Corrections. Can the minister update the house about further steps the coalition government is taking in the interests of community safety following the discovery of the erroneous release of an offender from custody?

Hon. E. J. O'DONOHUE (Minister for Corrections) — I thank Mr O'Brien for his question. As was reported widely last Friday, authorities discovered that a dangerous offender, Males, had been erroneously released from prison some months earlier despite still being the subject of a remand warrant. This was a dangerous and completely unacceptable situation. The Victorian community has a right to expect that people who are sentenced to jail are doing their time in jail. I take this opportunity to commend Victoria Police and the fugitive task force for their efforts in finding this offender as swiftly and skilfully as they did, but we need to make sure that we identify how incidents like this can occur and take steps to ensure that they do not happen again.

When I was first briefed on this matter we took immediate steps to commence an investigation, coordinated by the Secretary of the Department of Justice. This included a comprehensive audit of the system, and we are in the process of appointing an

independent expert to head up that investigation. As representatives of Victoria Police have already said publicly, the highly regrettable release of this offender was due to an administrative error. It is not clear where this error occurred in the justice system. The investigation will examine every aspect of how such warrants progress through the justice system from court to prison and every step in between. It will provide advice on how we can fix the system to prevent such incidents from happening again.

I can advise that the commissioner for corrections has taken immediate steps to implement a new system to provide additional assurance around the release of offenders. We know that many of these processes rely on manual systems and old forms of communication, including paper-based, facsimile and postal systems. We know that Labor's legacy of neglect of the justice system over 11 long years has not assisted. The coalition government is focused on fixing the system to make up for this shameful neglect.

In my corrections portfolio we are fixing the prison system, with over 1200 beds delivered and 2900 in the pipeline. We have fixed Labor's botched Ararat prison project. We have undertaken comprehensive reform of the adult parole system in the interests of community safety, and we are undertaking this investigation with the same focus and determination and with community safety as the no. 1 priority. We will identify the causes and deliver the solutions. We will take the advice of the experts and implement the recommendations, unlike the former Labor government, which ignored the advice of its departments on prisoner numbers and projections. These are not my words — —

Ms Pulford interjected.

Hon. E. J. O'DONOHUE — Ms Pulford, these are not my words; these are the words of the Auditor-General. We know that Labor ignored on three separate occasions the advice from the bureaucracy to commit to building a new prison. We know that Labor botched the only project it embarked on, the Ararat prison project. The coalition's record on community safety speaks for itself: We are delivering 1700 police and 940 protective services officers in this term of government. We are delivering capacity to the prison system, and we are delivering parole reforms, backed with an \$84 million commitment in the new budget. We are delivering sentencing reforms. The community knows that you cannot trust Labor to deliver projects, and you cannot trust Labor with community safety.

Mentone Gardens aged-care facility

Ms MIKAKOS (Northern Metropolitan) — My question is to the Minister for Ageing. Again, I refer him to the situation at Mentone Gardens. I point out that his failure to respond to my previous question would be extremely disappointing to some very elderly people who have lost a considerable amount of money in this situation. I point out that Jane Herington, director, ageing and aged care, in a letter to Mr Lorraine dated 15 April this year, referred to section 217 of the act. In the letter she specifically talked about money held before 1 July 2012 being put into a trust account. I therefore ask: why has the minister’s department refused to release all relevant documents to the liquidator relating to this matter, Mr Roger Darren Grant, that have been sought through the FOI legislation?

The PRESIDENT — Order! I will let the minister answer. I have some difficulty in terms of the jurisdiction of this matter. This is a legal matter outside the Parliament. There are legal processes afoot in which a liquidator is involved. I am not sure that the Parliament is necessarily the best place to explore those matters, given that they are, in some respects, part of a sub judge process. I will allow the minister to answer, but I caution him to be mindful of the separation of powers and the liquidator’s jurisdictional responsibilities compared to those of the Parliament.

Hon. D. M. DAVIS (Minister for Ageing) — Let me be quite clear. Ms Mikakos has come into this chamber and construed things in a certain way, and the way she has construed this is not accurate. My department has worked as closely as possible with the relevant authorities that are responsible, firstly, for the administration, and later, for the liquidation of this facility. My department will continue to cooperate.

Supplementary question

Ms MIKAKOS (Northern Metropolitan) — In the minister’s answer to this matter on 17 October last year he stated:

... the department has sought to do everything that it can to assist. It has acted entirely appropriately within the legislative and regulatory powers that it has.

I have been advised that the minister’s department has not released all the relevant documentation to the liquidator and that the matter is now the subject of a complaint to the FOI commissioner. Will the minister now agree to release all the relevant documents sought by the liquidator to enable him to complete his

investigation for the benefit of the creditors, including Mr Lorraine?

The PRESIDENT — Order! With the same caution, I call the minister.

Hon. D. M. DAVIS (Minister for Ageing) — Again, I do not accept the way Ms Mikakos has construed this matter. These matters are managed by the department. It makes decisions within the requirements of the relevant act. Ms Mikakos has to be very careful that she does not construe complex legal matters in a way that is inaccurate and in a way that does not do full justice to the complexity of the matters. My department has sought to have the relevant processes sped up as best it can. But to a significant extent we are in the hands of the liquidator in terms of the way the process is managed.

Ordered that answer be considered next day on motion of Mr LENDERS (Southern Metropolitan).

Bendigo Hospital

Mrs MILLAR (Northern Victoria) — My question today is for the Minister for Health, the Honourable David Davis. Will the minister update the house on recent developments at Bendigo Hospital and the progress of its construction?

Hon. D. M. DAVIS (Minister for Health) — I am very pleased to hear the member’s question and also to hear her great enthusiasm and the enthusiasm of others in this chamber — in particular, two of my ministerial colleagues — for the magnificent \$630 million upscale project at Bendigo Hospital. Labor was prepared to spend \$102 million less than the coalition on this project, which represented a massive underspend and a failure to scope the project adequately for the future.

I note that the project is ahead of time and is on track. It is delivering a magnificent outcome. Fifteen thousand square metres of concrete have already been poured. There are 180 workers on site, and they recently reached the milestone of 100 000 hours of work. As I said, construction is on track. The new hospital will deliver a massive expansion, including a new integrated cancer centre, which was not part of Labor’s proposal. Labor was going to have the cancer centre dispersed across two sites. The integrated comprehensive cancer centre that our government has committed to is part of the project and will be delivered. Unlike the project of Jacinta Allen, the member for Bendigo East in the Assembly, and unlike the project of the Leader of the Opposition in the Assembly, Daniel Andrews, this will deliver a great outcome.

The project is going extremely well. I was very proud to be in Bendigo over the last few days, in particular for the naming of the fourth crane at the hospital. The fourth crane was named Lucy. Lucy joins Cranium, Maximus and Ben — they are the four cranes which are hard at work on the site. The local community has been closely involved in the naming of the cranes on the site. The name Lucy comes from Victoria Scicluna. She and her twin sister, Lucy, were born in Bendigo on 6 June 2004. Sadly Lucy was stillborn. Victoria entered the competition and entered the name ‘Lucy in the Sky’ in memory of her sister. Lucy is a very appropriate name. Both of Victoria’s parents are employees of Bendigo Health. I was proud to be in Bendigo to see the work of Exemplar Health, Lend Lease and the workers moving forward very fast. I met young Victoria and witnessed the naming of the fourth crane, and I saw it at work as this magnificent project goes forward.

While in Bendigo I was also happy to visit the Asia-Pacific Group’s Art Series Hotel, which will be a magnificent addition to Bendigo’s cultural environment and a magnificent complement to the Bendigo Art Gallery. The government is very much in favour of arts and tourism in Bendigo. It has been prepared to support the expansion, but it also sees the importance of this Art Series Hotel, which will join a number of other hotels around the state. The Schaller Studio is located just across the road from the hospital and will be a valuable addition to accommodation options for families and relatives of hospital patients. It will also provide a stylish and remarkable complement to the Bendigo art scene and enable people who are visiting —

An honourable member — Are you Minister for the Arts now?

Hon. D. M. DAVIS — The project at Bendigo Health will deliver in a whole range of ways for the community, including world-class health care. World-class health care is exactly what the community wants to see, and that is what is being delivered.

Mobile phone coverage

Mr BARBER (Northern Metropolitan) — My question is for Minister for Technology, Mr Rich-Phillips. The minister has previously spoken in the chamber about the \$100 million federal government mobile black spot program. However, in the state budget there is a \$40 million program apparently addressing black spots around trains, but there is also some mention of bushfires. The clarification I seek is: is the \$40 million program meant to be added to black spots targeted in the \$100 million program in order to achieve coinvestment, or are the

\$40 million and the \$100 million targeting separate groups to fix additional mobile black spots?

Hon. G. K. RICH-PHILLIPS (Minister for Technology) — I thank Mr Barber for his question and his interest in the government’s mobile black spot program. The program Mr Barber referred to is a \$40 million commitment in this year’s budget to address two areas: one is the provision of wi-fi along regional transport corridors, and the other is, as Mr Barber said, to address mobile telephone black spots in regional areas across Victoria.

The government has put that program in place recognising that mobile black spots have been of great concern to the Victorian community over a long period of time with a particular focus on those areas which are subject to natural disaster — fire and flood et cetera — and in recognition of the need for improved telecommunication services in those communities. When the incoming commonwealth government announced last year its \$100 million commitment to addressing mobile black spots, that created an opportunity for the Victorian government to leverage off the back of that commonwealth commitment.

With our state commitment we are seeking to ensure that we have buy-in to the way the commonwealth rolls out its program in Victoria. We have already had some very productive discussions about the design of this program with the commonwealth Minister for Communications, Malcolm Turnbull, and his parliamentary secretary, and between his department and my department. We are seeking to maximise Victoria’s gain from that commonwealth program through the leverage of the state commitment alongside that program. We are also seeking to avoid simply substituting for private sector investment which may already have occurred or may have been going to occur anyway to ensure that where public sector investment is made it is actually for additional mobile telephone capacity rather than simply substituting for what would otherwise have been private sector investment.

Supplementary question

Mr BARBER (Northern Metropolitan) — I am taking the message from that that the purpose of spending the \$40 million is to get the feds to spend more of their \$100 million targeting these black spots in Victoria. If that is the case, when can we see the list of black spots that Victoria believes are the key priorities to be jointly funded through these two buckets of money?

Hon. G. K. RICH-PHILLIPS (Minister for Technology) — I thank Mr Barber again. Just to clarify for Mr Barber, one of the objectives is to get the best leverage off the commonwealth's money. Obviously we would like as large a share as possible, but we would also like, as Victoria, to have a strong say in where those commonwealth commitments are made. It is not just about the proportion of the commonwealth commitment; it is also about how it is acquitted in Victoria.

On the issue of black spot locations, Mr Barber would be aware that we have made a submission to the commonwealth around those locations. Some of that information as to specific locations is commercial-in-confidence given that it reveals where existing telecommunication infrastructure is located, so we have not disclosed that publicly. Obviously we are looking to get the best outcome across regional Victoria through this program.

Hanging Rock

Mrs MILLAR (Northern Victoria) — It gives me great pleasure to direct this question to the Minister for Planning, the Honourable Matthew Guy. Can the minister inform the house what action the government has taken to bring greater certainty to Victoria's iconic and treasured Hanging Rock precinct?

Hon. M. J. GUY (Minister for Planning) — It gives me great pleasure to answer this question from a great local member. I thank Mrs Millar for — —

Mr Jennings interjected.

Hon. M. J. GUY — Can I say to Mr Jennings, through you, President, that it probably is about the seventh time that Mrs Millar has raised this issue in Parliament. I hope she has. As a result of her raising this issue over and over again and standing up for the people of the Woodend and Hanging Rock precinct, she has seen a great result for the local community and the Hanging Rock Action Group, because it is my absolute pleasure to inform the chamber — —

Mr Lenders interjected.

Hon. M. J. GUY — Mr Lenders, there is an old Bulgarian saying: for every train there is a passenger. In this instance there are 50 or so passengers from the Australian Labor Party sitting on that train as it rumbles along being driven by the coalition to good policy outcomes, sensible community outcomes and in this case to save Hanging Rock. It has taken a coalition government to step in and recognise the importance of Hanging Rock, the precedent that this announcement

brings and the extensive work done by Mrs Millar, Donna Petrovich and the Hanging Rock Action Group, who came on board. I do not know what train Candy Broad or Ms Darveniza were on; obviously it was running on a different line. But as I said, every train has got a passenger. The people driving this train were the Liberals and The Nationals in that area who stood up for the community with the community group.

The Hanging Rock Action Group and those associated with it have done a magnificent job in working with Mrs Petrovich and Mrs Millar to ensure that the Hanging Rock precinct will be saved from any form of inappropriate development and any form of commercial development.

This government, me and the Minister for Environment and Climate Change, Ryan Smith — —

Mr Lenders — It took a while to bring him in.

Hon. M. J. GUY — It certainly did not, Mr Lenders. I enjoy Mr Lenders's interjections on this; they are quite comical to hear. I am just wondering what the Labor Party's announcement was. There was quite an awkward visit to a car park somewhere in Woodend, I think it was, by the opposition planning spokesman. Mr Tee might have wanted to go to Hanging Rock if he was going to talk about Hanging Rock — it is only 2 kilometres down the road. Members of the Liberal Party and The Nationals went there, and I climbed the rock with Mrs Millar and members of the local community.

We have come forward with \$1 million over four years to ensure that there is no commercial development at Hanging Rock. It has taken a coalition government to intervene and say to the council, 'We will work constructively with you, but our guidelines are clear: no commercial development at Hanging Rock.' We will preserve Hanging Rock as it is now for future generations, and we will make sure this magnificent precinct remains as it is. If others want to be drawn there on their horse and carriage from Trades Hall — they are about as relevant as such — and get lost in the clouds at the top, that is up to them, but it has taken the coalition to intervene. We have done it with pride, we have done it for the right reasons, and we have done it with the community, for the community and as part of the community. I congratulate Mrs Millar, Mrs Petrovich and the Hanging Rock Action Group and say that this is how we are building a better Victoria.

Qantas job losses

Mr LENDERS (Southern Metropolitan) — My question without notice is to the Minister responsible for the Aviation Industry, Mr Rich-Phillips. This morning about 320 skilled Qantas workers in my electorate were informed that their jobs will be going offshore. When was the minister first informed by Qantas that these jobs were going to Tasmania?

Hon. G. K. RICH-PHILLIPS (Minister responsible for the Aviation Industry) — I thank Mr Lenders for his question, and I can say that the Victorian government is disappointed in the decision announced by Qantas this morning that it will close its call centre here in Melbourne and consolidate its existing call centre in Tasmania.

The Victorian government has worked closely with Qantas over the period in which it has been doing its review on this matter and has put a substantial proposal to Qantas around the retention of those jobs in Victoria. We are very disappointed that Qantas has chosen not to continue with those jobs here in Victoria. It is important to understand that this is on the back of an announcement made by Qantas in February that it would reduce its workforce nationwide by 5000 jobs. We are disappointed in this decision announced by Qantas today; however, the Qantas group continues to be an important employer here in Victoria, employing around 6000 Victorians between Qantas and Jetstar.

The Victorian government will continue to work closely with Qantas on new opportunities for its workforce in Victoria, such as securing the base for the 787 Dreamliner, which was secured with Jetstar here in Victoria last year. We will continue to work with the Qantas group on things such as securing the future of operations at Avalon Airport with Jetstar. We will continue to work towards creating job opportunities in the telecommunications area, to which the call centre jobs are related. Over the life of this government we have seen over 4500 jobs in ICT and the other technology sectors created here in Victoria.

We are disappointed by this announcement from Qantas this morning regarding this centre, but we will continue to work with Qantas and with the technology and ICT sectors in Victoria to grow jobs.

Supplementary question

Mr LENDERS (Southern Metropolitan) — I thank the minister for his answer, but my question was: when was he informed? In his answer he did not once mention that he had spoken to the company, so by way

of supplementary I ask: in the period between February, when the original general Qantas announcement was made, and today's bad news for my 320 constituents, when did he first get involved in negotiations with Qantas?

Hon. G. K. RICH-PHILLIPS (Minister responsible for the Aviation Industry) — My department and I have been engaged with Qantas through this process, including discussions between me and the chief executive of Qantas. The government has been actively engaged in this process. We are disappointed in the decision that Qantas has announced today, but we recognise that Qantas continues to be a significant employer in this state. The Victorian government will continue to engage with Qantas and with other participants in the ICT and aviation industries around driving employment growth.

Anzac history

Mr KOCH (Western Victoria) — My question is to my colleague the Honourable Damian Drum in his role as the Minister for Veterans' Affairs. Could the minister inform the house of how the Victorian coalition government is encouraging students to further engage with our great Anzac history?

Hon. D. K. DRUM (Minister for Veterans' Affairs) — I thank Mr Koch for his question and his interest in veterans affairs and the work we are doing in schools. The government is committed to helping Victorian students further engage with our Anzac history. The two ways in which we are doing this are, importantly, the Premier's Spirit of Anzac Prize and the government's competition for 80 Victorian students and 18 chaperones to be sent to Gallipoli for the 2015 Anzac Day dawn service.

Firstly, the Premier's Spirit of Anzac Prize seeks to engage and encourage younger Victorians and assist them to better understand the history of our veterans. This is an annual competition targeting year 9 and year 10 students and encouraging them to participate in this overseas study tour, whereby young Victorians get the opportunity to look at how the war was fought and where the main sites were around Gallipoli and the Western Front. It is now in its 10th year, and over 2200 students have applied to go on the trip. We have had the opportunity to take 101 students from Victoria to participate in this study tour.

The successful applicants for the 2013–14 year were announced by the Premier in Queen's Hall in February of this year, and those 12 students have recently returned from their study tour of Gallipoli, France and

Belgium. For the first time, this year they were also able to go to Lemnos in Greece. Lemnos served as a main base for over 50 000 Australian soldiers and over 130 nurses, who were based at Lemnos prior to the confrontation at Gallipoli.

I am pleased to say that the 2013–14 competition received 472 entries from across Victoria, which is more than in any previous year. We are committed to passing the torch of remembrance on to the next generation and attempting to get more and more students engaged in our World War I history, and we have been very successful in that endeavour. The additional funding the government has provided for the upcoming years will also enable us to reward regional finalists with a study tour to the Australian War Memorial in Canberra, and that has also happened in the last year.

For next year's Gallipoli Anzac Day dawn service, we are sending 80 students and 18 chaperones to Gallipoli on a separate and independent trip. The Victorian government will fund this trip, and I would like to announce that both the Premier's Spirit of Anzac Prize and the Anzac Day dawn service opportunities are now open. The Department of Education and Early Childhood Development is managing the student selection process, and we will again be looking for students from years 9 to 12 to partake in the Anzac Day dawn service. Interested students should be able to demonstrate how they will promote that experience upon their return. If they are successful, they will travel to Turkey for five nights, visiting sites of military and cultural significance centred around the dawn service at Gallipoli on Anzac Day 2015.

I would like to stress that the trip to the Gallipoli 2015 Anzac Day dawn service is separate and in addition to the Premier's Spirit of Anzac Prize study tour. Both of these programs will ensure that future generations of Victorians are further engaged in the sacrifice and service of our World War I veterans, both in Gallipoli and on the Western Front.

Victorian Industry Participation Policy

Mr SOMYUREK (South Eastern Metropolitan) — My question is to Mr Gordon Rich-Phillips in his capacity as the Minister for Technology, and perhaps also in his capacity as Assistant Treasurer. According to the Victorian Industry Participation Policy (VIPP) annual report 2012–13, in 2012–13 Victorian government departments and agencies applied VIPP to 216 new contracts. How many of these new contracts were ICT-related projects?

Hon. G. K. RICH-PHILLIPS (Minister for Technology) — I say to Mr Somyurek that I am not the minister responsible for the Victorian Industry Participation Policy, so I cannot answer the question.

Mr Lenders — On a point of order, President, at the Public Accounts and Estimates Committee (PAEC) hearing on 20 May 2011 Mr Rich-Phillips — and I am happy to hand the quote to anyone — said his role as minister, and he was talking in the context of the aviation industry, was similar to his role in technology; to be an advocate and coordinator across the whole of government in that particular area. The minister said at that PAEC hearing that his role was as an advocate in ICT and aviation across the whole of government. For him to now say he is not responsible for procurement in ICT is quite contrary to what he said to PAEC in 2011.

Hon. G. K. Rich-Phillips — On the point of order, President, Mr Lenders is verballing me. What I said in response to Mr Somyurek's substantive question is that I am not the minister responsible for the Victorian Industry Participation Policy. That is a policy established under statute, and that policy is administered by the Minister for Manufacturing.

The PRESIDENT — Order! In regard to the answer given by the minister, as members would be aware, I cannot tell a minister how to answer. A minister is quite entitled to suggest that a particular program or funding process is not part of their responsibilities. The question was fairly broad; in fact it was put to the minister in two capacities rather than one. The minister has said the program that has been referred to in that question is not his responsibility. Perhaps in the supplementary question Mr Somyurek can pick up on an element of it that is within the minister's competence to respond. I cannot accept the point of order, although I understand the point that Mr Lenders makes, that ministers ought to be consistent in terms of their representational capacity at Public Accounts and Estimates Committee hearings and in this place. The committee system is an extension of this place, and if claims are made in the committee system, then we would regard them as claims that ought to be maintained in this place. However, the minister has referred particularly to a program in this instance.

Supplementary question

Mr SOMYUREK (South Eastern Metropolitan) — It is obvious that if the minister cannot answer questions with respect to procurement and the Victorian Industry Participation Policy — and ICT purchasing is a major component of VIPP — he does not have much say in procurement at all. I ask: under the minister's

portfolio as he sees it, what is the demarcation between ICT purchases from VIPP as it comes under VIPP and as it comes under the Victorian Government Purchasing Board?

The PRESIDENT — Order! The question hints at a touch of fishing, but I will allow the minister to answer.

Hon. G. K. RICH-PHILLIPS (Minister for Technology) — I thank Mr Somyurek for his interest in ICT procurement. What I will say to Mr Somyurek is that the Victorian government is committed to creating opportunities for Victorian and Australian ICT companies to engage with and supply into government. We have reformed the eServices Panel, which was a botched process put in place by the previous government. We have put in place the eServices Register, which has created opportunities for more than 900 — —

Mr Somyurek interjected.

The PRESIDENT — Order! Mr Somyurek has asked his question.

Hon. G. K. RICH-PHILLIPS — Through the technology portfolio we have put in place the eServices Register, which has created opportunities for more than 900 technology companies to engage with Victorian government and undertake supply into the Victorian government. This is in stark contrast to the mechanism under the previous government, which locked out hundreds of companies for years on end from supplying into the Victorian government. We have reformed that; we have more than 900 companies on the register, we have more than 800 individual purchasing activities supplied through the eServices Register, and we are creating opportunities for the ICT industry here in Victoria.

Early childhood funding

Mr ONDARCHIE (Northern Metropolitan) — My question this afternoon is to the Honourable Wendy Lovell in her capacity as Minister for Children and Early Childhood Development. Could the minister inform the house of any recent initiatives to increase learning opportunities for vulnerable young Victorians?

Hon. W. A. LOVELL (Minister for Children and Early Childhood Development) — I thank the member for his question and his ongoing interest in the early childhood development portfolio. I also thank him for representing me at the Playgroup Victoria conference earlier this month, where I am told he did an extremely capable job, was entertaining and was well received by Playgroup Victoria — particularly when he made the

announcement of a \$50 000 one-off grant for Playgroup Victoria to purchase books and other literacy resources for use in supported playgroups. This funding will support young children in 29 communities to develop a love of reading.

The supported playgroup initiative is funded by the Victorian government. Supported playgroups provide vulnerable families with opportunities to engage with their children and other families. They also provide access to parent support from trained professionals. Encouraging parents and children to develop a daily reading habit can give children a head start in life. It makes a real difference to how children perform in school, and it will strengthen the bond between the parent and child. This initiative will help to achieve goals outlined in the Victorian *Early Years Strategic Plan — Improving Outcomes for all Victorian Children 2014–2020* through better connecting families with services, improving support for vulnerable families and increasing our focus on learning for every child from day one.

I congratulate Playgroup Victoria on its 40th anniversary year, and also on the fantastic work that it does to support vulnerable families under the leadership of Viv Cunningham-Smith.

FEDERAL BUDGET

Debate resumed.

Mr RAMSAY (Western Victoria) — I will make a few brief comments on Mr Lenders's motion. His contribution was quite far reaching in scope, so hopefully the President will allow me some latitude in speaking on the motion.

Firstly, it is pleasing to see that the recently announced budget of the Abbott federal government is addressing some significant concerns about the fiscal position left by the Rudd-Gillard-Rudd federal governments. As we know, and as Standard & Poor's indicated only two weeks ago, if the situation where we were spending more than the commonwealth was receiving in revenue had been allowed to continue, it would have put our credit rating in jeopardy and would have had significant impacts on the ongoing sustainability of many funding projects.

There is no doubt the Australian community accepted that the recently announced federal budget would have to make significant impacts to curb expenditure, increase revenue and reduce debt. In a nutshell, the budget has in many parts responded to that sense of immediacy in relation to tightening the fiscal

environment. That should be no surprise to the Victorian public, because prior to the election Tony Abbott indicated very clearly that the priority of the coalition was to address the commonwealth's deteriorating fiscal position, as well as to stop the boats and to get rid of the carbon tax.

Mr Barber — It's stop the wind farms now.

Mr RAMSAY — In typical fashion Mr Barber cannot resist bringing in a discussion around renewable energy. He did just that during his contribution to the debate on this motion, which does not refer to renewable energy at all. Nevertheless, he took that opportunity, and I noted while listening to him in my office downstairs that he referred to a wind farm project which has been quite close to me over many years, so I am happy to respond to a couple of his comments.

As I understand it, it is true that the commonwealth is looking at reviewing the renewable energy target. However, I also understand that no decision has been made in relation to whether there will be a change to the target. Notwithstanding that, it is appropriate that targets set by previous governments be reviewed. There also needs to be an examination of the impacts those targets, which were put in place by previous governments, are having on the objectives and financial considerations in the current financial environment.

Mr Barber referred to the Mount Gellibrand wind farm, which has come about through a permit being issued by the previous Labor government in 2008. That permit has been extended by this government, and Mr Barber indicated that that potential wind farm site has been a hive of activity. I can tell Mr Barber that only last weekend I travelled down that road purely out of interest to see what activity the wind farm generators around Mount Gellibrand have been engaged in. There are some portable huts and a lovely new three-bay galvanised shed enclosed by a sort of netting fence, and absolutely nothing else.

The road has not been upgraded; it is in the same condition it was 36 years ago when my grandfather laid its foundations of blue metal, so I can assure Mr Barber that there has been absolutely no activity except for Acciona meeting the requirements to extend its permit. It has done so by whacking in some buildings, like it does on many wind farm developments where there is a requirement that activity occurs in order to obtain an extension of a permit, which is granted by the minister. All the wind farm generators do is whack in portable huts with a fence around them and claim that there has been some developmental work going on in relation to the requirement under the permit. Enough of that

nonsense around the activities of wind farms, particularly at Mount Gellibrand.

I can quote other wind farm developments where there has been no activity. The reason is that the numbers do not stack up. They cannot get finance because they know it is an inefficient system of producing energy. They cannot sell into the grid because the wholesalers will not buy, and they produce only intermittent energy without any storage capacity whatsoever, so funders have lacked the enthusiasm to invest in wind farm developments.

Having said that, and while we are on the subject of renewable energy, I must say that I am very supportive of the greater use of solar energy in this country. It is pleasing to see that many homes and communities are embracing solar energy not only as a means of supplementing their own energy supply but also, thanks to the coalition's policy of a feed-in tariff, being able to feed surplus electricity into the grid. The coalition government is supportive of the use of solar power, as we are with wind energy under the new guidelines, and we certainly encourage the greater use of renewable energy in this state.

While I was on my feet and not talking about the motion at all, I noticed previous contributors moved well away when I spoke about my role in the Victorian Farmers Federation (VFF). I was pleased to hear Mr Lenders acknowledge the good work the VFF did under my presidency. We faced a 10-year drought through that reign. As Mr Lenders would know, membership of the VFF is voluntary, unlike the compulsory union membership in the organisations he was involved in. He would also know that the revenue of the VFF is derived from voluntary membership levies, which are in turn based on the profitability of the commodities sold. In a drought you would expect there would be decreasing revenue through commodities because of the drought and low global commodity prices for those commodities, but it is great to see that the reforms I put in place have proved successful and that the VFF is going from strength to strength.

I will get back to the motion. Mr Lenders entertained us for nearly 3 hours in relation to this motion but not much sense has emerged about substantive facts and figures, so I will provide some. I am not standing here as a leading advocate for the federal budget; members of the federal government in Canberra can defend themselves, and I understand they are doing that this week in relation to the proposed budget.

Having said that, Mr Lenders would well know that the federal budget is yet to pass either the House of

Representatives or the Senate, so what we are all talking about is presumptive — that is, things might happen or they might not happen, and some things might go in and some things might not. Mr Lenders stood up and talked about \$12.5 billion of cuts to the Victorian health system, but who knows? We do not know. Until the federal budget is passed by both houses, we will not know what impact it will have upon Victoria, the Victorian budget and the Victorian funding stream. It is all conjecture at this stage, but Mr Lenders decided to make a meal of it in opposition business today and talk about the maybes and what ifs when he well knows that two or three weeks of quite solid negotiation between all parties will determine whether there can be some compromises and some potential outcomes through both houses that will meet the expectation —

Ms Pulford interjected.

Mr RAMSAY — Ms Pulford can rattle and rave about all sorts of figures, but the fact is that until the budget is passed it means nothing.

It is pleasing to see in the federal budget, the reduction of company tax, which has not been discussed this morning. Mr Lenders talked about the increase in fuel costs. We are talking about taking the freeze off indexation, which means about 1 cent per litre. The price moves up and down each day so anyone going into a fuel station today will probably pay 1 cent per litre more or less than they would tomorrow. Let us be serious about this.

The other thing Mr Lenders did not note, and I thought he might have, given he was at one time the shadow Minister for Agriculture and Food Security, was that it is really pleasing to see the off-farm diesel fuel rebate has been retained. This is a significant and important cost burden removed from farmers and the mining sector. Congratulations to the Abbott federal government for allowing that rebate to continue. Congratulations also to the Abbott government for making sure that the removal of the carbon tax was a top priority in the budget. That will remove millions of dollars of cost burden from the health system and from individuals right across Victoria. The Abbott government clearly prioritised reducing debt.

It is interesting to see that members of the opposition parties, Labor and the Greens, live in some sort of Noddyland where they expect to continue to borrow, borrow, borrow. They managed to get rid of the Future Fund, they managed to get rid of the communication fund, and they managed to get rid of surpluses aggregated over the Howard-Costello years.

John Howard and Peter Costello built up a huge surplus which enabled a number of projects to continue over many years of the forward estimates, but the first thing the former federal Labor government did was to invoke programs like the pink batts and a whole lot of green schemes that wasted money. It gave out \$900 to families, it gave cash, it gave Building the Education Revolution projects which were over the top and it invited largesse through communities everywhere, raising expectations. It then suddenly found it was in a position where net debt was exceeding \$150 billion and was projected over a 10-year phase to blow out to \$600 billion. What was the legacy of all that good work by the Rudd-Gillard-Rudd governments? We now have an interest bill of \$1 billion per month. That is \$1 billion just in interest — dead money — thanks to the legacy of the Labor federal governments over the last six years.

It is true, as stated in the motion moved by Mr Lenders, that the federal budget will have an impact on the Victorian budget. We do not know how much of an impact, but the Premier indicated quite clearly only last week that he will stand strong and firm to make sure Victorian interests are represented to the commonwealth in relation to potential impacts. The Minister for Health, David Davis, said in this very chamber yesterday that his department is currently going through the projections to ascertain, if the federal budget is passed, what impact that will have on agreements both past and future in relation to national and state health agreements.

As I said at the outset, a lot of the waffle that is being put forward in this chamber by members on the opposition benches this morning is pure conjecture, hypothetical and designed to take the focus away from the Victorian budget, which I might say is one of the best budgets any government has given to the Victorian community since Federation. It provides a \$1.3 billion surplus while maintaining a AAA credit rating; \$6 billion worth of infrastructure; a projected \$27 billion of capital investment in major projects like the east-west link and the western section of it; the regional rail link, which will be delivered under budget and ahead of time; and as Ms Pulford said, significant investment in hospitals like those in Bendigo, Ballarat and Geelong, where we see the skyline littered with cranes due to the ongoing work. In fact we have three new hospitals being developed in the Geelong area in accordance with the election commitment of a hospital at Waurn Ponds, the Epworth Geelong hospital and the Norlane health hub in addition to the ongoing works at Geelong Hospital with extensions and the upgrades at the St John of God Geelong Hospital. There is a lot happening in Geelong in health care.

In Ballarat there is the ongoing work as part of the \$44 million investment by the Victorian government into the ambulatory care centre, the helipad, the car park and the cancer centre. I could go on and on. Of course there is Bendigo, as mentioned this morning, with a \$630 million investment in Bendigo Health.

There are a lot of good things happening in the Victorian budget. Obviously the federal budget is a response to what was becoming a black hole that would have had a significant impact on the long-term sustainability of finances in the commonwealth government. As I indicated earlier, it was very clear that if we continued spending the way we were, with expenditure far exceeding the amount of revenue coming in, we would just be increasing debt and this would increase the debt burden on every Australian for generations to come.

I know there has been some discussion around the GP co-payment, and I am aware that both the Premier and the Minister for Health have indicated their concern about what impact the changes to the national health agreement and the GP co-payment will have, but I just want to put something in context — that is, support by the Abbott government for the Medicare system is absolute. What the Abbott government is trying to do is put it on a sustainable footing.

Mr Lenders interjected.

Mr RAMSAY — For the benefit of Mr Lenders, who seems to think he has an acute understanding of figures, we spend about \$20 billion per year on Medicare. That is the reality. Mr Lenders will not know this, but the Medicare levy attracts around \$10 billion, so there is a shortfall of \$10 billion per year between what the levy generates and what we spend on Medicare. Ten years ago we spent \$8 billion, and it has grown by 42 per cent over the last five years.

Sitting suspended 1.00 p.m. until 2.03 p.m.

Mr RAMSAY — I start where I finished off by speaking about Medicare. I love Australia and I love living in Australia. I love bringing up my children in Australia, and I love the fact that we can produce good quality food in Australia for Australians and the world. Anyone who has travelled overseas knows that there is no country like Australia in which to live, work and recreate. It has a very high standard of living and it has a health system that is second to none across the world. For the last six years we have endured the worst government in Australian history, with the Rudd-Gillard-Rudd governments leaving us a legacy of \$123 billion in accumulated deficits, a projected

\$634 billion of debt and a projected \$1 billion per month in interest payments paid for by every living Australian taxpayer. That waste equates to the cost of two Bendigo Hospitals per month.

I want to briefly talk about Medicare, because some of the discussion this morning was about the co-payment. However, I do not wish to get into a discussion of the rights and wrongs of that. As the minister has indicated, work is still being done in relation to the impacts that the co-payment will have on the Victorian health system and the current agreements. Before the lunch break I was talking about the sustainability of Medicare. I refer to that in the same way we referred to the vocational education and training (VET) sector when we won government, which had similar parallels.

Former Premier John Brumby introduced a vocational education and training system model that invited competition between TAFEs and private providers, and that model was unsustainable into the future. It was the Baillieu government which had to inject \$1.2 billion into the system to make that training model work. It is gratifying to see that with some tweaking, some changes and a refocusing on the education programs that are delivered through the providers, courses are being strongly supported now with subsidies that provide job-ready students who go through the program. In fact there is a significant increase in enrolments across the VET sector. Not only have we increased enrolments in the VET sector but we have also refocused the education delivery that provides education and training to students so that they can go straight into the workforce to take up the job market opportunities.

In relation to Medicare — and I think this is an important point, given that there has been quite a lot of discussion around health agreements and the Abbott government budget — some \$20 billion per year is spent on Medicare and \$10 billion is raised by the Medicare levy. Ten years ago we spent \$8 billion, and it has grown by 42 per cent over the last five years. It is projected to be \$34 billion in the next 10 years. In its budget the Abbott government indicates that \$65 billion is going into hospitals. In relation to co-payments, those of us who live in the country do not always have an opportunity to access bulk-billing, and I have always had to pay to visit the GP. It is interesting to note that New Zealand has a co-payment of \$17.50. The National Commission of Audit in its report recommended a \$15 co-payment, but as the minister has clearly said, Victoria does not support and is opposed to the co-payment for the reasons he outlined this morning in relation to the costs associated with the health system.

Nevertheless, I make some brief remarks about the Victorian investment in the health system. The state government in its 2014–15 budget announced an additional \$1.4 billion investment over four years in Victoria's health services and health infrastructure. Since coming to government the coalition has invested an additional \$3.6 billion, some 32 per cent, in the health of Victorians. The 2014–15 health budget is at an unprecedented high of \$14.9 billion. There is no doubt about the state government's commitment to Victoria's health system and to the good health and wellbeing of all Victorians. We can do that because we have provided a sound economic framework for Victoria. In the budget the Treasurer indicated there would be a significant surplus, a significant investment in capital infrastructure and significant funding in the health system and, as I have just indicated, in education, with an increase in funding for the VET sector. We will be able to absorb some of the impacts of the federal budget.

In summary, I have responded to most of the items in the motion moved by Mr Lenders. I am pleased to see that the handing down of the Victorian budget has put Victorians in a good place and in a good position to continue to access those services.

Ms PULFORD (Western Victoria) — The affection that Simon Ramsay has demonstrated for the federal budget is like the love that dare not speak its name. I suppose we can say that at least he has the courage to come into this place and defend the most extraordinary budget brought down by a federal government in anyone's memory.

Mr Ramsay interjected.

Ms PULFORD — Mr Ramsay either has not thought about it or has not read about it, or he is seeking to mislead the house, because everyone knows that this is one of the biggest taxing, biggest spending budgets anyone has ever seen. Government members know that.

Honourable members interjecting.

The ACTING PRESIDENT (Mr Melhem) — Order! Mr Ramsay has already made his contribution and Mr Finn is next on the list. I say to Mr Finn, be patient.

Ms PULFORD — The Liberal Party, the same Liberal Party that is in government in both Victoria and Canberra, likes a big government. Mr Ramsay need not believe me. Stephen Koukoulas, a very well respected economic commentator in this country, did an analysis of the size of government — the size of government being revenue plus spending as a share of gross

domestic product — to assess the government's footprint. The Abbott government's budget suggests that the size of the government will be 49.1 per cent of GDP. This is not dissimilar to the size of the government under former Prime Minister Bob Hawke and former Treasurer Paul Keating at 49.6 per cent or under former Prime Minister John Howard at 49.2 per cent, but it is considerably larger than the 47.4 per cent size of government under former prime ministers Kevin Rudd and Julia Gillard.

The Liberal Party is perpetrating a myth to justify a budget that unapologetically shifts resources from those who need them to those who want them. Government MPs in this house ought to be ashamed of themselves for defending it. The motion of Mr Lenders that we are debating today is one I am proud to support.

Mr Ramsay interjected.

Ms PULFORD — While we are talking about billions of dollars, Mr Ramsay indicated in his contribution earlier that the Victorian government had brought down a cracking good budget, an excellent budget — indeed I believe he said it was one of the best budgets ever. This is a budget that has had a \$20 billion hole blown in it in health and education services by the government's little mates in Canberra. Mr Ramsay talked about how awesome it is to have a new hospital building here or there, but there is no money for doctors, nurses or beds — no money to run the hospital system. It is akin to the magnificent *Yes Minister* episode about the most productive, most wonderful hospital being the one that has no patients. That is where this combination of state and federal Liberal governments is taking us.

In question time in this place yesterday Mr Davis said he would call the federal Minister for Health, Peter Dutton, and that the federal minister knows who he is and recognises him. That is good, but I do not think anyone really believes the confected outrage about the federal budget from the Victorian government. I do not think anyone believes for a second that any amount of finger wagging at a Council of Australian Governments meeting is going to return to the Victorian government the \$20 billion that has been stripped from it.

Health funding in Victoria is a complete shambles. Gonski is gone in a spectacular breach of faith with the Australian and Victorian public — —

Honourable members interjecting.

The ACTING PRESIDENT (Mr Melhem) — Order! I ask Mr Ramsay and Mr Finn to cease interjecting.

Ms PULFORD — The imposition by this Liberal Party federal budget on kindergarten children, people in aged-care facilities, university students and people who might one day hope to be university students, pensioners, the unemployed and young people seeking to be trained to gain the skills they need for the workforce is just extraordinary. This is a federal budget that is built not on one lie but on so many lies you cannot count them. It is an extraordinary leap for a political party whose members went the length and breadth of this country for three years saying that there would be no surprises, that the grown-ups would be back in charge and that there would be no new taxes — all lies.

Mr Ramsay talked about the impact of the carbon tax on hospitals. He is incredibly selective in his contributions in this place, because the impact of the carbon tax on Victorian hospitals is 10 per cent of the size of the impact of the reduction in funds being made available through the national health partnership in this budget.

Mr Ramsay interjected.

Ms PULFORD — If you do not know it, you should, and if you do know it, you should not be so dishonest about it.

Liberal Party MPs call this one of the best budgets. This is an ideological budget that does not address the things it claims to address, and that shifts resources from those who most need them in a way that fundamentally challenges the Australian way of life. Liberal Party members live in a world where everyone has \$7 to go to the doctor.

Mr Ramsay — No, you are in Noddyland.

Ms PULFORD — Do you believe that every single sick person in western Victoria who needs to see their doctor for the management of a chronic condition can stump up that \$7? You reckon everyone has cash lying around?

Mr Ramsay interjected.

Ms PULFORD — What I am saying is that there are people who will not go to the doctor, there are illnesses that will not be diagnosed and there are conditions that will not be treated because of the Medicare co-payment that Mr Ramsay could not bring himself to oppose unlike his colleagues here.

On health, where was the money for the National Centre for Farmer Health? There was none.

Honourable members interjecting.

Ms PULFORD — Where was that? Members opposite opposed the National Centre for Farmer Health being saved, saying, ‘It doesn’t matter; the feds will save it anyway’, but the money was not there.

This is a nasty budget. It represents a government that is driven by ideology. In so many ways — in its treatment of asylum seekers, in its treatment of our multicultural communities, in every possible respect — we are seeing the true colours of the Liberal Party in this federal government. Between now and November the Victorian government will turn itself inside out to put as much distance as possible between it and its federal counterpart. But members opposite voted for Tony Abbott and they voted for Joe Hockey; they voted for these choices. They fundraised for their colleagues. They campaigned with their colleagues. They probably contributed to the policy development that has landed us where we are today. Do you know what is even worse than them having voted for the federal Liberal government? These people are all going to turn up at the next election and vote for them again.

Mr FINN (Western Metropolitan) — What a fascinating contribution from Ms Pulford. I look forward to getting *Hansard* and giving it to somebody who might be able to put it through some machine that will be able to decipher what the hell she was talking about. I am not quite sure, but I do agree with her very much. I notice she has wandered from the chamber now, which is very disappointing.

It is disappointing that Ms Pulford has gone because I was actually going to agree with her. I will be rolling up at the next election to re-elect the Abbott government, because I do not want to go back to what we had before. I do not want to go back to the people who made the mess in the first place. That would be masochism of the highest order, in my view. Anybody who votes Labor in this country is a masochist. That is a simple fact of the matter. It is interesting to note that the Labor Party is so outraged by this that it has two members in the chamber.

Mr Elasmarr — Two?

Mr FINN — I am sorry; Acting President Melhem is neutral. He was neutered a long time ago. We will get to his role in supporting the east–west link, particularly the western link, very soon. I look forward to doing that. I apologise to Mr Elasmarr. Sometimes I get confused — Mr Melhem could easily be one of us. I apologise to him for that.

To get to the gist of this debate I want to go through a few of the matters that are mentioned in Mr Lenders's motion. Was it not funny? Dear Mr Lenders, the man who gave us the desalination plant, the man who gave us myki, the man who gave us the north-south pipeline and the man who as Treasurer presided over economic disaster after economic disaster, got up and lectured us on economic responsibility. It is a bit like Robbie 'Mad Dog' Muir talking about how to behave on a football field; it is absolutely outrageous. You have got to admit, however, that those opposite have more front than Myer. If Mr Lenders happens to be wandering by the speaker in his office or somewhere else, I commend him for his gall. As I have said before, he has more gall than all of France. That is what he displayed here today.

Paragraph 2 of this motion from Mr Lenders condemns the federal coalition government for abandoning Victorian schools and students by ripping up the Gonski education agreement. I would suggest that that probably would not have been too hard because there was never anything in the Gonski agreement. You cannot have an agreement to fund something if it is unfunded and there is no money there. That is what we are talking about with Gonski. It was a fraud of the highest order. We are talking about a former Prime Minister who just might know a fair bit about fraud. It was a fraud of the highest order to suggest that any federal government was in a position to fund Gonski. It was nonsense, but that is what we have come to expect from the Labor Party at both the state and federal level over such a long period of time.

Mr Barber interjected.

Mr FINN — I will get to you in a minute, Mr Barber, and your friend Senator Milne in Canberra. I will also get to the delightful Senator Hanson-Young — what a ripper she is.

I move on to health and this co-payment matter. It seems to be causing great distress to the Labor Party. It was a suggestion first put to the Australian people by Bob Hawke when he was Prime Minister. I do not recall much distress from the Labor Party then. Talk about confected outrage; this has to be some of the most confected outrage I have seen for a while. I have a suggestion that might help the federal government out. I do not know whether it would consider this, but I put it forward in the spirit of goodwill toward our federal colleagues.

I suggest to the federal government that it exclude all commonwealth health-care card holders from the co-payment and put it up to \$10 for everybody else. I think that would be a pretty reasonable thing to do.

Most people would regard paying \$10 for going to the doctor to be a pretty fair and reasonable thing. There may be some people who would struggle to pay \$7, so exclude them from having to pay it. Allow those who can afford to pay to pay \$10.

My view on this is very clear: free health care should be for those who need it. Free health care should not be for those who want it. It is outrageous for somebody like Clive Palmer, the federal member for Fairfax, to be able to rock up to his local doctor clinic and be bulk-billed for seeing a doctor. He can afford to pay for his health care. I can afford to pay for my health care. Every member of this house can afford to pay for their health care. Free health care should be there for those who cannot afford it and who will look around for that \$5, \$6, \$7 or whatever it might be and wonder what they are going to do.

Mr Barber interjected.

Mr FINN — Calm down, Mr Barber. There is nothing worse than when the Greens get excited. It is hard enough to follow them at the best of times, but when they get excited everything is out of the window. I would suggest that that is something the federal health minister and government may consider. Universal health care for those who can afford their own private health insurance is outrageous, to tell you the truth. If you can afford private health insurance, you should have private health insurance, and free, taxpayer-funded health care should be for those who cannot afford it. It is as simple as that.

I sort of agree with paragraph 5 of the motion, where the opposition condemns cuts to the ABC and the SBS. I sort of agree with it because whilst I agree with the cuts, they clearly do not go anywhere near far enough. What the government is doing in the broadcasting business in 2014 I do not have a clue — I have no idea. It is out of the airline caper. It is out of the banking caper. It is out of just about everything else, and it is still running a broadcasting company. Last night as I was flicking around on television I noticed that apparently there is a new ABC radio channel — Double J, I think it is called. What might be on that I fear to think. There we have more taxpayers money being funnelled into the ABC.

Has there ever been a more outrageous waste of money in this country's history than the ABC? It has to be asked. If Tony Jones wants to ponce around on a Monday night talking to his commo mates, let him pay for it himself. I do not want to. People say we have to have the ABC because it has *Bananas in Pyjamas*. That is all very well, but \$1.2 billion a year —

Mrs Peulich — That's a lot of bananas.

Mr FINN — It is a lot of bananas — my word it is — but \$1.2 billion a year for a couple of blokes dressed as bananas seems to me just a little bit extravagant, I have to say. I frequently wonder what we could do with that \$1.2 billion every year that goes into the ABC. It seems to me to be a criminal waste of taxpayers money.

The government has no role in broadcasting. I can pull out my phone and tune in to a radio station or indeed a television station in New York or London. I do not need the ABC. This argument that we need the ABC because we need variety is a load of nonsense. The variety available to us now has never been greater. As I say, you can get out your little phone and tune in to a radio station or a television station just about anywhere in the world. The ABC is just no longer needed, and it is chewing up much-needed funds. I have to say that I would privatise the ABC tomorrow without the slightest hesitation, and I would redirect that \$1.2 billion to those areas that actually need it. I am talking about schools. I am talking about hospitals.

There are only two members opposite now; we have just lost the third. That is the degree to which the opposition is concerned about its own day of general business. Those opposite say they are concerned about hospitals. They say they are concerned about schools. Let them support the privatisation of the ABC, and let us put that \$1.2 billion a year into those schools and hospitals. Let us get fair dinkum about this. If those members opposite — and I am using my imagination because, as I say, there are not many here — are fair dinkum about supporting genuine services to the Australian people, they will support the proposal to sell the ABC and redirect the money.

On top of that \$1.2 billion saving every year, you would probably get a fair whack for the sale of the network because it is quite an extensive network. It is Australia wide. It has four or five television stations. It has more radio stations than you can poke a stick at. There would be a number of people who would give their eyeteeth to be in a position where they could buy, if not all of it, certainly at least some of it, and that money would be a saving to the Australian taxpayer. That would be a very good thing. We could then use that money to support kindergarten students, pensioners, the unemployed and the disabled, as this motion refers to.

I put a suggestion to the house in my maiden speech many years ago — and I am going to reprise it this afternoon — and if any government were to put this

plan into effect, we would have a budget surplus overnight. We would never be in the red again. It is a very simple proposition — that is, to go back to what the founding fathers of this nation wanted to happen and to abolish three-quarters of the federal government and give the powers back to the states, as the founders of our nation had envisaged. What has happened over the last 113 years is that slowly but surely — sometimes not so slowly, but certainly surely — the powers of the states have been centralised more and more in Canberra.

I am not a centralist. I am totally opposed to centralism. I think centralism is dangerous. I think centralism is indeed evil, to a large degree. My suggestion to the federal government is that it abolish every department whose services could be better done and should be better done by their state government counterparts. That way we could do away with the federal Department of Education. Did you know that the federal Department of Education does not run a single school? We could do away with the commonwealth Department of Health. The commonwealth Department of Health does not run a single hospital. We could do away with the commonwealth Department of Agriculture, and we could do away with the commonwealth department of Aboriginal affairs — and those are just the As!

We could go on. If we got to the Cs, we could talk about removing every cent of taxpayers money that is wasted on the climate change scam — the global warming scam. We could take every cent that is put into the pockets of some of those shysters and give that money to the kindergarten students, the pensioners, the unemployed and the disabled. What a great idea that would be. If you are going to spend money — if you are going to put taxpayers money on the line — it should be done for something that is worthwhile, and man-made climate change is most certainly not worthwhile. As every day goes on we see more evidence to show that the whole thing is just a scam designed to make money. Some people are making a lot more money out of it than others, but it is an industry that is doing very nicely for itself nonetheless.

I suggest to our colleagues in Canberra that they might like to consider taking on the Liberal Party philosophy of decentralisation, and they might like to return to the states those powers that they have taken over a long period of time. Whilst they are at it, they might like to consider returning the states' income tax powers, which were temporarily removed to help the war effort in World War II.

Mr Ramsay interjected.

Mr FINN — It was, Mr Ramsay. It would be nice if we got some GST back too, but the income tax powers should be returned to the states. As I say, they were taken from the states as a temporary measure to win the war. I have some news for Canberra: the war is over. We had a good win, and it is about time those powers were returned so that the people of Victoria, New South Wales, Queensland and the other states and territories of Australia can actually enjoy the benefits of that money instead of it going into the pockets of fat blokes who sit around in Canberra.

I am constantly amazed at the number of public servants in Canberra who do not do much. I recall the first time I visited the commonwealth Treasury, which was some years ago when I was working for the Parliamentary Secretary to the Treasurer, Chris Pearce. I was quite impressed that I was going in to be looked after by senior bureaucrats. They were heady days. I arrived at the side of a building, and it was huge! It had about 15 storeys. As I walked through this building, I passed office after office after office, and each of them had people in them. Some people were doing something, and others were not. At the end of that experience I wondered, 'What the hell do all these people do? Their entire role is to take our money and then give it back to us'. That seemed to me to be a bit silly and entirely a waste of money. Let us clear out some of those office blocks.

Mr Ramsay interjected.

Mr FINN — No, not unclutter — clear out some of those office blocks in Canberra altogether. Let us get rid of the waste and duplication, and let us get some efficiency back into government in this country. That would be of huge benefit to the people of Australia. I have no doubt about that at all.

We are now in a situation where our nation faces a fiscal or budgetary crisis. You have to wonder how that happened. I remember that back in early 2007 we had a government that was doing a very good job. We had a Prime Minister, John Howard, who was regarded as an outstanding leader, not just by Australians but by many people around the world. We had a Treasurer who was clearly the best Treasurer this nation has ever seen. We also had somewhere around \$30 billion in the bank. That was after a huge debt — surprise, surprise! — was left to us by the Keating government when Labor left power in 1996. In 2007 — which is only seven years ago — Australia was looking pretty good. We were in very good shape. The economy was sailing along smoothly. There was plenty of money in the bank; in fact tax cuts were the order of the day in every budget. The then Treasurer, Peter Costello, was making a point

of returning to the people the money that the government had taken. As I say, that was a great thing.

What happened? What happened was that before the 2007 election the Milky Bar Kid, Kevin Rudd, went on national television and declared himself an economic conservative. He did everything in his power to present himself as a younger version of John Howard. Unfortunately a good portion of the people fell for it, and the best Prime Minister this country has ever seen was turfed out and replaced by a so-called economic conservative who, like a good Milky Bar Kid, acted like a kid in a lolly shop — and he went berserk! He went to town, and he spent every cent that we had in the bank — every cent! Then when he finished spending every cent, he borrowed and then borrowed some more. He could not help himself. This was a man who was totally out of control. From the reports of those around him at the time — this came out later, of course — he was totally out of control.

Mr Ramsay — Mad.

Mr FINN — Quite mad, indeed — mad as a snake. He was totally out of control. In the space of 12 months this economic conservative had completely turned around the situation faced by Australia; we went from being one of the strongest economies in the world to being on a path to joining Greece at the bottom. This is the man — and we all remember it, I am sure — who sent out cheques for \$900. People got those cheques for \$900 and they went down to Retravision and Harvey Norman and they sent it straight to China. They bought \$900 televisions — big screen televisions. Each of those cheques for \$900 went straight to China.

Mr Ramsay interjected.

Mr FINN — The pokies — maybe a bit of that as well. It was an extraordinary thing, something we have never seen before.

Who could forget the decision made at that time by the Prime Minister and his deputy, the Minister for Education at the time, Julia Gillard — before she knifed him, with the help of the current federal Leader of the Opposition, Bill Shorten — that they would spend as many billions as they could on a few school halls. They thought they would throw around money left, right and centre. I had school principals ringing me and telling me they had just had a phone call from the federal education department advising that they had \$200 000 but that they had to spend it by Friday week. School principals were asking me for suggestions on what to do with the money. I had to say to them that they

probably knew their own circumstances better than I did. But that was what was happening.

Who can forget the hot-water services that they were sending around. I will never forget one footy club out in the bush, which had about 12 of them. They only needed 1, but they had 12 of them out the back of the footy ground. Then they had the water tanks as well. That was another one: everybody had to have a tank. And of course the taxpayers footed the bill once again. Surprise, surprise! This is so typical of the Labor Party.

Mr Ramsay interjected.

Mr FINN — Mr Ramsay reminds me of the pink batts. I suppose I should not make extensive reference to that matter as it is currently before a royal commission, but we know what happened there. It was indeed a great tragedy.

Mr Ramsay interjected.

Mr FINN — Cash for clunkers. Money was poured left, right and centre into any number of green schemes. Some of the shysters who were running these green schemes were rubbing their hands with glee. They thought it was Christmas each and every day. Under Prime Minister Kevin Rudd they thought all this money would never end. It was falling from the sky for no reason at all. But, as we know, life is not like that. You cannot get your MasterCard, go on a binge, spend a couple of hundred thousand dollars and then say, 'That's done. I don't have to worry about that any more'. At some stage the bill comes and at some stage you have to start paying it. We now have to start paying it, and that is the fact of the matter.

To add to this rather tragic situation, last year when it became obvious that it was finished the sad and forlorn Gillard government decided that it would set time bombs within the federal budget, that it would go out of its way to sabotage the Australian economy for the next government. It went out of its way to spend more money — can you believe that? At a time when we were hundreds of billions of dollars in debt the Gillard government, which was on its way out, decided it would spend as much as it could find and a little bit more as well.

We had the situation of the Gonski reforms where the federal government made outrageous promises with money it did not have. Now the chooks have come home to roost. That is a sad fact of life. We can blame Rudd, we can blame Gillard, but who or what should we really blame? We should blame the culture of the Australian Labor Party, because if you look at the history — and I will in a minute — of the Australian

Labor Party, you see that the Labor Party cannot handle money. It has never been able to handle money. Its members are totally competent and totally irresponsible when it comes to money. They have got no idea. They are mates with the Greens, and I have to say that by comparison the Greens make the ALP look almost responsible, and I will talk about Senator Milne in a minute. What the Greens propose is that once the credit card bill comes in, we chop that up as well and keep spending. That is the Greens' answer to everything.

As I said, there is a problem with Labor Party culture. I go back to my political awakening in the early 1970s. We had a federal government led by Gough Whitlam. Gough Whitlam was tall, charismatic, and I suppose he was a bit new, but what we discovered about him after a while was that he did not have the first idea of what he was doing. He had a cabinet that had no idea what it was doing and he went through treasurers. I think at one stage he had a new Treasurer once a fortnight on average. He even appointed Jim Cairns as Treasurer, if you can believe that. That was quite extraordinary. That is on par with a former member for Northcote in the Assembly, Tony Sheehan, being appointed Treasurer of this state — Tom Roper was another one, but I will get to that in a minute.

The Whitlam government totally trashed the Australian economy. We had stagflation and we had huge unemployment. The whole place was falling to pieces. That was my political awakening. Perhaps I should publicly thank Gough Whitlam now because he made me a conservative for life, and I have had no reason ever to regret the decision I made back in the 1970s.

We had Whitlam trashing the nation. He was so bad that people voted for Malcolm Fraser — that is how bad he was. Malcolm Fraser was elected with the biggest majority in both houses in Australia's history. He was not only elected but he was re-elected two years later. What a pity he never did anything with that. He sat on his hands for that entire time. It was a huge waste, but I probably should not talk about the Fraser federal government because, quite frankly, there is not much to talk about.

The Whitlam government is certainly the genesis of the economic culture of the Labor Party. A few years later here in Victoria the John Cain, Jr government was elected. Up until that point Victoria had been sailing along very well. We had Henry Bolte for a very long time; we had Dick Hamer, who was all right in certain respects; and we had Lindsay Thompson, who I found to be a very decent and honourable individual who actually cared very much about the state and its people.

What happened? John Cain came in and decided that he would spend money too. Surprise, surprise! With his deputy, Joan Kirner, he spent money like it was going out of fashion. Is there a trend developing here? This is something Labor governments do. They spend money until such time as it runs out and then they spend money they do not have, leaving the result for the people who come afterwards.

Members might recall that during the latter part of the 1980s and early 1990s we lost the Victorian State Bank. We had banks going broke and all sorts of disasters happening, including the international tram festival down Bourke Street where all the trams were parked for an extended period. The whole place was in total turmoil. Guess what? The Labor Party had stuffed it up all over again. It was just the start, and it was not just happening in Victoria. One could look at what Labor did to Queensland also. It will take Queensland years — —

Mr Leane — On a point of order, Acting President, I would like you to bring the member back to the motion. We are travelling all around Australia, and I appreciate that, but he is not the government's lead speaker.

Mr FINN — On the point of order, Acting President, what I am talking about — and it goes to the very core of this motion — is why we are debating this motion and why the budget is as bad as it is. If we cannot talk about why, I am not sure what we can talk about.

The ACTING PRESIDENT (Mr Melhem) — Order! I have to concede that Mr Finn has strayed from the motion, and I would like him to return to the motion.

Mr FINN — As Mrs Peulich points out, it is a travelogue of Labor disasters, and Labor members are good at that. I could move on to New South Wales because we know what they have done up there — a fair number of them are in jail now, too. We could also talk about WA Inc. if you wanted to go there, or Tasmania. Actually I do want to talk about Tasmania because the federal Leader of the Greens has been on our television sets recently, talking about how there is no economic disaster or budget crisis and the fact that everything is just fine and dandy. I suppose if you came from Tasmania, everything would be fine and dandy because compared to Tasmania, everything is fine and dandy. Compared to Tasmania, Greece is fine and dandy.

This is what happens when you get the Labor Party and the Greens in bed together. This is a real warning for the uninitiated, because over an extended period in Tasmania there has been a Labor-Greens coalition. I call it the 'coalition of the damned'. They put in place policies which in effect sent Tasmania absolutely stone broke. It reached the point where, if we could have pushed it off and down to the South Pole somewhere, we probably would have. That is how bad it was. I am delighted to say that Will Hodgman is now the Premier of Tasmania. I am sure he will do a very good job, but he has his work cut out for him.

We have seen that the Labor Party and the Greens working together will hurt you every time. It will be a painful experience. If you want pain and you want to hurt, you vote for Labor and you vote for the Greens. That is something that cannot be contradicted by anybody, because that is just the way it operates. It was the Greens working with the Labor Party that brought us the carbon tax, and we have seen the impact the carbon tax has had on the Australian economy and the federal budget. A number of companies have left this nation, have sacked people and have even gone broke as a result of the carbon tax, and that is something that none of us should be happy about.

When you see the national Leader of the Australian Greens, Christine Milne, on the television saying that there is no budget crisis, we should not suggest that she is being dishonest, because I do not think she is. I think she is being stupid. I do not think she has the first idea of what she is talking about on anything. But when she says she does not believe there is a budget crisis, as far as she is concerned there is not one, because if there is any capacity at all to put more money on the credit card, that is what you do. The Greens answer to everything is to spend more money, and they will never be in government so they do not care how we pay it back. They just want to spend money, quite often on ridiculous things.

Returning to the Labor culture, I was in this place in October 1992 when Jeff Kennett became Premier. We had enormous trouble on our hands. I can relate to what Prime Minister Tony Abbott and federal Treasurer Joe Hockey are going through at the moment because of what the Cain and Kirner governments did to Victoria during the decade of darkness between 1982 and 1992. It took us some time to get back on an even keel. I am extremely proud of the job the coalition did in the 1990s to return Victoria to prosperity. If the Labor Party had been left there, we would have been in a lot of trouble.

It seems to me that every generation must learn the hard way. Going back in my life over the last 40 years it seems that every generation has learnt the hard way. We saw it with the election of former Prime Minister Gough Whitlam, then a generation later with the election of former Prime Minister Bob Hawke and then a generation later with the election of former Prime Minister Kevin Rudd. I was going to say the election of former Prime Minister Julia Gillard, but of course she never did win an election. That is something we should always point out: she never did win an election.

Mr Barber interjected.

Mr FINN — No, that was Rob Oakeshott and old man Windsor up north. A degree of shysterism was involved there. As it turns out, it was probably a good thing because people were able to see for themselves just how bad a Prime Minister Julia Gillard was. To my way of thinking she is the second worst Prime Minister this country has ever had — only behind Kevin Rudd, who was just a disaster. Gough Whitlam must be very pleased that he has lived to be an old man and see a couple of Prime Ministers who were actually worse than him.

It is sad when I see each generation making the same mistakes as the ones before it. I remember standing at a pre-poll booth at Melbourne Airport in 2007 giving out how-to-vote cards, and the young people who had no experience of a Labor government — we are talking about 18 to 21-year-olds — were taking the Labor how-to-vote card. They had no idea what they were doing because they did not remember what Labor had done last time, and in 10 or 12 years time that is what will happen again. Labor will come in, and people will forget what Labor did this time and vote for Labor members again. Then after a few years they will throw them out, and we will have to come back in and fix it all. That is the way it operates. It does not matter where it is; at a state or federal level that is the way it operates. Labor gets in and makes a God-almighty mess, and the coalition then has to come in and fix it.

I am hopeful that at some stage people might realise what Labor does. As I have often said before, I would have no objection to Labor governments if only Labor voters were affected by the results of Labor governments. I can proudly stand here and declare that I have never voted for Labor in my life — nor have I thought about it. I think it very unlikely that I ever would. I cannot see the circumstances under which I would. I love this country enough to say that I have never voted for Labor because voting for Labor is an act of economic and social sabotage. It has shown up again and again, going back during my lifetime to the

1970s with Whitlam, and it has flowed through so many times since.

Wherever you look it is the same story: the Liberals have to fix up the mess that Labor has made. Wherever you go — whether you go to the commonwealth or whether you go north, south, east or west — Labor makes the mess, and the Liberals have to come in and fix it up. I am hopeful that one day that trend will stop and people will remember what Labor is renowned for and will keep them out of government altogether.

We had in this state over the 11 years of the Bracks and Brumby governments, between 1999 and 2010, a degree of economic irresponsibility that was sending Victoria down the same path it had been sent down in the 1980s. We had a similar scenario — perhaps not as quick, but as sure a trajectory as you can possibly imagine — where the Bracks and Brumby governments were spending money and debt was rising. This was threatening our AAA rating and a whole range of programs and services provided at a state level. When the coalition was elected in 2010 some tough decisions were made. It was not quite as bad as it is now at the commonwealth level, but certainly some tough decisions had to be made, and they were made. One thing can be guaranteed of a coalition government, a conservative government, and that is that we take our responsibility for economic guardianship very seriously indeed.

In 2010 the Premier and the Treasurer of the time took it upon themselves to start getting the Victorian budget back into shape. That has flowed through to the point where in this 2014 budget Victoria is in pretty good shape. Victoria's economic health is very much reflected by just how good the budget that we have just had introduced is. As somebody who represents the western suburbs, I can say it is without any doubt the best budget the western suburbs of Melbourne have had in the history of this state, and I am particularly proud to say that. I would go so far as to say that more has been done for the people of the western suburbs in the past three years than has been done by Labor in the past three generations, perhaps even longer.

Mr D. D. O'Brien — They have taken it for granted.

Mr FINN — As Mr O'Brien says, Labor has taken the western suburbs for granted for many a long year — for many a long decade in fact. We debated a bill in this place last night about the Brimbank City Council, and that is a classic example of how the Labor Party treats the western suburbs and continues to neglect them. I have to say to this house and to the general community

that after this year's O'Brien budget, no longer are the western suburbs neglected. Now we have a government that is concerned about the future of the western suburbs, and that is a very good thing indeed.

Economic responsibility is something we owe this nation. It is not about books, abacuses, computers or calculators; it is about people and providing a future for people. If the country is broke, you cannot have a strong nation. You cannot provide the sort of health and social services that people need to have the standard of living that the Labor Party seems to think comes automatically. It does not work that way. I well remember former federal Treasurer Peter Costello saying the reason he ran a tight ship economically was because then the government would be in a situation to provide the sort of services to which I refer.

Mr D. D. O'Brien — Like us now.

Mr FINN — Indeed, as Mr O'Brien says, like the Victorian government now. We are in a position to provide the western link, the rail link to the airport and a whole range of services across Victoria because — —

Mr Ramsay — More money for schools.

Mr FINN — More money for schools, more money for hospitals and a whole range of goodies across the state, because we made the hard decisions early on.

The Abbott government is doing that now. Certainly there are parts of this federal budget that I am not overly thrilled with. I mentioned one of them earlier, being the ABC — that it was not cut out altogether — and there are certainly other parts that I wish it had perhaps taken another angle on. But I do admire the Abbott government for biting the bullet and making some very difficult decisions with a view to ensuring that this government has a future. If you have a government that does not have its eyes on the future, then the country has no future. Unfortunately over the past six or seven years we have had a federal government that did not have its eyes on the future. I am not sure, to tell you the truth, exactly what it had its eyes on.

Mr D. D. O'Brien — Each other.

Mr Ramsay — On stabbing each other in the back.

Mr FINN — Mr Ramsay is spot on, as indeed is Mr O'Brien. They point out that the members of the former federal government had their eyes firmly planted on each other's backs. With knives in hand they would stalk the building up in Canberra on Capital Hill — —

Mr D. D. O'Brien — Who will be Prime Minister next?

Mr FINN — They were sizing up each other's backs, wondering, as Mr O'Brien says, who was going to be Prime Minister — —

Mr Ramsay — Simon Crean faltered at the altar.

Mr FINN — I feel sorry for the man; Mr Ramsay reminds us of what happened that rather sad day when Simon Crean decided he had had enough. He realised a bit too late that he was not the only one who had had enough. His faction said to him, 'You go in there, go out and get them, and we are right behind you'. When Mr Crean looked behind him during the press conference, he had to get out binoculars to see how far behind they were. Simon Crean served his party extremely well. He did not deserve his demise or his humiliation as a result of loving his country — I think you would call it that. That in itself is sad, but it is indicative of what we had for six and a half years, under Rudd, under Gillard and again under Rudd.

How can we possibly have a strong economy and confidence in the country when almost on a daily basis there is speculation about who the leader will be? On the one hand how many times did Julia Gillard say she did not want to be Prime Minister before she knifed Kevin Rudd in order to become Prime Minister? On the other hand how often after his defeat did Kevin Rudd deny that he wanted to be Prime Minister again? He challenged and failed, and then it was on again. He would say that he did not want to be Prime Minister and could never see a circumstance in which he would ever be Prime Minister again. He put his hand on his heart — and I wonder what else he was holding at the time, to tell you the truth. He said he did not want to be Prime Minister, that he never wanted to be Prime Minister again. The next thing we knew was that Julia was lying at the bottom of Lake Burley Griffin with a knife in her back and Kevin was off to the Lodge and then off to Government House to be sworn in.

Honourable members interjecting.

Mr FINN — Off to see Bill Shorten's mother-in-law, I suppose. What an extraordinary scenario. Bill Shorten was in it up to his eyeballs. That scares a lot of people, because knowing what Bill Shorten was involved in during the last government, there is a real fear, particularly in the business community, about what would happen if this bloke ever became Prime Minister. What an appalling prospect. Nobody in the Labor Party trusts Bill Shorten, so why should anybody else? There was a real fear in the

community, particularly in the business community, and there was a real fear in a large section of the union movement. The people who know Bill Shorten best know that they cannot trust him. They know he can never be trusted.

Mr D. D. O'Brien — Even Paul Howes.

Mr FINN — Even Paul Howes, the man who has long been touted as a future Labor leader, packed his case and was out the door.

Honourable members interjecting.

Mr FINN — Cesar did the same.

Mr Leane — On a point of order, Acting President, Mr Finn is definitely straying away from the motion and is now talking about past leaders of different unions.

Mr Ondarchie — On the point of order, Acting President, the motion clearly relates to Victoria's most vulnerable residents, and I suspect that is the correlation.

The ACTING PRESIDENT (Ms Pennicuik) — Order! I consider that a frivolous addition to the point of order. I have some sympathy for Mr Leane's point of order. Mr Finn has been talking about previous governments et cetera. While wide ranging, the motion refers to the current federal budget, so I ask Mr Finn to be careful about what he refers to in his motion.

Mr FINN — I will get to the main point of my address shortly. I take on board what the Acting President says, but I think it is very important that I canvass why we are in the situation we are in at the present time.

That takes me to the future. People are looking at this budget at the moment and wondering whether it will get through the Senate in a few weeks time when the new senators take their places in Canberra. Unfortunately there has been some indication that Clive Palmer, the federal member for Fairfax and a big player in the Canberra scene, is not going to play ball with anybody. What sort of national sabotage is that from a bloke who sits in the Parliament? From memory, I think he won by 74 votes. He now sits in Parliament with people who, to be kind, could be referred to as a diverse group of individuals from a vast array of backgrounds. Many of them do not quite know how they got there, what they are doing there or what they want to be.

Mr D. D. O'Brien — Far from a broad church, they are a broad cathedral.

Mr FINN — They could be a broad cathedral, absolutely. Mr Palmer should really have a good hard look at the economic situation Australia is in and at the budgetary problems this nation faces. This is serious; this is not about playing a game of deciding which Rolls Royce to drive today. He is a member of the commonwealth Parliament. He is the leader of a political party that will have a very big say on which direction this nation goes. He is the leader of a political party which will have a very big say on whether this budget passes through the commonwealth Parliament. He is the leader of a political party which will have a very big say on whether this nation has an economic future. He should start taking those responsibilities very seriously.

We have all nodded off from time to time in Parliament. It happens, particularly when members of the Labor Party are on their feet. But I do not think the joy Mr Palmer has experienced from the publicity showing him snoozing in the House of Representatives the other day is really a good look at all.

Mr D. D. O'Brien interjected.

Mr FINN — He did come in a Rolls Royce. He chose the older one. He needs to take his responsibilities seriously, as do the Greens. Acting President, you may be interested in this. I have been of the view for quite some time that the Greens — and I think I might have fleetingly mentioned this earlier — have economically no idea what is going on, what they want to do or where they would take Australia, apart from the fact that they want to smash the system. That is all they want to do. They have no idea what they want to replace it with; they just want to smash the system. They are the anarchists party, and that unfortunately goes to budgetary matters as well. Unfortunately they are part of a party which will have a very large say on what passes through the Senate after 1 July this year, and that is a little bit scary for a lot of people. Given the comments that Senator Milne has already made and some of the outrageous stunts that Senator Hanson-Young is responsible for — —

An honourable member — She's a disgrace.

Mr FINN — She is a disgrace, that is true. Taking all that into consideration, and given that Senator Rhiannon in New South Wales would like us to go back to the gulags of the Soviet Union, we are facing a difficult time ahead as a nation unless we all band together behind a Prime Minister who was democratically elected and a government that was democratically elected by a sizable margin. The federal

election held in September last year was not a squeaker. Tony Abbott won by a substantial margin.

I should say by way of an aside how delighted I am to see the federal seat I grew up in, Corangamite, returned to Liberal hands. I have no doubt at all that the member for Corangamite is an outstanding member of Parliament, and she will serve the people of Corangamite well. I also have no doubt that she will serve the people of Australia very well as a member of the commonwealth Parliament, and she will have significant input and make significant contributions to the future directions of the government and, as a result, the future directions of Australia.

It is worth doing something now that I do not do very often — that is, quote Paul Keating. He said, ‘Change the government and you change the country’, and he was spot on the money. Last September the Australian people voted to change the country. They were sick of the lunacy that we had been putting up with for six years. They were sick of the economic incompetence we had been subjected to for six years, and they were sick of the irresponsibility we had been subjected to for six years. They voted for a new beginning. They knew that tough measures would have to be taken. The Australian people are not stupid; they knew that some difficult decisions would have to be made to fix Australia.

I do not agree with all of those decisions, it has to be said, but the bottom line is that Tony Abbott is doing as Prime Minister what he was elected to do. He said, and I think everybody in this house can say it along with me, that as Prime Minister he would stop the boats, he would scrap the carbon tax and he would get the budget back into shape. They were the three big promises he made. He stopped the boats, and I have to say that Scott Morrison has done a remarkable job as federal Minister for Immigration and Border Protection. I think he might be in for one of those knighthoods Tony Abbott has recently reintroduced because, quite frankly, he deserves one. He has done a remarkable job as immigration minister.

The government has tried to scrap the carbon tax and been knocked back in the Senate. Members might recall that the Labor Party went to the last election saying — and it put it in writing — ‘We scrapped the carbon tax’. Remember those letters? Now it has an opportunity to actually do it and it will not. Labor lied before the election and now it refuses to heed the will of the people. It is giving the bird to the Australian electorate in a way that is quite despicable.

We have a situation now where the debt Labor and the Greens left us is accruing an interest bill of \$1 billion per month. Does anybody on either side of the chamber think that is a reasonable thing?

Mr Ramsay — Ms Pulford does.

Mr FINN — Ms Pulford may well think it is but she is not here to defend herself so I will not go there, but let me ask the question: is there anybody in this chamber on either side of the house who thinks \$1 billion — one thousand million dollars — every month going out of this country just to pay an interest bill is a reasonable thing? I certainly do not. We know that in 10 years it will be more than double that figure unless we tackle this crisis now, and that is what is happening.

It is a very difficult job and not one that I would want, to tell you the truth. I think the Prime Minister and the federal Treasurer are deserving of our admiration for taking on this monumental task of trying to turn around a ship that is sailing into a huge iceberg. And as we know, Mr Barber, there is now more ice on the polar caps than we have seen in a long time. NASA has told us that. That is science for you. We need some tough decisions to be made in order to turn the ship around. We need some tough decisions to ensure that our system of support for those who need it is sustainable. We cannot have a situation down the track where we keep spending and spending and the whole system falls over. What happens then? What happens to the pensioners, the unemployed and the disabled then?

I should briefly point out that not all disabled people are reliant upon the government for support. Just because a person has a disability does not mean they cannot work and they cannot support themselves. A good many people with disabilities work and contribute to their nation, and many of them do a damn fine job. So let us not just lump the disabled in the category of people who are living off the government. In many cases that is just not the case at all. Unfortunately that tends to be a reflection of the attitude of members of the Labor Party. They have a very clear view of the world. The Labor Party says, ‘There is us and there is them and never the twain shall meet’. I do not share that view. I view this nation as a nation of some 23 million individuals, each deserving of our respect and each deserving of having the capacity to support themselves and live a life which is productive and gives them the degree of self-esteem that I believe every human being deserves.

Certainly there will be times when people cannot support themselves. There is no doubt about that. In my

electorate I have seen people who cannot support themselves and as a society and as a community we should be supporting them, but how does sending the system broke help them? How does sending the system broke help the pensioners? If we turn around and say, 'I am sorry, we have no money left', how does that help them? How do the pensioners in Greece go? Perhaps we should go over there and see what happens to a country that spends and spends until such time as nobody will give it any more credit. Do we really want that in this country? Do we really want Australia hitting the rocks? Unfortunately that is the direction in which we are currently heading. That is the legacy that Labor and the Greens left this nation in September last year.

That is what the Australian people have to worry about — and it is a real worry. It is not something we should take lightly. It is not something we should dismiss. This is a very real danger, and unless the commonwealth and state governments take this seriously, this nation will go the same way as Greece and Spain and some of the other nations that are in real trouble. I do not want this nation to become a Third World country. I want Australia to be the caring, strong society that it is. I want us to have the ability to help those who need help, but I also want as many people as possible to stand on their own two feet. If people are able to stand on their own two feet, it gives them self-esteem and it gives them strength as individuals, and that is very good for the nation. If we continue the way we have been going as a nation, if this budget is rejected in the Senate, for example, we will have a situation where Australia could soon become an economic basket case. It is not a cheery prospect, but it is one that we should all take very seriously and be very concerned about.

I hope my children and, if I have them, my grandchildren will be able to enjoy the same opportunities that I have. I grew up on a farm, milking cows, never thinking that a simple farm boy could rise to be a member of the Victorian Parliament or to do some of the things I have done over the years or to go to some of the places I have been to. I would never have thought of that sort of thing when I was a boy. But that is what this country is all about and that is how I want this country to remain. I want this country to remain a nation of opportunity where people know that if they work hard and they get ahead, they will be rewarded. That will not be the situation if we keep going with the degree of spending and the degree of economic irresponsibility we have had over this period of time.

I know there is a budgetary crisis in this nation. You cannot have the sort of spending we had under six years

of Labor federal governments without having a budgetary crisis. You cannot hock the nation in the way former prime ministers Kevin Rudd and Julia Gillard did without there being a budgetary crisis to follow. I say to the Prime Minister and I say to the federal Treasurer, 'Yes, you have a tough job', but I think the Australian people know that they have a tough job and we should all — —

Mr Barber interjected.

Mr FINN — Mr Barber is rabbiting on about something.

Mr Barber — You should reverse it out and have another run at it, that is what I reckon.

Mr FINN — We will give it a shot. I was just about to wind up — —

The ACTING PRESIDENT (Mr Ramsay) — Order! Through the Chair, Mr Finn.

Mr FINN — But if Mr Barber wants me to continue, I am very happy to do that, and we can talk about the influence the Greens had on the previous federal government, which has contributed enormously to the situation we find ourselves in. We could talk about the huge, criminal waste of money that goes into the so-called climate change industry in this country. We could talk about the people who were happy to take millions and millions of dollars of taxpayers money even in the face of the British Met Office saying there has been no global warming for 17 years. In the face of that scientific evidence, in the face of NASA saying that there is more ice now on the polar caps than there has been in generations, in the face of all that there are still people out there who are very happy to take taxpayers money to fight something that does not exist.

I can only repeat what I said earlier — that is, that it would be a huge saving for Australian taxpayers if Joe Hockey were to take a chainsaw to that funding, because I am firmly of the view that it is a scam. The entire global warming come climate change industry is a scam, and it is a scam that Australian taxpayers should no longer contribute to. We have kicked in too much for too long and as taxpayers we should be relieved of that burden. If there are governments around the world that are silly enough to kick in to this industry and its charlatans, then good luck to them. I am very firmly of the view that Australian taxpayers should not be subsidising this. I am sure Mr Barber and I could have a discussion about where the money goes, because I am sure he has — —

Mr Ondarchie interjected.

Mr FINN — We can talk about Sandbags in a minute. But Mr Barber, I am sure, knows where all the money trails end in this particular industry, and it is an industry. It is one that has made a lot of people very rich. It is snake oil salesman stuff, and I look forward to Lord Christopher Monckton coming out in a few months time. He will be in Australia and I invite Mr Barber to come along to meet with him. Lord Monckton would point out the error of Mr Barber's ways.

Mr Barber interjected.

Mr FINN — There is not much else there, is there? This particular section of spending is totally unnecessary. The spending on climate change, global warming, call it what you will, is as unnecessary as the spending on the ABC, which as I mentioned earlier is a criminal waste of taxpayers money.

I love this nation. I want this nation to have a strong and vibrant future. As I said before, I want my children and my grandchildren or indeed my great-grandchildren to have the sorts of opportunities and the sort of future I have enjoyed and hopefully will continue to enjoy. I do not want this country to hit the wall. The Greens do not care; we know that. The Greens would be very happy to see Australia smashed against the rocks, because that is what they are on about. They want to see our society broken. That is what the Greens are on about. But I do not think the Labor Party is as ethically challenged in that regard as perhaps the Greens are; I think its members are just incompetent. I think they have not got a clue. They are showing that yet again by their actions in Canberra and here — you just have to look at the performance yesterday of Tim Pallas, the member for Tarneit in the Assembly. What is \$1 billion between friends?

Hon. D. M. Davis interjected.

Mr FINN — It was not good. Sorry, it was ships. That is right. I could talk about that for some time as well, but I probably should not. I just want to say to this house that I can understand why some people are distressed by aspects of the federal budget. I am somewhat distressed by aspects of it myself. But the bottom line is that we as a nation have to do the right thing by ourselves, and I believe that Tony Abbott and Joe Hockey are doing that. I wish them all the very best, as I wish our Premier and our Treasurer the very best, for they are, as we know, building a better Victoria.

Mr LENDERS (Southern Metropolitan) — In reply, the debate has gone on for a long time. The

proposition is simple, and I simply urge the house to support the motion as presented.

Motion agreed to.

BORAL WESTERN LANDFILL

Mr MELHEM (Western Metropolitan) — I move:

That the Council take note of the petition tabled on 1 April 2014 bearing 4755 signatures from certain citizens of Victoria requesting that the Minister for Planning, the Honourable Matthew Guy, MLC, intervene to reject the proposal by Boral to expand the capacity of the Western Landfill site at Christies Road, Ravenhall, and ensure any decision by the Melton City Council that approves expansion is overturned.

Recently I have tabled in this place petitions with nearly 12 000 signatures calling on the Minister for Planning to intervene and reject the application by Boral to expand its Western Landfill. I also acknowledge that Mr Finn has tabled a petition of over 500 signatures as a show of bipartisanship on this issue. He is to be commended. I am informed that Melton City Council has received its largest ever number of objections to a planning permit — around 6600. I am also advised that the Environment Protection Authority Victoria (EPA) has received thousands of calls complaining of odour pollution from the area of the landfill.

As background, Boral's Western Landfill is located on Christies Road, Ravenhall. It is located in Melbourne's western growth corridor. The population of Melbourne's west has more than doubled since the 1990s and it is approaching 1 million residents. Melton City Council issued a permit for landfill to service the community in 1999. The landfill operates under licence 12160, as issued by the EPA on 30 December 1998. The landfill now has a waste intake of more than 500 000 tonnes and employs approximately 40 people. The current planning permit lists an approved area as part of the overall quarry land.

Boral has proposed that the existing approved area of Western Landfill will be extended by 179 million cubic metres of tipping space, creating one of the largest tips in Australia. It is the equivalent of 105 MCGs of garbage, including contaminated soil, piled to the height of a 15-storey building. The impact on the community would be great. The communities surrounding the landfill are extremely concerned about the proposal. Together the community meetings — there was a third one last night, which I will come to later — attracted upwards of 1000 people. The feedback from the community has been that people do not want to see the proposed expansion go ahead and they want to see an end to odour pollution issues in the area.

The landfill has existing odour pollution issues. When in February 2014 the community began a campaign to stop the proposed expansion — which I was heavily involved in, along with my colleagues the member for Kororoit in the other place, Marlene Kairouz, and Mr Finn — some 500 people turned up to the initial community meeting. Their biggest issue was the odour that people have to put up with and the control of the rubbish itself, basically as a result of the wind blowing it all over the place.

As mentioned, the landfill operates by virtue of its EPA-issued licence. That licence has an amenity condition — LI A1 — which requires that offensive odours not be discharged beyond the boundaries of the premises. The EPA in its five-year plan has committed itself to reducing disturbances from odour pollution as experienced by Victorians, but the EPA and Boral have failed to control the odour. As per the licence, the odour should not be leaving the site.

As a resident of Caroline Springs I have had to put up with the odour for the past 9 to 10 years, as have many thousands of Victorians who live around the site. We are still waiting for the EPA to do its job and stop Boral from continuing to emit odours. Boral is clearly in breach of its licence. I hope the EPA will go all the way with its investigation and start prosecuting Boral, or at least stop the odour.

Boral's application does not include the appropriate buffers for the surrounding land. There is simply no consideration as to what impact the increased volume of waste will have on the surrounding environment, including wildlife, the watertable and the surrounding ecosystems. Most important, in my view, is the impact on children. There are many schools in the area, as well as sportsgrounds where kids go to enjoy the open air and play sports, but they have to put up with the odour, and various events are cancelled as a result of that. If Boral succeeds in its expansion, the impact within a 5 to 10-kilometre radius will be enormous. If it cannot control the odour — which it cannot control now — the children who are living around the tip area will not be able to go outside and enjoy the basic pleasures of life, such as being active and playing sport.

A particular example is the impact of the odour on the Dame Phyllis Frost Centre, which is 500 metres from the landfill. The prison houses women, including mothers who actually have their children with them. These children should not have to put up with that. Even the mothers should not have to put up with that, regardless of what crime they have committed. Prisoners should not be subjected to that, but more importantly their children should not be. What harm

have they done to society and what crime have they committed that they have to put up with that?

A further 600 metres from the Boral site is the Melbourne Remand Centre, which has 723 prisoners. Children visit there as part of the SHINE for Kids program and hundreds of prison officers go to work there. They will have to put up with the odour and the rubbish flying all over the place. The question can be asked whether section 22 of the Charter of Human Rights and Responsibilities Act 2006 will be infringed upon if the expansion goes ahead. Boral might be infringing on it as we speak. Reasonable steps must be taken to ensure the physical safety of children, prison officers and inmates, which arguably includes reducing exposure to odour and poisonous gas emitted from any landfill. Add to that the 20 000 to 40 000 people who live in surrounding suburbs who are being subjected to the same thing.

The Melton City Council commissioned a report as part of its process to arrive at a decision on whether to grant the application by Boral. I am going to read a brief summary from that report. I am pleased that last night the Melton City Council met and rejected the proposal by Boral. It is a victory of common sense. It is a victory for the residents of Caroline Springs, Burnside, Deer Park and surrounding areas. It was a community action. It was supported by both sides of politics, and petitions with 12 000 signatures were tabled here. The councillors should be commended for listening to their community and making the decision. There were several reasons for the rejection of the application. They include:

1. There is no demonstrable need at this time, or within a relevant planning horizon, to amend the existing permit to expand the landfill operation across the whole site.
2. The proposed expansion of the landfill is premature as it contemplates filling in airspace yet to be created and would extend the life of the permit for an indeterminate period of time, which is contrary to orderly planning.

I am happy to expand on that. The application was for Boral to have the right to convert the 1100-and-something hectares to a landfill so that for the next 100 years it would continue to operate the site as a landfill. Further reasons for the rejection of the application include:

4. The application lacks sufficient detail making it difficult to assess and determine the future implications of the proposal.
5. A proposal of this scale should be considered on an incremental basis in concert with the void created by future quarrying operations on the land.

6. The proposal does not further the policy objectives at clause 19.03-5 of the Melton planning scheme.
7. The proposal does not demonstrate compliance with State Environment Protection Policy (Air Quality Management), contrary to clause 13.04-2 of the planning scheme.
8. The proposed expansion may have detrimental effects on waste management policies aimed at minimising reliance on landfill disposal of waste.
9. The proposed amendment is beyond the power of section 72 of the Planning and Environment Act 1987.

These are some of the reasons Melton City Council used to reject the application by Boral. It is also important to note that Brimbank City Council has also made a decision to formally object to the proposal because it is a neighbouring municipality and a lot of residents living in Brimbank are adjacent to the tip. We have the two municipalities, the City of Melton and the City of Brimbank, opposing the Boral application. I was going to go through best practice and the landfill process itself and whether we need to start looking at other alternatives, but I will not do that now.

I want to go back and talk about this issue. The reason we have tabled these petitions is community members expect us, as their representatives, to take notice of their concerns after they have put their arguments and evidence to us. As representatives of the community, that is what we are here to do. We need to hear what community members have to say to us. It is our job to do the right thing and to deliver.

In my view, to do the right thing is to support the decision made by Melton City Council to reject the application. I will even say we will go further. Eventually we will have to make a choice. We know we have to do something about disposing of waste, and at this stage the preferred method to do that is via landfill because we have such a huge country and a huge area of land. Other places around the world use different methods, from recycling to incineration. I think the current model, landfill in the middle of suburbia, is not the right model.

Going back 100 or 200 years, sewage would run through the streets and people would live next to it. But we have since moved on; we are in the 21st century. Humans should not be living next to rubbish dumps. It is as simple as that. It might end up costing ratepayers — we are all ratepayers — extra money to transport waste further away from populated areas. If that is the price we have to pay, so be it. Let us confront that issue as a state and say, 'That is probably what we should be doing'. My understanding is that we are in the process as a state of granting rights to commence

building new suburbs. We are giving licences to people for new homes to be built in new suburbs and communities such as Plumpton, Kororoit, Rockbank, Mount Atkinson and Truganina.

We are about to say to Victorians, including new Victorians, 'You can go on and build your houses around the tip'. We cannot have it both ways. We cannot on the one hand say that we are going to populate the area and on the other say that we are going to keep the tip. The two should not coexist. We either remove the tip eventually, which on my understanding has around five years to go, or we remove the people. I know which one I would go for; you cannot remove the people.

A lot of people have established themselves in these suburbs, particularly as Caroline Springs was built as one of the model communities. People have invested millions of dollars in building houses and starting new lives. Now they suddenly have to put up with the rubbish and the odour that is coming from this tip. I do not think that is fair on these people. It is not fair on the people of Derrimut. It is not fair on the people we are now inviting to build new houses in these suburbs, which I talked about earlier.

I urge the Minister for Planning to ensure that the expansion does not go ahead. I urge him to use whatever powers he has to make sure that does not happen. For Boral the next course of action would probably be to go to the Victorian Civil and Administrative Tribunal. I know that the minister will have certain powers to call the application in and basically make a final decision on this matter to back the City of Melton's decisions and say to Boral, 'That's the end of the road. You are not going to get a new permit'.

We understand that we cannot take Boral's current permit away, but we at least have five years to plan. This is not where we are going to send the waste in five years time. It is not like we are going to stop this operation now and then suddenly have a crisis on our hands and not know where 25 per cent of the waste in Melbourne is going to go. We are not at a crisis point at this point in time. We have five years to find alternative solutions.

With these comments, I again urge the minister to do the right thing. I hope and wish and believe he will. He has been to the site. He has met with the committee. I urge him to support the City of Melton's decision to reject Boral's application. I will leave it at that.

The ACTING PRESIDENT (Mr Ramsay) — Order! In calling Mr Finn I note that his last contribution went for just under 80 minutes. I understand that that is not a record, but it is a considerable effort for today's proceedings.

Mr FINN (Western Metropolitan) — I will endeavour to keep this one a bit shorter.

Mr D. D. O'Brien — It sounded like a challenge!

Mr FINN — It did sound like a challenge, but you will be delighted to hear it is one I am not going to take up.

I am delighted to stand in this chamber this afternoon to join with Mr Melhem and, I have a sneaking suspicion, Ms Hartland in the not-too-distant future in rejoicing that Melton City Council made the decision it did last night. As I said at a large public meeting some months ago at Caroline Chisholm College in Caroline Springs, in an election year one does not expect politicians of opposite parties to be standing shoulder to shoulder and uttering the same message, but on that occasion we did. I regret that I was unable to get to the meeting last week, but I sent a representative, Mr Goran Kesic, who I understand represented me very well.

We stood there at that meeting some months ago with a simple message: 'Stop the tip. This tip stinks'. One should not underestimate the impact that a tip of this nature would have and has already had on communities such as Caroline Springs, Burnside and Deer Park. I have spoken to quite a number of local people who have given me some pretty horrendous stories of having to lock up their homes on particularly hot days. Even when the breeze comes through after a cool change they cannot open their windows. They have to lock themselves and their kids inside all weekend. Their children cannot go out to play. This is not the sort of thing we expect in Melbourne in 2014, and it is certainly not the sort of thing we expect in this day and age in the western suburbs.

There is no doubt — and there should be no doubt in the mind of anybody — that the western suburbs is no longer an industrial wasteland. The western suburbs is a bright, vibrant place where hundreds of thousands of people live and hundreds of thousands more come to all the time. We have to deal with that. There is the old west and the new west. We have to look after the old west, but we all have to accept that there is a new west. I suggest to anybody who has not been to Caroline Springs that they should go out and have a look at Caroline Springs because it is a top spot. I know Mr Melhem agrees with me. To think that somebody

could try to put a huge rubbish dump across the road from what is a model community is insane. I cannot begin to imagine what got into Boral's head to think that it would get away with it.

A strong suggestion to Boral would be that it listen to the community, listen to the council and come up with something else. It should go to plan B, plan C or plan Z if it has to, but this is not a goer. This proposal will not fly. It has no support. It is most important that Boral gets that message. It can go to the Victorian Civil and Administrative Tribunal if it wants, but I believe it would be a waste of money — and it has probably wasted enough already. I do not have it in for Boral, but I certainly have it in for this proposal. If Boral wants to maintain any goodwill in that part of Melbourne, I really believe it should find another way.

I congratulate the Stop the Tip committee on the great job it has done over recent months, and it really has been an extraordinary job, particularly on social media and in the local media out in the west. It has been everywhere. Everybody has been talking about it. It has been very much at the forefront of people's minds. I congratulate members of the Stop the Tip committee on a fine campaign — a very effective campaign.

I also congratulate the Melton council on the decision it made last night. Given the strength of feeling in that part of the world, it probably did not have a lot of choice. I would not have liked to have been a councillor who voted for the Boral proposal last night. I understand there was a fair crowd both in the chamber and outside the chamber, and I would not have liked my chances of getting home in one piece that night if I had been a councillor voting for that proposal.

I congratulate those councillors on making the right decision. It would have been very easy for them to take their rates and run. It would have been very easy for someone to say, 'Yes, that is a stream of revenue that is going to be with us for a long time', and it would have been very easy for them to dismiss any concerns they had for the welfare of people who live around there and just take what they would see as perhaps just another industry for their rate base, but they did not do that. Those councillors stood up for their community. They stood up for their residents and their ratepayers, and for that they should be warmly congratulated. It is rare, it has to be said, for the Melton council to be congratulated, but on this occasion I certainly warmly congratulate it on the decision it has made.

Finally, I congratulate the community around there. In years gone by communities in the west would have rolled over. Communities in the western suburbs would

have just accepted that that was their lot. This campaign and the community angst — the community feeling — is a sign that things are changing and that things have indeed changed in the west. We are not going to just sit there and cop this sort of thing anymore. Melbourne's west is not the dumping ground of Victoria, and we are not going to put up with being the dumping ground of Melbourne or Victoria. This campaign, run by the local community and very much involving the local community, is a sure sign that there is a new strength and determination among the people of the western suburbs that they will stand up and look after themselves. I warmly welcome that, and I warmly congratulate everybody who has been involved in this campaign.

I am hoping this campaign will now come to an end, because I am hoping that Boral will announce it is withdrawing the proposal, and that will be it. I am hoping there will be no more public meetings, signs on the street, newspaper ads or social media campaigning. I am very much hopeful that this is it for the Boral proposal. I conclude by once again offering my sincere congratulations to everybody involved in an exceedingly successful campaign.

Ms HARTLAND (Western Metropolitan) — I too want to congratulate Melton City Council on this matter, and in this I totally agree with Mr Melhem and Mr Finn.

I would like to look very briefly at the statewide issues around landfills and tip sites. It is clear that the Environment Protection Authority (EPA) has failed the people of Caroline Springs and that it is failing people right across the state. I say this because there does not appear to be any combined campaign from the government and the EPA for how they are going to deal with tip sites and municipal council sites over the next 20 years. Has there been a calculation of how much landfill space we will need? Anybody involved in local government knows that tipping at landfills is now incredibly expensive.

What is the state government doing to determine how we can reduce the amount of material that goes into landfill? The government supported container deposit legislation when it was in opposition but has done nothing about it in this term of government. One of the logical things it could do would be to introduce such legislation. That would mean that a huge amount of waste would not be going to landfill. There are many contaminated sites, especially in the western suburbs, where massive remediation has to happen. Why not use the technology, rather than just taking the material to a landfill? It is much more expensive to remediate on site.

When is the government going to deal with the issue of the toxic tip at Lyndhurst? It is common knowledge that the site is leaking and has been for quite some time. It is at the end of its life. What is going to be done about that site?

It is great that the Melton council has put a stop to this site, but I do not see any joy for other people across the state in terms of the state government's plans. I am in touch with about a dozen different groups across the state, giving them advice about how to deal with these issues and how to campaign. This is not just an issue in Caroline Springs; it is an issue across the state, and it is one that could raise its head during the election campaign. The government needs to come up with a comprehensive plan for what it is going to do about both municipal waste and toxic waste in the coming years.

Mr D. R. J. O'BRIEN (Western Victoria) — I also rise to speak on this motion, which is to take note of the large petition that has been tabled in relation to the Boral application for expansion of the current Western Landfill site. I note from the outset that it is not often that we see such consensus among the various members of the house who have spoken on this issue — particularly Mr Melhem and Mr Finn. Government members thought Mr Melhem should have expressed consensus with them regarding the east-west link — particularly the western section, given his support for that in a previous life, and perhaps his continued support. We will see how brave Mr Melhem really is in relation to that matter when he gets the opportunity to speak on it. It is always difficult in this place when one has to decide between one's genuine views and the position that has been somewhat poorly taken by one's party leader. There are two ways to go: go against the leader or put your personal views to one side and toe the party line.

I will return to this important matter, although the two issues are in part related. I would like to pick up on Ms Hartland's comments in the latter part of her speech. I partly endorse her sentiment that strategic planning for landfills is an important matter, and I will point to some of the work that the government is undertaking and that is on the table in relation to land use planning and landfill planning, particularly for the long term. The Deer Park operations currently include a hard rock quarry, an asphalt plant, a concrete batching plant and the Boral Western Landfill site. I am advised that they currently process around 170 000 tonnes a year of construction and demolition material and 165 000 tonnes a year of organics. Last night Melton City Council made a decision to refuse the Boral application.

The roles of both the Environment Protection Authority and the Minister for Environment and Climate Change are very important when it comes to landfill planning. There have been some long-term strategic planning documents that have had an often unknown impact across the state but are very important, such as the waste strategies, the waste management strategies and in particular the Towards Zero Waste Strategy. These have resulted in very important matters being taken into account not only at individual site locations, such as have currently been considered, but also in the whole design and growth not only in our metropolitan area but also on the outskirts of Melbourne and into our regional areas. The area we are discussing today is on the border of Western Victoria Region, which I represent.

I pick up and agree with Mr Melhem's point on the importance of ensuring that there are no land use conflicts between residents and quarries or landfill sites into the future. According to expert advice, these conflicts over landfill use are generally best avoided by specifying appropriate separation distances. There are other techniques, but the use of separation distances continues to prove to be the best means of ameliorating noise, dust and odour before you get to the more detailed planning controls, including the design of the tip and liners et cetera. It is also important to take a careful view of the strategic assets around these sites, particularly in relation to waterways.

It is important to remember the continuing need for stone and for quarries in the first instance, and I do not necessarily make this observation about this particular landfill site but for all these decisions. There is also often an end use for quarries, and that is to provide strategically located landfill sites, although that is not done as frequently as it used to be. The need for these facilities can sometimes be generated by the fact that people are moving into growth areas. Landfill sites need to be located somewhere, and whilst we are moving to a more sophisticated, cleaner and environmentally friendly system of reducing waste, at this point we have not become and are unlikely to become a zero-waste society. There is still a need for facilities such as this.

I know there are campaigns around this issue. I remember one of my young daughter's first proud moments when she came home from school reciting the mantra of reduce, reuse and recycle, which has been a very effective campaign at the consumer level.

Mr D. D. O'Brien interjected.

Mr D. R. J. O'Brien — I do recycle, and I use composting on my own property. We do all sorts of

recycling. We use our own rainwater and we have grey water and all those wonderful facilities that perhaps should be used more in urban areas.

Mr D. D. O'Brien — You are a bit green, Mr O'Brien.

Mr D. R. J. O'Brien — The Nationals, Mr O'Brien, has displayed many of what I call green colours. We are the true, original green party — green and gold. What we do not do is shut down our farming sector by stopping live meat exports or by imposing unnecessary regulations and carbon taxes on dairy farmers and other users of electricity. We have a much more pragmatic and long-term view of the sustainability of people, farming and mining, but in that respect you need to start with a good long-term understanding of both your environment and your future demographic projections.

The Victorian government's *Draft Statewide Waste and Resource Recovery Infrastructure Plan 2013–2043* is a long-term visionary document which is currently on exhibition and will be finalised later this year, and it is important for Victorians to have input into this document. The draft was released on 23 September, and the foreword, which was signed by the Minister for Environment and Climate Change, Ryan Smith, encourages people to participate. A substantial number of submissions have been set out on the government's website. More than 350 people attended consultation workshops and 49 formal submissions have been made, so there has been significant feedback.

The Boral Deer Park precinct is currently identified in the draft document as a hub of significance. If it is to be the case that the local community does not support the expansion of the tip for the very good reasons that were espoused so eloquently today by Mr Finn and by Mr Melhem — crossing the political divide — and given that this is an operating resource, it is important that the statewide strategic documents give effect to that and that those issues are considered into the future.

To answer Ms Hartland's challenge, these are the documents and strategies that the government is proceeding with. Other significant documents have been recently released by the government. In terms of future growth, the government has made a significant \$27 billion infrastructure commitment in the 2014–15 Victorian budget. As a member of Parliament representing western Victorian I was pleased to see the continued support for infrastructure projects that will help serve the growth of western Victoria, which under the existing boundaries go very close to the area

impacted on by this landfill. That includes Melton and extends out to Ballarat and the Western Highway.

Road projects are significant users of quarry material, including bluestone, and therefore these sorts of landfill strategies have some relevance to such projects. Western Victoria has the largest basalt stone plain in the world, I believe — it is certainly one of the most significant. It extends all the way to the north of Melbourne. In a former life I worked on many planning cases and other disputes in the Craigieburn area. Some of those cases involved extensive and significant arguments from the landowners that I represented and the government of the day regarding landfill strategies and zonings in that area. Again the fact that those disputes existed demonstrates the importance of getting these long-term strategies correct.

Increased regulation is emerging in relation to landfills, so landfills are now getting bigger and in a sense they are more compliant. There are many smaller landfills that do not necessarily have the same odour problems as the larger landfills and that could have been used for solid inert waste, but they are being unnecessarily utilised. In regional areas in particular valuable stone can be quarried next to an important project such as the Western Highway, which this government along with the federal government has made significant commitments to, or the Murray Basin rail project, which is a significant project that will also serve western Victoria. It will run all the way from Mildura through to Geelong and Portland and to Melbourne following its various standardisation projects. It will also require a significant amount of basalt from, most likely, western Victorian quarries.

The important matter that I urge all governments to consider — and this is a long-term urging that will go well beyond the life of this Parliament but will hopefully stand on the record — is that we must engage in consistent, long-term planning of our road projects, our rail projects, our housing development projects and of course, as a consequence, our landfills so we can provide as much certainty to future Victorians as possible, because if we do not, the cost of trying to remedy these issues once the residents and the landfill operators are in conflict is immense.

The cost to consumers of higher construction costs are sometimes estimated to be up to a third of the cost of some construction projects, and these are hidden costs that people do not realise. One of our unique competitive advantages in western Victoria is that we have these wonderful stone resources that can be used for roads, train lines and cities. We must strategically plan not just for 1 year but for 5, 10, 15, 20, 50 and

100 years so that together we can build the infrastructure and the regional cities of the future.

Motion agreed to.

POLITICAL DONATIONS

Ms PENNICUIK (Southern Metropolitan) — I move:

That this house calls on the —

- (1) Liberal Party, The Nationals and the Australian Labor Party to refrain from accepting political donations from property developers and organisations that are regulated by government or may be affected by government decisions; and
- (2) government to introduce legislation to limit political donations to, and expenditure by, political parties and candidates.

Mr D. R. J. O'Brien — On a point of order, Acting President, did Ms Pennicuk include the Greens in the motion? I suggest that that would be a normal insertion in a motion such as this and one which she might wish to consider.

The ACTING PRESIDENT (Mr Eideh) — Order! There is no point of order. Ms Pennicuk to continue.

Ms PENNICUIK — This is not the first time I have moved such a motion in this chamber. In 2009 I moved a motion as follows:

That this house calls on the state and federal governments to reform laws relating to political donations, with the aim of banning donations from entities such as unions and corporations and limiting the size of donations from individuals.

At that time there was a lot of discussion about this issue. There was an inquiry, discussion papers were produced and parties were discussing the issue at the federal level, but it has so far come to nought.

On 14 April 2010 I moved the following motion:

That this house calls on the Australian Labor Party and Liberal-National party coalition to refrain from accepting political donations from property developers for the remainder of 2010.

That was a rather modest motion which called on the parties to refrain from accepting donations from property developers. It followed legislation in Queensland and in particular in New South Wales at that time which made it illegal to accept a donation from a property developer. This was brought about by ongoing scandals and public disquiet about political

donations, particularly from property developers at that time, and the influence they can have on political parties, and the indirect influence they can have on the government, in particular ministers of that government, especially planning ministers, and the decisions they may make if one of the political parties accepting such donations is in government.

However, the matter is not restricted to state governments; it also affects local councils. Here in Victoria some local councillors have to abstain from contributing to decisions being made by their local councils because they have taken donations from property developers. They then have to remove themselves from making decisions with regard to planning proposals from particular developers that come before their councils.

Since I moved the earlier motions in 2009 and 2010 this issue has grown in terms of the amount of donations that are being given to and accepted by political parties and also the level of community concern about those donations. I do not think anybody could deny the concern of the community about political donations in general but especially political donations from property developers and other companies that are either regulated by government or can be affected negatively or positively by government decisions. It is a source of growing disquiet in the community.

This is a serious motion. Members would be aware that I had a motion on the notice paper in the previous sitting week which was very similar to the one I moved in 2010, but as I looked through the Australian Electoral Commission returns on donations I noticed there were donations to all the parties — the Australian Labor Party, the Liberal Party and The Nationals — from entities that are regulated by government and that therefore present a conflict of interest in terms of the government then having to make decisions regarding those donations. Therefore I broadened the motion to include entities that are either regulated by government or can be affected by government decisions.

I notice Mr Somyurek has presented us with an amendment that he will be moving to my motion. In essence it states that prior to the introduction of legislation such as that referred to in paragraph 2 of my motion the house requires the Legal and Social Issues References Committee to inquire into and consider by 19 August this year potential constitutional, jurisdictional and practical impediments to Victorian legislation capping political donations to, and expenditure by, political parties and candidates given the existence of national parties with state-registered

branches within Australia's federal governance structure.

I know Mr Somyurek follows these issues closely — anything to do with electorate reform or donations he relishes examining — and I am sure he has read the High Court of Australia decision on that particular issue. So I do not know that the Legal and Social Issues References Committee of this chamber will be able to make a recommendation or finding over and above the one just made by the High Court with regard to caps on donations, but I will be listening to what Mr Somyurek has to say in relation to his proposed amendment to the motion.

When I was looking back through some of the information I used in support of the motion with regard to political donations I moved in 2010, I found an article written by Mark Davis published in the *Age* of 2 February of that year, and it does make interesting reading, going back. The top five Liberal donors of that year were, firstly, the 500 Club, with \$737 000. These are round figures; I will round them off to the nearest figure. Second was Mineralogy Pty Ltd — Mr Clive Palmer — \$400 000. That is very interesting, and how times have changed. Third was Vapold Pty Ltd, an associated entity which is still very much involved in donations to the Liberal Party but about which not too much is known, with nearly \$260 000. Fourth was the Australian Hotels Association, with \$127 000, and fifth was Energy and Minerals Australia, with \$100 000.

In terms of the Australian Labor Party, the top five businesses and individual donors were the Australian Hotels Association, \$165 000; Westfield Ltd, \$105 000; Mr Lawrence Kung, \$100 000; Manildra, \$82 000; and Macquarie Telecom, \$75 000. That is going back just over four years.

The pattern there is that we have donations from the Australian Hotels Association, an entity representing hotels around Australia, many of which would be affected by gambling and antismoking legislation. Some of the issues that I know my colleague Ms Hartland is trying to raise with regard to outdoor dining et cetera put the government in a situation of a conflict of interest when it continues to receive money from that organisation — and it does, as I will go to soon. In 2013 an article that appeared in the *Sydney Morning Herald* also mentioned that gambling interests and miners are big donors to the big two political parties. These are the entities that I think, in addition to property developers, parties should refrain from taking donations from.

My office looked into donations, just to Victorian parties in this regard, over the last 10 years, and from whence they came. Total donations to the Liberal Party over the last 10 years in Victoria are \$31 850 million; to the Labor Party, \$21.570 million; to The Nationals, \$4.9 million; and to the Greens, \$932 000. That is bearing in mind, of course, that we will not know, for example, who donated to the parties in the last federal election until next February. It remains an absolute disgrace that the Australian electoral laws allow such a lag in disclosure of donations. In the United Kingdom and Canada there is continuous disclosure — every three months in the UK, and much more often when there is an election in progress — but for all intents and purposes Australian citizens do not find out who has donated to political parties during an election campaign until way after the election has been held, 18 months later. That is nothing short of a disgrace.

Mr Elsbury — What if we talked about the Greens?

Ms PENNICUIK — Mr Elsbury is obviously not listening, because I did mention the Greens' total donations in that time.

Interesting information can be gleaned showing that over the last 10 years the Liberal Party has received \$686 000 or thereabouts from property developers, and the Labor Party has received \$566 000. What also leaps out in terms of the other types of organisations that I mention in my motion — those that are regulated by government or those that can be affected by government decisions — is, for example, the tobacco companies, which have donated \$52 000 to the Liberal Party and \$6800 to The Nationals; nothing, I will say, to the Labor Party or to us. Energy companies have donated \$12 000 to the Liberal Party, \$2000 to Labor — —

Hon. D. M. Davis — What about the wind farm groups? They have donated thousands and thousands, hundreds of thousands, to Labor and the Greens, haven't they?

Ms PENNICUIK — No.

The Australian Hotels Association has donated \$120 000 to the Liberal Party, \$250 000 to the Labor Party and \$96 000 to The Nationals. That is a sizeable donation from that industry, which is lobbying hard against laws in terms of banning tobacco smoke in outer dining areas, and resisting better regulation on gambling. You would have to say that it has been pretty successful in its lobbying in that regard. Members of the public are quite right to be sceptical about the link between such sizeable donations and those decisions.

Notwithstanding the capping legislation with regard to acceptance by political parties of donations from gambling institutions, Crown has donated \$50 000 to the Liberal Party, \$70 000 to the Labor Party and nothing to The Nationals. Tabcorp and Tattersall's have also donated to parties. The Australian Casino Association has donated to the Labor Party. Resource companies have donated \$90 000 to the Liberals and \$250 000 to the Labor Party. Alcohol companies have donated \$27 500 to the Liberal Party.

All of these entities are involved not only in making donations but also in lobbying, which is another issue that has been addressed in other jurisdictions inasmuch as lobbyists are required to be registered to at least make their influence on the government of the day and ministers more open and transparent, because at the moment it certainly is not in Victoria. The types of lobbyists funded by these types of organisations get the sort of access to government and to ministers that ordinary citizens do not get, and that is not democratic.

In his address to the Australasian Study of Parliament Group back in 2010, Associate Professor Joo-Cheong Tham said donations and lobbying can be seen as a whole system of donations from these types of organisations to political parties. He pointed out that there is no difference between donating to and lobbying members of a government or members of an opposition; the opposition is usually a government in waiting, so it is just as bad. Professor Tham said that system of donations produced undue influence at best and corruption at worst. He did not mean corruption in terms of individuals but in terms of corrupting the political process and making it unfair in terms of the access and influence of business pitted against the interests of the ordinary citizen and the public interest.

Other large donors pop up when you we start looking for large amounts of money: the Bendigo 2050 Club, \$12 000; Millennium Forum, \$45 000, and the Dunkley Blue Ribbon Club, \$104 000. That is just a snapshot. People can look at the Australian Electoral Commission website themselves to peruse that information; there is a fair bit of it there.

There is also the issue of the associated entities or organisations that are set up to receive donations which are then passed on to political parties. I have been following this quite closely, given my intention to bring a motion to the Parliament, because I think this is a very serious issue that needs to be addressed and is not being addressed — that is, the issue of organisations that are set up by the parties to collect donations. Anyone who has been following the goings-on at the Independent Commission Against Corruption (ICAC) in New South

Wales could not be less than horrified at what is going on there. Of course there are laws governing donations in New South Wales which prohibit donations being accepted from property developers. The laws have been through the High Court and some decisions have been made, but some arrangements were left intact, and one of those was the cap levels for donations. But what has gone on through ICAC is that allegations have emerged that members of the Liberal Party are trying to get around the donations laws in New South Wales.

It is interesting to read the newspaper articles, some of which use the old term 'money laundering'. Now a new term has entered the lexicon — that is, 'rinsing' money through sham corporations and organisations that are set up to receive money, as has been widely reported in the media from what has been heard at ICAC, from property developers to sham corporations and then to the Liberal Party or Liberal candidates. That is the allegation that has been put to ICAC, and it is with great concern that the people of Australia are watching this type of activity.

They are the allegations that have been made to ICAC and have been widely reported. Anybody can read the reports in newspapers, on television and on the radio about the proceedings at the Independent Commission Against Corruption. One would have to say that, with the resignation of several members of Parliament from their positions — including ministers from both sides and former ministers — there is a problem. Someone once wrote: 'Something is rotten in the state of Denmark'.

Some donor organisations, such as Progressive Business, have been around for a long time. It has collected \$1.5 million for Labor since 2009–10; the Millennium Forum, \$45 000 for the Liberal Party; and the Cormack Foundation, which has also been around for a long time, \$6.7 million to the Liberal Party since 2009–10 — it does not have a website and there is no information about it; the 500 Club, \$1.3 million to the Liberal Party; and the Bayside Forum, \$147 000. There are various other donor organisations around Melbourne, such as the Casey Business Briefing Club, the Higgins 200 Club and Vapold Pty Ltd, which has been around for a long time and is listed as an associated entity, but does not have a website or provide any details. Interestingly the National Australia Bank has also donated generously to both major political parties — \$50 000 to Labor and large amounts, around \$400 000, to the Liberal Party — very interesting.

It is interesting also to look in detail through the donations received by the parties in the last two years.

As I mentioned, the Australian Hotel and Hospitality Association features prominently as a big donor. Even in 2009–10 the Liberals in Victoria received \$72 000 from Clive Palmer; and almost \$7 million from the Cormack Foundation. I mentioned the National Australia Bank, but there is also Tabcorp. The Liberal Party has received \$25 000 from TRUenergy. I do not know, but I think it is inappropriate for an energy company regulated by the government to be making a donation to a political party. That is why I have worded my motion to say parties should refrain from accepting those donations. They do not look good to the community, and if they are not conflicts of interest, then they are potential and perceived conflicts of interest. That is why I say that political parties should not accept these sorts of donations.

One of the other reasons I have couched my motion in these terms is because of what is going on at ICAC. Not only do we need laws to govern political donations but also we need a policy that political parties refrain from taking these types of donations that present an obvious conflict of interest. In 2009–10 Crown donated \$25 000 to the Liberal Party and did so again in 2011–12. Smaller amounts keep the donations under the cap, but it is completely inappropriate to accept donations from Crown. Labor received \$50 000 from Westfield, and so has the Liberal Party, et cetera.

That is a snapshot of the types of entities: energy companies that are regulated by the government; a hotels association representing organisations that do not want further regulation of their gambling or do not want further regulation from a health perspective in terms of outdoor dining et cetera — and these organisations are donating to political parties.

Back in 2009 one of the controversial donations at that time was a donation by Walker Corporation, a large donation to both parties, but particularly to the Labor Party, which had awarded it the contract for the redevelopment of Kew Residential Services — an ongoing saga to this day. Anybody who has watched that saga unfold over the last seven or eight years, or longer — and I see Mr Davis nodding his head — could only be completely dismayed, firstly, at the treatment of the residents and former residents; secondly, at the debacle in terms of the property development; and thirdly, in terms of the government losing money on it and how that could happen when selling off public land.

Hon. D. M. Davis — Incompetence.

Ms PENNICUIK — Mr Davis says ‘Incompetence’, but three years on and this government has done nothing to alleviate that situation.

One of the problems we have is the inconsistency in donation laws across the country. You could argue that the most important political donations reform would be to get it right at the federal level. That is because when it is right at the federal level, it is harder for inter-party donations et cetera to take place and it is easier to get the right level of legislation than at the state level.

Professor Graeme Orr of the University of Queensland is quoted in a news item on ABC News online of 7 May as saying:

... federal legislation around political donations is ‘lackadaisical’.

That is certainly a good word, but the legislation is pretty well non-existent. There is no cap on donations, there are no restrictions on donors and only donations above \$12 400 must be disclosed. As I mentioned earlier, they are not disclosed until 18 months after the election. The people of Australia are kept completely in the dark in regard to that.

In New South Wales, donations above \$1000 must be disclosed and donations are capped at \$5000. Some entities, such as property developers, are banned.

Hon. D. M. Davis interjected.

Ms PENNICUIK — I have been through that, so Mr Davis can look at it in *Hansard*.

Victoria basically defaults to the federal system, and donations from holders of gaming licences are capped. In Western Australia gifts and other income above \$2100 must be disclosed. It is the same in the Northern Territory where gifts over \$1500 must be disclosed, In the ACT it is donations over \$1000. In Queensland it is those over \$1000. Donations to individuals are capped at \$2000, and donations to political parties are capped at \$5000. South Australia is looking at introducing reforms.

Members would have noticed that the Premier of New South Wales, Mike Baird, has set up an inquiry into political donations. He might be doing that because of the scandals that are unfolding on a daily basis in New South Wales, and allegedly he is not entirely removed from that situation. That inquiry is not going to report until close to the New South Wales state election, so it will not have any effect on that election. And so it goes on.

The public is getting more and more concerned about this issue. I have said that Professor Orr described federal legislation as ‘lackadaisical’. He also said that:

... while bodies like the North Sydney Forum may not be corrupt in a legal sense, there are ethical issues around such a system.

That organisation raised quite a bit of money in the North Sydney area for the federal Treasurer, \$33 000 of which has been paid back after revelations at the New South Wales Independent Commission against Corruption. The ABC News online item of 7 May went on to say:

The North Sydney Forum (NSF) describes itself as a network for ‘business and community leaders ... to exchange ideas and provide policy input for Joe Hockey’. The forum offers membership at a cost of ... \$22 000.

I looked at the \$22 000 and I thought that was a lot of money to pay just to be a member. The item continues:

Donations made to the Liberal Party are registered to the NSF, rather than individual members of the forum.

That \$22 000 is just under one-third of Australian average earnings of \$24 900. Membership of that forum costs one-third of an average Australian’s weekly earnings.

If you are a single person receiving an age pension, you are living on \$19 900. It is \$17 300 each for a couple combined. If you are on Newstart, you are living on \$13 260 per year if you are a single person or \$14 350 if you have a dependent child. You get an extra \$110 per year for a dependent child or if you are aged over 60. If you are a couple, you get \$23 000 combined. That information is interesting to compare with the price of the membership of such forums that donate to the Liberal and Labor parties.

The news item goes on to quote Professor Orr as saying:

These kinds of forums usually promise different levels of meetings and contact in return for the ‘membership’ but they’re not really joining a club or body. It’s ... a way of applying a label to a method of buying a networking and access with politicians.

The ICAC investigation in New South Wales has recently focused on the operations of EightbyFive. The investigation heard the company was set up to allow political donations to the Liberal Party from entities who were banned from doing so, using a ‘fake’ invoicing scheme.

Professor Orr says that New South Wales should not be seen as the epicentre of corruption. Professor Orr is reported as having said:

While other states do place some restrictions around political donations ... historically NSW has led the way on legislation.

He says 'other states', but that does not include Victoria. He also said:

Just because some people may try to game it doesn't mean every politician is crook, it just means we probably need a system that dampens down the need for money.

That is why we need to have a cap on donations and a cap on expenditure.

Interestingly, there are other conflicts of interest that have struck me as I have been looking through the articles on what is going on at ICAC. There was coverage of ICAC on the *ABC News* on 8 May regarding the amount of money that was donated. This is where the term 'rinsed' first came up. Banned political donations were allegedly rinsed through the Free Enterprise Foundation and through the EightbyFive organisation, which is associated with fundraising for the Liberal Party on the north coast of New South Wales. It is interesting too that the inquiry heard that Tony Shepherd, chair of the National Commission of Audit, was also a donor to this foundation. It is difficult to see how he could be seen as independent if he has, as alleged, made a donation to a foundation which is making donations to the Liberal Party. The same article goes on to say:

Associate Professor Joo-Cheong Tham of the University of Melbourne says that while property developers are not prohibited from donating to federal branches of parties, there is no certainty that donations from developers are not being used directly or indirectly for NSW election campaigns.

He said:

Describing it as a loophole really understates the matter ...

...

This is not a loophole; this is something far bigger than a loophole.

He went on to say:

What needs to urgently happen is better regulation at the federal level that is coordinated with state regulation so that donations to federal elections do not become this very easy and perfectly legal way to actually avoid what are proper restrictions on the funding of politics ...

There are any number of concerning revelations from the ICAC investigation, but I think any state in Australia, any Parliament, any politicians or any parties, be they at the federal, state or local council level, should

be concerned about this issue and the corrosive effect it has on politics, on government and on decision making. This is one of the issues that concerns the people of Australia, along with a lot of other issues that have concerned them about politics.

In 2008 Dr Anne Twomey, from the University of Sydney law school, put a paper together for the Department of Premier and Cabinet in New South Wales leading up to that state's donation reforms. In relation to the jurisdictional issues she said:

A cooperative commonwealth-state approach to the financing of political parties is ... preferable.

She spoke about the constitutional constraints, and of course we have seen matters unfold in that particular area. In relation to banning and capping political donations she said that the outright banning of donations would probably not get through the High Court but capping might. That is what we have seen. She also said that expenditure limits for political parties, candidates and third parties would need to be considered as part of an entire scheme involving limits on donations and funding. She also said that the issue of public funding of political parties and candidates should be considered.

In terms of what I have put forward, the first part of my motion is a policy position to be adopted by the Liberal Party, The Nationals and the Australian Labor Party that they refrain from accepting political donations from property developers and organisations that are regulated, such as energy companies and gambling companies and institutions, all of which are highly regulated by government, and from organisations that are clearly lobbying against further regulation of their activities. It is an obvious conflict of interest while in government for a party to be accepting donations from organisations that are either regulated by you as the government or that are affected by decisions you may make. It is conflict of interest 101.

I am suggesting that parties adopt that position and that the government introduces legislation to limit political donations to and expenditure by political parties and candidates. That has been introduced in other states. It could be introduced here. We definitely need to stop what has been called the arms race in terms of political donations and political expenditure. If you look around the world, it is clear that the model in Canada does not allow donations from unions or corporations or anyone except individuals. The donations are capped and disclosed. In Australia, particularly in Victoria, we have a very long way to go before we are anywhere near best practice with regard to this. As I said, I have raised it

over the past five years, but I have seen no movement at all in this regard.

There are very serious issues facing New South Wales and I am not naive enough to think that big donors to the Liberal Party or the Liberal-Nationals coalition, while it is in government, or to the Labor Party do not have an effect on government decisions. In fact you can see them. That is not a good situation and is the reason that in the United Kingdom, in Canada, in New Zealand and in other states of Australia there have been moves to do something about it. It needs to happen in Victoria as well.

Just a couple of weeks ago I exercised my right to move a revocation motion or vote against a planning scheme amendment put forward by the Minister for Planning for a development in the city of Stonnington. It was for a development proposal that was rejected by the City of Stonnington and was then called in by the minister. The developer concerned had, in the very recent past, made a quite sizeable donation to the Liberal Party. I am not making any allegations, but I am saying that to the community in Stonnington it looks pretty bad. It looks as if that person had influence by virtue of having made a donation. Whether or not that is the case, that is what it looks like and the perception that the public has is corrosive. That is why donations from property developers in particular should cease, as they have in other jurisdictions, because they present such a clear conflict of interest.

I bring forward this motion in the public interest. I have talked about what is going on around the country, why we in Victoria need to move towards a situation where there are no donations from property developers or from entities that are close to government or are affected by government decisions and why we need to introduce legislation to cap political donations and expenditure. I commend my motion to the house.

Mr SOMYUREK (South Eastern Metropolitan) — The motion before the house is nothing but a cynical political stunt by the Greens political party.

Hon. D. M. Davis — They left themselves out.

Mr SOMYUREK — If members of the Greens were genuine about this issue, they would have inserted themselves into the motion. But besides that, they would have approached this issue from the perspective of comprehensive legislative reform of our liberal campaign finance laws. Instead they have trivialised this serious matter by calling on rival political parties to implement policies to govern themselves. Which self-respecting political party, or any other organisation

for that matter, would allow itself to be dictated to by a rival organisation, be they a political party or any other organisation? How seriously would the Greens take a motion moved by the other parties, be they Liberal, Labor, Nationals, the Democratic Labor Party or whatever, calling on the Greens not to accept excessively high donations? I refer here to the record donation made by internet entrepreneur Mr Graeme Wood, who in 2010 donated \$1.6 million to fund the Greens — —

Hon. R. A. Dalla-Riva interjected.

Mr SOMYUREK — It was \$1.6 million, Mr Dalla-Riva, to fund the Greens' television advertising campaign, which is widely believed to have significantly increased the Greens vote in the 2010 federal election campaign.

Paragraph (2) of the motion actually calls for legislation, so this part can be taken a little more seriously. As I said before, campaign finance law is a very serious issue in contemporary politics, with modern political campaigning techniques requiring vast sums of money. The corollary of this is a sort of funding arms race between the political parties as each political party tries to out-fundraise and then ultimately out-spend the other in the legitimate belief — and it is a legitimate belief — that more money equals more votes. Once upon a time, that belief was contested, but after the advent of the Palmer United Party, I do not think that is in doubt anymore. This arms race obviously puts pressure on candidates, MPs, and political parties to raise more and more money for their campaigns.

Hitherto Victoria has been relatively fortunate to have a relatively clean record in respect of significant scandals in this space. Judging from the reported ingenious, elaborate and highly suspect methods and schemes of political fundraising employed in other jurisdictions, both in Australia and in particular internationally, it is only a matter of time before some overzealous candidate or MP oversteps the mark in Victoria — and that could happen to any political party, by the way. In my view the best way to militate against or manage the potential risk of corruption or scandal related to campaign finance is to embrace genuine campaign finance law reform. As I said before, the approach of the Greens — that is, moving a meaningless motion — risks trivialising this serious matter.

The Australian Labor Party will not be lectured on campaign finance law reform when nationally the ALP has the runs on the board in terms of regulating and attempting to regulate Australia's liberal campaign

finance laws. It was Labor governments in New South Wales and Queensland, which Ms Pennicuik cited, which instituted some of the most robust campaign finance laws found anywhere in the Western world. Federally it was the Rudd and Gillard governments that made many attempts at passing legislation with the objective of significantly strengthening Australia's campaign finance laws, but ultimately they failed due to the lack of cooperation from other parties.

With the exception of capping donations from casino and gaming companies, Victorian campaign finance law piggybacks off the commonwealth laws. As a consequence Victoria, along with the commonwealth, is amongst the least regulated jurisdictions in the Western world in terms of campaign finance law. The question is: why do we piggyback off the commonwealth in this regard, rather than going it alone, as Ms Pennicuik seems to want us to do? The answer to that question is complex. Reform of campaign finance laws in Australia is problematic primarily due to the complexities of Australia's federal governance structure, which gives the federal government and state governments the responsibility of regulating their own electoral laws. This is compounded by the existence of national parties with state registered branches. As a result, campaign finance reform in Australia faces several constitutional and practical impediments.

One potential constitutional impediment was identified by Dr Anne Twomey. Ms Pennicuik referred to a paper by Dr Twomey, although I noticed she changed topic pretty quickly, as if to dismiss her advice. Let me go through some of the advice contained in the paper that Ms Pennicuik did not quote but referred to briefly — in my opinion too briefly — in her contribution.

One potential constitutional impediment is the inconsistency of laws. Section 109 of the commonwealth constitution states that state laws that are inconsistent with commonwealth laws may be constitutionally invalid to the extent of the inconsistency. Therefore, implementation of state law banning or capping campaign donations may be invalidated if federal laws do not especially ban or cap campaign donations and the effect of the state law is the banning or capping of federal campaign donations.

Another potential constitutional impediment is the constitutional powers of the commonwealth and the states within the federal system. The implications arising from federalism and responsible government are that state laws are not able to threaten the continuing existence of the commonwealth and vice versa as separate constitutional entities with a government and

Parliament or elected representatives. On that basis any state law that interferes with commonwealth elections or any commonwealth law that interferes with state elections is vulnerable to a constitutional challenge.

The above jurisdictional and constitutional impediments signify that the state's campaign finance law must be restricted to state electoral campaign financing only. The \$64 000 question is: how do you do that? In balancing the potential jurisdictional constraints it is difficult to formulate a law that is practical, effectual, free of loopholes and constitutional. This is the ultimate problem — how do you come up with a law that is practical, effectual, free of loopholes and consensual?

In her contribution Ms Pennicuik commented about how in New South Wales a new word had entered the lexicon and is essentially about money seeping through the system. Money is expungeable, and that is the ultimate problem. That is where the loopholes kick in. The laws need to be practical, effectual and free of loopholes, and ultimately they need to be constitutional.

Yet another constitutional constraint on campaign finance law is the implied freedom of political communication in the commonwealth constitution. In her contribution Ms Pennicuik referred to the recent court case instigated by Unions NSW against legislation brought in by the New South Wales coalition government which attempted to amend the reforms brought in by the New South Wales Labor Party. My interpretation and Ms Pennicuik's interpretation of the High Court challenge are very different. In the past the High Court has been concerned with laws that unreasonably limit political communication. Ms Pennicuik has not proposed increasing public funding to compensate for capping donations. Based on the High Court's decision in the case brought about by Unions NSW, I am concerned that the High Court will determine that the measures in this motion unreasonably limit political communication. The difference with Ms Pennicuik's motion is that she seeks to cap donations, but she does not seek to increase public funding. That is a threshold question. That is a very important question.

For these reasons and because of all the uncertainty that I just mentioned, Victorian Labor believes that Victorian campaign finance law should continue to be in harmony with commonwealth campaign finance law to ensure that a uniform, collaborative and consistent approach to it is adopted. Given the concerns I have just expressed with this motion, I now move an amendment to the motion before the house. I move:

For paragraph (2) substitute —

“(2) Government to introduce legislation to limit political donations to, and expenditure by, political parties and candidates;

and further, prior to the introduction of such legislation in (2), requires the Legal and Social Issues References Committee to inquire into, consider and report by 19 August 2014 on potential constitutional, jurisdictional and practical impediments of Victorian legislation capping political donations to, and expenditure by, political parties and candidates given the existence of national parties with state registered branches within Australia’s federal governance structure.”.

My amendment to the motion currently circulated in the house will give the committee an opportunity to examine the Victorian Labor Party’s concern in introducing a separate campaign finance law regime from that of the commonwealth. After receiving expert advice and deliberating on that advice, should the committee find that the jurisdictional, constitutional and practical impediments I have just mentioned can be overcome and the significant potential loopholes can be plugged by Victoria implementing wide-ranging campaign finance law reform without the commonwealth, I am sure the Labor Party will reassess its position with respect to harmonisation of campaign finance law with the commonwealth.

In conclusion I stress that the Greens approach is a political stunt, not least an ad hoc and random response to a wider issue that needs to be immediately addressed at the commonwealth level. I hope Mr Abbott and the Abbott government see the sense in joining with the federal Labor opposition in passing legislation that puts in place a robust campaign finance law regime. Ultimately it will be the Abbott government that benefits from these reforms by safeguarding itself against potential campaign finance-related scandal.

The ACTING PRESIDENT (Mr Ondarchie) — Order! Before we proceed with the next speaker, I remind Mr Somyurek that the Prime Minister’s name is Mr Abbott.

Mr SOMYUREK — What did I say?

The ACTING PRESIDENT (Mr Ondarchie) — Order! You referred to him as something other than Mr Abbott.

Mr SOMYUREK — On a point of order, Acting President, just as clarification, I referred to the Prime Minister as Mr Abbott. I should have said the Abbott government.

The ACTING PRESIDENT (Mr Ondarchie) — Order! I thank Mr Somyurek.

Hon. R. A. DALLA-RIVA (Eastern Metropolitan) — I rise to speak on behalf of the government in relation to the motion moved by Ms Pennicuik. I must say that over a number of years I have often been in this chamber listening to Ms Pennicuik’s contributions, and among the things she has always demonstrated to me is honesty and integrity in the way she delivers her speeches. Today I must say her speech was a sad let-down compared to her involvement in this chamber and externally on committees, because it is a very partisan approach. This is very aggressive in terms of identifying political parties, as Mr Somyurek outlined. Without referring to her own party Ms Pennicuik without question seems to have some view that the Greens are above everyone else.

In the brief amount of time I have left before statements on reports I will be demonstrating that you have to ask yourself, ‘What if?’. What if certain activities have occurred? What if there were elections held without political donations to the Greens? I ask, ‘What if?’. In her introduction Ms Pennicuik said there has been great disquiet. I must say there has been great disquiet among those people who are residing in Tasmania looking for an industry that has been decimated. What if something else happened to those industries? What if part of those political donations in some way gave support to senators in the federal Parliament, which perhaps allowed for certain activities to then be delivered as a result of what occurred?

Ms Pennicuik said this is a serious motion. As I said, what if the Greens had been put into this motion? What if the Australian Electoral Commission returns were earlier? Ms Pennicuik raised the fact that we do not know what the funds provided to the ALP, The Nationals and the Liberal Party at the last federal election were. However, in her contribution Ms Pennicuik again omitted where the Greens stood on this particular issue.

What if there were an article in the *Australian* headed ‘Greens mum on big donations’? This was reported on 29 August 2013. It is a good article because it says:

The Greens are refusing to disclose the identity of donors behind its pre-election advertising blitz targeting Senate seats in South Australia and Western Australia.

We heard Ms Pennicuik saying earlier that it is a tragedy that the processes that are undertaken at a federal level do not allow for us to find out until later on, yet we have Senator Sarah Hanson-Young of the

Greens being quoted in that article, in response to being asked to reveal the details of donors. She said she was not going to be in that position. This is what she said:

We just go through the proper process at the AEC and we are not required to lodge them yet, so once we are they will be disclosed along with everyone else's ...

We have a presentation here by Ms Pennicuik saying, 'You three parties should release it because we are above it all', yet we have a Greens senator saying, 'We are going to release it with all the other political parties'.

It is interesting to note that whilst there has been this contribution from Ms Pennicuik basically vilifying certain sections of industry, whatever they may be, we do not have the same vitriol that we have about the Greens receiving financial donations from, for example, renewable energy companies. It says here in the article:

... the Greens are receiving donations from renewable energy companies, a claim the party was unable to refute yesterday.

Why was it not refuted? Because the Greens will not disclose it. Why would they not disclose it? Because they are complying with the AEC laws which Ms Pennicuik just criticised.

Ms Pennicuik — Yes.

Hon. R. A. DALLA-RIVA — She just agreed! I cannot believe it. I would be interested in her reply because it is somewhat confusing in terms of what she is saying in the motion and what her party is doing at the national and state levels.

Mr D. D. O'Brien — Do as they say, not as they do.

Hon. R. A. DALLA-RIVA — It is very much along those lines. I will just finish off with a quote by Ms Hanson-Young from the article in the *Australian*:

... I don't know until the party puts it all together and discloses it — this will go through the normal process.

We have this ludicrous situation of Ms Pennicuik's motion suggesting one thing and the Greens at a higher level suggesting otherwise.

We also heard Ms Pennicuik speak about conflict and influence. In her contribution we heard her go through political donations that were provided to the Liberal Party and to the ALP, and there were some references to The Nationals. I was quick to write them down as best I could. The figures for the ALP included donations of \$165 000, \$105 000 and \$100 000. For the Liberal Party I think there was a figure of \$75 000, and there were a variety of figures in the order of \$100 000.

You have to ask: what if the Greens received a substantial amount of funding? Let us say it was not \$100 000, \$200 000, \$300 000, \$400 000, \$500 000, \$600 000, \$700 000, \$800 000, \$900 000, \$1 million, \$1.1 million, \$1.2 million, \$1.3 million, \$1.4 million or \$1.5 million. Let us say it was a record donation — the largest donation to a political party in Australia's history. It was provided by Graeme Wood, who donated — and this is important for *Hansard* — \$1 680 787 to the national Greens in 2010–11. This is said to be the largest political donation, as I indicated earlier.

The reality is this: what if those funds were used for other purposes? As Ms Pennicuik alluded to, there is a seedy side of political donations and what they may lead to. What if I put a proposition to the chamber that perhaps gave members a different perspective than that of the Greens? Perhaps those in other industries who feel vilified by today's motion may then look at *Hansard* and say, 'That might explain a lot'. What if part of that \$1.68 million came from a certain individual? What if that donor happened to be the founder of Wotif? I indicated that his name is Mr Graeme Wood. This donation funded the Greens' television advertising campaign.

What if you had a situation where you had a couple of green activists who joined together with the donor, as I indicated, and bought, say, 27 000 hectares of native forest and wilderness conservation land in Tasmania? And then what would happen if, for example, the fellow activists then bought Tasmania's Triabunna woodchip mill from the forest company Gunns for \$10 million and then shut it down to end logging in native forests in Tasmania? It makes you wonder why Senator Eric Abetz has been calling for a royal commission to inquire into the purchase of the mill from the timber company Gunns. We understand —

Ms Pennicuik interjected.

Hon. R. A. DALLA-RIVA — Would you support a royal commission into the dodgy dealings that have been going on and that \$1.68 million? Ms Pennicuik is demonstrating hypocrisy, and that is why I said at the beginning of my contribution that she stands for a lot more than this.

I believe that, to be fair, Ms Pennicuik should withdraw her motion today and not allow it to go further, because there is a lot more material available on the funding of the Greens. As I have indicated, we know that Graeme Wood had approached former Greens Senator Bob Brown in 2010, proposing that he would fund a proper Greens advertising campaign.

Mr Koch — What if?

Hon. R. A. DALLA-RIVA — What if? What if he did? He denies that his company would have anything to gain from the donation. Does that sound familiar? Do not deal with that industry. That industry should not deal with the Liberal Party, the Labor Party or The Nationals. However, this industry is okay. This company can come across and deal with the Greens. Not only can the company deal with the Greens, but it can give us more money than any other donation in Australia's political history. Yet we do not seem to see that. That is why we have a motion before the chamber that excludes the Greens. The motion states in part:

That this house calls on the —

- (1) Liberal Party, The Nationals and the Australian Labor Party to refrain from accepting political donations from property developers and organisations that are regulated by government ...

I understand that an online travel agency might be regulated by government. We would have the situation where we exclude the Greens from accepting political donations from organisations that are regulated by government and may be affected by government decisions. What could be more evident? The donation that was provided by Mr Wood to the Greens has benefited the Greens to an extent that they now control the Senate in the federal Parliament. If you want to know some reasons why Liberal Senator Abetz is calling for a royal commission, there is a good foundation there.

What is represented in this motion is the idea that the Greens are above reproach. What if the Greens operated a Ponzi scheme? Members of the Greens donate to themselves, donate back and then donate to themselves again. What if the national Greens donated \$1 213 545 to the Victorian Greens between 2008 and 2013, and in that same period the Victorian Greens donated \$852 855 back to the national Greens. This issue was raised. We have had the situation of the Greens bouncing money around like a fraudster that I dealt with many years ago.

Mr Finn — That is them.

Hon. R. A. DALLA-RIVA — That is them. What hypocrisy! I say to Ms Pennicuik that she should not do this. She is above all of this. I have not gone through the other donations, such as the \$30 000 to the Greens from the Construction, Forestry, Mining and Energy Union, or the donation from the Australian Manufacturing Workers Union. The Electrical Trades Union donated \$295 000 to the Victorian Greens. At the 2010 election the Electrical Trades Union donated

\$125 000 to the federal member for Melbourne, Mr Bandt, and \$200 000 to Greens Senator Richard Di Natale for their campaigns.

An honourable member interjected.

Hon. R. A. DALLA-RIVA — They are related. We know that.

The Greens support wind farms, but they are critical of the energy industry and cars. Again there is hypocrisy. However, they have money; money is flowing in to the Greens. If it is not bad enough that the money comes in from outside, I do not recall Ms Pennicuik talking about a grant agreement deed between the commonwealth of Australia and the Australian Greens under AusAID. The Greens have received grants and payments of \$600 000. The agreement was to pay the organisation on 31 July 2012 and on 31 July 2013, and — guess what — there is another payment of \$200 000 coming on 31 July 2014. This is a live agreement between the federal government and the Greens. Are the Greens going to return that money, because this is another receipt of funds from the taxpayer?

Business interrupted pursuant to sessional orders.

STATEMENTS ON REPORTS AND PAPERS

Department of Education and Early Childhood Development: report 2012–13

Ms PULFORD (Western Victoria) — I would like to make some remarks on the Department of Education and Early Childhood Development annual report 2012–13. In doing so, I lament this government's appalling record over its three and a half years in office of providing opportunities that will enable Victoria's young people to reach their full potential. It is an extraordinarily bad record. The cuts to the funding of TAFE are the most dramatic example of the lack of seriousness with which this government takes education. However, many programs in schools have also been cut, including the Reading Recovery program, the Victorian certificate of applied learning, the education maintenance allowance, which enabled families in difficult financial situations to support their kids to enable them to fully participate in school life, and the School Start bonus.

These are decisions and choices that have been made by this government in each and every one of its budgets, and the consequences that has for people to be able to participate in education have been devastating. Just this month the Victorian government again demonstrated in its budget that it has learnt nothing in

three years. The lack of support for our schools continues. There has been a statewide average of \$278 million per year on capital works during the life of this government, which pales into insignificance when compared to the former Labor government's commitment on school capital works. Of course members would be all too aware of and familiar with schools in their electorates that have been so neglected by this government.

One needs to look no further than Bannockburn in my electorate, where there has been a campaign over a number of years, supported by government members, including Mr Mulder, the member for Polwarth in the Legislative Assembly, all three government members who represent Western Victoria Region in this house, and before them Mr Vogels, a former member for Western Victoria Region, who have called for government funding to support access to secondary schooling in Bannockburn.

The kids in the current Bannockburn Primary School are completely squished into their building. There is no room to play because there are so many portables, and it is not a great exaggeration to suggest the kids are almost spilling out of the windows. Planning approvals had occurred and land was purchased, but the government has now disappointed those who have been campaigning for a new school in Bannockburn. A new school in Bannockburn is an incredibly welcome thing, and whilst this is partly being addressed, the critically important issue of secondary education provision in Bannockburn has not yet been addressed by this government, despite many of its members having in this place and in other forums expressed the need for Bannockburn and the broader Golden Plains shire communities to have secondary education.

What it means for this rapidly growing township is that kids become disconnected from their community from the age of 12. It is impossible to field a sporting team, and kids are having to commute into Geelong from the start of year 7. Their peer groups change and their after-school activities change. The government knows it. Government members have often said that this needs to be resolved. Again the Victorian government has failed to look after these communities' desperate need for secondary education. It is hardly surprising, because the Liberal Party consistently demonstrates a lack of care and a lack of compassion around education. Its cuts to TAFE have had catastrophic consequences for industry and for the many people who will not have an opportunity to pursue education options, and this report demonstrates this, as does the budget.

Library Board of Victoria: report 2012–13

Mrs COOTE (Southern Metropolitan) — I speak today on the Library Board of Victoria's annual report for 2012–13. First of all, I would like to talk about some statistics. It is really important to look at the statistics. Can I just say from the outset that when Redmond Barry established the state library in 1853 he said that it was the first free public library in the world to open to anyone over the age of 14, so it is very pleasing to look at some of these statistics now.

In the period of this annual report the number of library users continue to increase. In 2012–13 there were 1 608 756 on-site visits, 3 271 742 online visits and 2 709 706 catalogue searches. This is quite extraordinary, and I think Redmond Barry would be absolutely astonished to see that there are so many people accessing the wonderful materials in our library.

One of the pleasing things to look at is the increase in the physical and digital collections. As many of you know, I established the State Library of Victoria Foundation more than a decade ago, and I am pleased to know that under the stewardship of Stephen Kerr it has done exceedingly well. One of the biggest contributions I was able to obtain through the foundation was \$350 000 from the Myer Foundation. I think I have said this in this chamber before. The Myer Foundation gave us this money to digitise the very fragile glass slides depicting early Victorian country towns and the city. They were very fragile and the images, as you can imagine, would wear off very quickly. They were housed in an enormous area in the basement of the state library, probably half the size of this chamber. The process was very cumbersome and took a long time, but the boxes of those very fragile records were in fact digitised. They were one of the first things to be digitised at the state library and became a huge resource for Victorians and Australians and internationally.

It is absolutely amazing when you think about what happens now with digital information at the library. It is quite a long way from the cumbersome process, but it is very interesting to see the diversity — for example, the key acquisitions for this year have included the papers of Brigadier Walter Cass, who saw active service in the Anglo-Boer War and World War I at Gallipoli, on the Western Front and in India and Egypt; an archive of the Brummels Gallery, established by noted photographer Rennie Ellis and credited with being the first Melbourne gallery dedicated to photography; early paintings by iconic Australian artist Arthur Boyd, *Chadstone Road with Market Gardens*; and Peter Carey's laptop containing the drafts of two recent

novels, *Parrot and Olivier in America* and *The Chemistry of Tears* — one example of the library's documentary heritage in digital form.

It is interesting to think that notes that are on a laptop can be used as part of a collection. The report states:

Digitising collection items makes them accessible to anyone, anywhere —

at any time —

via the internet. This important program creates faster, easier access to our collection for the whole community.

I misled the house somewhat in talking about the key acquisitions because the first things I spoke about were the Boer War papers, the Brummels and the Rennie Ellis, but they are not actually digitised; it is Peter Carey's laptop that is in a digitised form.

I will quickly mention the Rennie Ellis collection. I again remind the house that it was an archive of the Brummels Gallery, which was established by noted photographer Rennie Ellis and is credited as being the very first Melbourne gallery dedicated to photography. As Ms Crozier says, she and I knew Rennie Ellis. He was absolutely remarkable. It is wonderful to see his work being recognised in this way. I was recently in the Mitchell Library in Sydney, and it had a fabulous exhibition of the work he had done in and around Kings Cross. It was a very good picture — if you will pardon the pun — into public and private life in and around Kings Cross. He was a very talented man, so it is very pleasing to see that his work is being kept at the State Library.

More than 92 000 collection items were digitised during 2012–13. This is a huge achievement. They comprised maps, plans, posters, pamphlets, negatives, glass plates, newspapers and monographs. I congratulate the library.

Department of Education and Early Childhood Development: report 2012–13

Mr LEANE (Eastern Metropolitan) — I would like to make a statement on the annual report of the Department of Education and Early Childhood Development for 2012–13. We should all understand that the role of education, particularly in the latter years, should be geared towards us getting into the workforce and moving on to gainful employment in a career that we choose and enjoy. However, I have grave concerns about the possibility that the local learning and employment networks (LLENs), which I am sure all of us in the chamber have dealt with at some stage, could be in jeopardy because of federal budget cuts. I state for

the record that I am not talking about the state budget, because it is my understanding that the bulk of the LLENs funding comes from the federal government. I understand that that funding will cease within a few months.

The LLENs, as we know, have a focus on education and training for young people but also on linking young people into future employment through a number of different strategies. Speaking to the Outer Eastern LLEN in recent times, I learnt that it was quite successful in finding a couple of hundred job placements for students from secondary schools. The job placements were not permanent positions — they were placements while the students were in the latter years of their secondary schooling — but that LLEN was successful in assisting some of those young people in gaining employment after leaving secondary school.

We would all agree that education should be geared towards people graduating from whatever level of education they have and heading into employment. I note the Prime Minister's mantra of recent times that the idea of cutting social security for people under 30 after six months is that they should be earning or learning. However, it is very difficult, especially in Victoria where we have a huge problem with our TAFE system. The state government has removed Victorian certificate of applied learning coordinators from the secondary school system, there have been funding cuts to other forms of vocational education and training in our secondary system and now the last bastion of these learning and working facilities, the LLENs, is under threat.

LLENs deal with young people at school, some of whom may be looking for gainful employment at the end of year 10 or 11, and that is not an easy thing to do in this day and age. When I left school in year 10 I just got an apprenticeship, but now I cannot believe how lucky I was, because you cannot do that now. It is a shame, but it is a reality. The last bastion of this type of learning that we have in this state is the LLENs, and I call on government members to speak to their LLENs and see if there is any assistance they can offer in that area because we would all agree that this is an important issue. The gateway to employment in the latter years of secondary school is probably the main thing, followed by how to live and pay your bills and understanding that you have to pay rent and not just live in the bubble that school can be. I commend the report to the house and look forward to speaking further on this issue in the future.

Department of Planning and Community Development: report 2012–13

Mr RONALDS (Eastern Victoria) — I rise to speak on the annual report of the Department of Planning and Community Development for 2012–13. I wish to highlight the achievements of the Victorian coalition government's long-term regional planning initiatives and strategies. The report found:

Significant progress has been made across all portfolios to continue delivering the government's \$1 billion Regional Growth Fund (RGF), which provides a flexible and strategic basis for supporting regional growth and economic diversification.

The report highlights that \$324 million of Regional Growth Fund money had been spent up to the end of the last financial year. As we know, more has been spent and promised since. Planning for long-term growth in metropolitan Melbourne and regional Victoria is clearly outlined in the planning strategy and the eight regional growth plans. These important documents create the framework for the coming 30 to 40 years.

For my electorate of Eastern Victoria Region most of this is outlined in the Gippsland Regional Growth Plan, a key instrument in helping to identify future infrastructure investments needed to develop Gippsland into a region that will meet future demands. It is projected that by 2041 Gippsland will be home to more than 386 000 people, an increase of 116 000. The region's population is predicted to grow and change, with some areas close to Melbourne and along the coast experiencing faster rates of population growth. This will create demand for additional services and infrastructure.

The Gippsland Regional Growth Plan maps out the key environmental, cultural, recreational, tourism and natural resources which need to be preserved, maintained or developed in order to prepare Gippsland to accommodate this population increase. It identifies how infrastructure and services need to change to meet the needs of the public in the future. It is a regional approach to long-term planning and acts as a reference point for local decision making.

It is an exciting vision for Gippsland's future. It describes Gippsland as a region that attracts remarkable levels of investment in economic and urban growth. Gippsland will aim for increased investment in research and development in industries that will spur on the development of new industries and higher employment rates. Promotion of the region's nature-based and cultural heritage tourism assets will be a focus that will

attract new investment to world-class facilities and significantly increase visitor numbers. Ecologically sustainable development practices and facilitating a healthy lifestyle will be entrenched in planning practices and community values. It is a vision for a vibrant region with a bright future.

The Gippsland Regional Growth Plan goes further and outlines the principles to achieve this vision, being to:

strengthen economic resilience by growing a more diverse economy which is supported by new investment, innovation and value-adding to traditional strengths;

promote a healthy environment by valuing Gippsland's environmental and heritage assets and by minimising the region's exposure to natural hazards and risks;

...

deliver timely and accessible infrastructure to meet regional needs for transport, utilities and community facilities.

In the May budget \$12.3 million was announced for regional Victoria to begin implementing regional growth plans and to continue the rural council planning flying squad. This is a well-planned, targeted government investment into growing and developing our regions in order to maximise the opportunities of the future. As someone who was born and bred in regional Victoria, I am proud to be a part of a government that is so committed to building the unique opportunities the regional areas of our state offer.

I wholeheartedly agree with the statement made by my friend and colleague the Minister for Planning, the Honourable Matthew Guy, in the *Plan Melbourne — Metropolitan Planning Strategy*:

We will maximise the growth potential of Victoria by developing a state of cities which delivers choice, opportunity and global competitiveness.

It is just another way the Victorian government is building a better Victoria.

Auditor-General: Access to Education for Rural Students

Ms TIERNEY (Western Victoria) — Tonight I make a statement on the Auditor-General's report *Access to Education for Rural Students*, which was tabled in this house on 3 April. It is really important to go to the first paragraph of this report, because it sets out the facts and the context in which this report has been submitted. It says:

Rural populations in Victoria suffer from a disproportionate level of disadvantage. Students from rural Victoria represent about 30 per cent of the total school student population, but far fewer go on to attend university or study at a certificate IV

level or above. People in rural areas are likely to have less access to health and social services and may have to travel considerable distances to reach services and educational institutions. Research also indicates that educational aspirations and outcomes are lower in rural areas. More than half of Victoria's Indigenous population lives in rural Victoria and one-third of the Indigenous population is under 15 years old.

These factors create a unique and complex challenge for government agencies working in rural Victoria. Successfully engaging rural students to achieve at a high standard requires commitment and a multifaceted, long-term approach.

That provides the launching pad in terms of my comments this evening. I must say that the report indicates a concerning lack of strategic planning to alleviate concerns surrounding improving access to education and educational outcomes for regional students under this government. I also wish to note that this government has neglected funding of the TAFE sector, which is crucial to improving the outcomes, particularly for rural students, as it has a significant impact on the educational opportunities available to rural Victorian school leavers.

Of course we all know now that half of Victoria's public TAFE institutes are running at deficits because of this state government's funding cuts. As recently as this morning we were informed on the radio and in the newspapers that the Northern Melbourne Institute of TAFE is running at a huge operational deficit of in the vicinity of \$38 million, and the acting CEO has pointed the finger at this state government's lack of funding as a major contributor to the financial situation that the institute is in.

In terms of metropolitan students, approximately 10 per cent defer their study. On the other hand, around one-third of rural students defer. We believe the Napthine government has clearly failed to provide access to high-quality education for all students and is neglecting the needs of rural students. Furthermore, the uptake of vocational education and training has been much slower in rural Victoria, and much of this stems from the cuts that were inflicted by this government in relation to vocational education and training funding.

By way of background, 46 per cent of Victorian state schools are in rural areas, and 29 per cent of state school students attend school in a rural area. Rural students lag behind their metropolitan peers on most key indicators. The percentage of rural students who are classified as highly disadvantaged sits at 24.9 per cent, which is nearly twice as high as the percentage of metropolitan students. In spite of being only slightly behind in relation to key indicators such as the national assessment program — literacy and numeracy results,

rural students are much less likely to go on to tertiary education. Students who perform badly in year 9 tests at rural schools are much less likely to complete high school — in fact 16 per cent less likely. The Department of Education and Early Childhood Development's On Track survey of school leavers showed that the number of rural students going on to commence a bachelor degree is 20 per cent lower than their metro counterparts. There is clearly much that needs to be done in this area. This report indicates that a commitment must be made and a multifaceted approach taken, and this government is not doing that at all. It is far behind in doing what is absolutely necessary to make these improvements.

Public Transport Victoria: report 2012–13

Mr FINN (Western Metropolitan) — I rise this evening to make a contribution to debate on the Public Transport Victoria annual report 2012–13. In particular I make reference to page 13 of the report, which refers to the *Melbourne Airport Rail Link Study*. It talks about the study, which, it states:

... recommends the 'Albion East' route, having considered more than 80 alternatives.

The proposed route runs from the Melbourne Airport boundary via new tracks through reserved land and a freight corridor, using the existing rail tracks from Sunbury and connecting with the Melbourne Metro rail tunnel.

As we now know, if the people of Victoria show confidence in the Napthine government in November, the Melbourne Airport link will become a reality, and I have to say not before time. We well remember that in the lead-up to the election in 1999, then opposition leader Steve Bracks promised hand on heart that if elected, the Labor government would build the rail link to the airport. As I think I have pointed out to the house before, that ended up being the very first broken promise of the Bracks government. It was well before EastLink and no tolls and all the rest of it, well before the rippers that were told on the other side of Melbourne. We on the western side of Melbourne were lied to by the then Labor government.

I am particularly excited at the prospect of this rail link being built. Anybody who has travelled to the airport from the city will know that the freeway has a bit of trouble carrying the load. It can get very congested, particularly as you approach the airport. It does not particularly worry me because I live 2 minutes from the airport. I am on the other side and I just sneak around; it takes me about 30 seconds. But as I travel into town I see the numbers of cars banked up, sometimes for kilometres, as they attempt to enter the airport. Clearly a rail link will ease the need for people to use their cars

to get to the airport. It will ease that congestion and make life a lot easier for people who want to get to the airport. But the project is much more than that. As a result of this rail link being built we will see an impressive boost of activity in terms of the growth of Melbourne Airport.

I recall that some years ago I made the prediction that when the privatisation of Melbourne Airport came, which I strongly advocated, we would see a very strong burst of growth. When that occurred, the numbers of people working at Melbourne Airport went from 10 000 to some 25 000. I believe as a result of the rail link more jobs will be created in and around Melbourne Airport. The rail link will also enable people in the western suburbs who work at the airport, or who might work at the airport in the future, to get there without using their cars. That has to be a very good thing. It is a direct result of the visionary budget that was put forward by the Treasurer earlier this month, and the project has grabbed the attention and imagination of Victorians.

I have been approached by many people in my electorate who are very excited at the prospect of a rail link to the airport, along with the regional rail link. As the Premier has pointed out, the term 'regional rail link' is a bit of a misnomer, because it will be more of a boon for the western suburbs than it will be for the regions. Although it will be a huge benefit for country areas, it will be — indeed it is already — a bigger plus for the western suburbs. One just has to look at some of the new railway stations through the western suburbs, including the new Footscray station and the new Sunshine station, which is beautifully decked out in black and yellow, to see that this government is building a better Victoria right throughout the western suburbs.

Regional Development Victoria: report 2012–13

Ms DARVENIZA (Northern Victoria) — I am pleased to rise and make some comments on the Regional Development Victoria 2012–13 annual report. At the outset I congratulate the chief executive officer, Lachlan Bruce, and the staff at Regional Development Victoria (RDV) on their commitment to rural and regional Victoria. One of the constants right across our state is that the offices of RDV are very highly regarded and well respected, and they play a very important role in our rural and regional communities.

The report lists some highlights that Regional Development Victoria has achieved throughout northern Victoria, and I will run through a few of those.

RDV has provided funding for three flood recovery officers in the Hume region, funding towards the flood support program to help five catchment management authorities with flood restoration projects, funding for the revitalisation of the Wodonga CBD and support for a number of municipalities throughout northern Victoria with small towns development funding. That funding is gratefully received and well used by our municipalities throughout regional Victoria.

RDV has announced the natural gas connection between Wandong and Heathcote Junction as part of the Energy for the Regions program, and RDV continues to provide leadership to develop an integrated approach to government investment, planning and policies associated with Victoria's 10 regional cities of Geelong, Ballarat, Warrnambool, Horsham, Mildura, Bendigo, Shepparton, Wangaratta, Latrobe and Wodonga.

Communities in my electorate of Northern Victoria Region represent a very large percentage of Regional Development Victoria's catchment. One of RDV's roles involves facilitating new investment business growth and jobs creation for rural and regional Victoria on behalf of the government. In the past year rural and regional communities have faced many challenges.

If we look at the latest figures on employment for regional areas, we see that jobs creation is at a standstill or in decline with the Liberal-Nationals coalition government in power. Unemployment has grown on an average of 3 per cent since December 2010. The Liberal-Nationals are failing not only rural and regional communities but the whole state in jobs creation. Iconic manufacturing industries are closing or scaling down their operations — for example, Ford, Alcoa, Toyota, Heinz, Murray Goulburn Co-operative and Boeing.

Regional cities in our rural communities play a key role in driving growth and prosperity in Victoria, as well as being home to 25 per cent of Victorians who choose to live outside Melbourne. The regions make a very significant contribution to the whole of our state's economy, and that is why it is so concerning that rural and regional communities will receive only 4 per cent of the state's total infrastructure funding from this year's budget.

The Liberal-Nationals government has failed to adequately invest in regional Victoria. Our hospitals are in crisis, our jobs are disappearing, TAFE has been gutted and our schools are falling apart, yet the coalition government is happy to spend 25 times more on infrastructure projects in Melbourne than it is on projects in rural and regional Victoria. This is an

absolute slap in the face to rural and regional communities, who took a significant hit in previous state budgets.

This budget does nothing to promote or support the many benefits of living in rural and regional communities. Let me outline some of the key facts. The rural and regional Victoria budget paper highlights that the Napthine government will spend just \$1.2 billion on regional infrastructure out of a purported \$27 billion — just 4 per cent. The Napthine government is spending \$124 million less on TAFE. The Liberal-Nationals are cutting 542 jobs, or 25 per cent of the workforce, at the Department of Environment and Primary Industries, a key department in supporting regional Victoria. Across Victoria Denis Napthine cut \$826 million from Victorian hospitals, and Tony Abbott will cut a further \$277 million.

Aboriginal affairs: report 2013

Mrs MILLAR (Northern Victoria) — This week is National Reconciliation Week, and as the 2014 theme is ‘Let’s Walk the Talk’, I am especially proud to make a statement in relation to the report entitled *Victorian Government Aboriginal Affairs Report 2013*, which marks and records the achievements of this government and a number of departmental, government-funded and partner organisations in advancing Aboriginal affairs in this state and also in closing the gap in a number of key indicators for Indigenous education, health, employment and progress towards other outcomes, which have been, are and remain a priority to address.

I acknowledge the comments by the President yesterday in relation to National Reconciliation Week, as he noted the significance of Reconciliation Week to all members of this house. To quote from the Minister for Aboriginal Affairs, the Honourable Tim Bull, who has already made a significant contribution to this important portfolio:

Reconciliation Week is about respect and recognition of the first Australians and celebration of Aboriginal culture for the benefit of all Australians.

In my comments I wish to focus on these key aspects: recognition, celebration and respect. I recognise some of the outstanding work being done by this government through a range of organisations which make a contribution focused on supporting Indigenous communities and the contributions of individuals, especially those who play a leadership role in walking the talk in this space.

I also focus on a celebration of Aboriginal culture and peoples because, in my view, when many of us speak

on Aboriginal affairs, there is too often a focus on the gaps at the cost of being able to see the achievements. Above and beyond all that is being able to see the overall contribution made by our Indigenous peoples to our collected understanding of this nation and who we are.

In my view, it is critical that we shift our focus to celebrating the contribution of and role played by our Indigenous peoples as a way of restoring their culture to its proper place, not only for Indigenous peoples, many of whom also need to learn their way back into the culture and history of their peoples, but importantly for all Australians. Only by celebrating these achievements can we begin to understand and learn the valued messages that are there to be imparted.

Sadly it is a common failure of many in our society — perhaps fed by some sectors of the media — to constantly focus too sharply on failings, problems and challenges at the cost of seeing the overall picture of all that is created and achieved. It is a fundamental difference in outlook, mindset and even political philosophy, if you like, where there is a distinction between a glass-half-full or a glass-half-empty mentality. In our society we typically also focus too sharply on the here and now, at the cost of seeing all that has come before us and drawing on this collected body of learning. This connectedness and realisation of all that has come before us is something we also can learn from our Indigenous leaders.

Finally, I focus on the most important of all three — respect. Again, in contemplating this value in the context of Aboriginal affairs, it is too commonly viewed in the negative. We focus on it when that respect is missing — for example, on the football field — and fail to give it due attention in terms of respecting all that the Indigenous peoples contribute and achieve for our nation and our society. It takes each of us, Indigenous and non-Indigenous, to make a shift in how we recognise, celebrate and respect our Indigenous peoples and culture to truly achieve reconciliation.

The report focuses on a number of key achievements in Victoria in the past year. A few of these achievements — and I will especially note here those which are relevant to my electorate of Northern Victoria Region — are especially significant and momentous in terms of advancing due recognition of our Indigenous peoples.

I wish to highlight and acknowledge the landmark native title settlement agreement reached in 2013 between the Victorian coalition government and the

Dja Dja Wurrung people. As noted in the report, this settlement covers 266 532 hectares of Crown land and includes a financial settlement to support the economic and cultural aspirations of the Dja Dja Wurrung, a people deeply embedded in the history of this central Victorian region. This announcement occurred under the leadership of the then Minister for Aboriginal Affairs, Jeanette Powell, who is deeply committed to Aboriginal affairs and made a most significant contribution during her term as minister. I recognise her fine contribution. I join in celebrating this great achievement which recognises the Dja Dja Wurrung people, past and present, and all they have achieved.

I have spoken in this place before of being present when Minister Powell made an announcement in Benalla about a grant which was undoubtedly small in monetary terms but had the hugely significant impact of assisting the Bangerang peoples to prepare and submit a further claim to become a registered Aboriginal party. This was a powerful day of celebration of the culture and contribution of the Bangerang elders and people, and I was hugely privileged to be present on that day and to join the celebrations.

Auditor-General: *Residential Care Services for Children*

Mr MELHEM (Western Metropolitan) — I rise to speak on the Victorian Auditor-General's report, *Residential Care Services for Children*, of March 2014. The Auditor-General, John Doyle, describes a gap in independent advocacy for individual children. This is a real concern, as children in residential care often do not have a family who can take on the role of supporting them. They require someone who can listen to their concerns, recognise what is happening to them and advocate on their behalf.

Children in residential care are usually there because they have suffered neglect or abuse in the family home. Residential care is often a last resort for these vulnerable people in our community. According to the Auditor-General, they are Victoria's most vulnerable children yet we are failing them. The Auditor-General says that the needs of children living in residential state care are being compromised because the system is overstretched. The report notes that children's safety, stability and their potential for good health and the opportunity to achieve at school are being compromised by fundamental failures, notably the lack of skilled and qualified staff and the capacity shortages contributing to poor placement decisions. Furthermore, the Auditor-General has identified that the Department of Human Services is not adequately meeting the needs

of these children and has insufficient oversight of the system.

There has been an increase in the level of demand on the residential care system — for example, in 2012–13 the system could only cater for 459 places but it was handling 508. Some of these children had to be accommodated outside the system, so obviously the system is overstretched. This insufficient capacity affects the quality of care for children and the decisions on where some of the state's most vulnerable young people are placed. The system focuses on availability rather than matching their needs, leading to increased risks in terms of their safety.

The report also found that children do better when their placements are individually planned and where staff are provided with therapeutic support. The media has recently highlighted serious incidents and issues, including sexual exploitation of children in out-of-home care. Victoria's commissioner for child care is investigating claims that organised gangs of paedophiles are grooming these vulnerable children. Mr Doyle says this is only one of many serious issues failing the system. The government recently announced it will inject \$128 million into out-of-home care services to help children and young people living in state care, which is very welcome news. The five-year plan includes providing more beds in residential care facilities, increasing support for alternatives such as foster care and increasing staff capacity.

In his report the Auditor-General has made six recommendations to the Department of Human Services, which I will go through briefly. They are that the department:

1. establishes alternative affordable models of care with sufficient flexibility to cater for the varying and complex needs of children;
2. actively promotes to children in residential care the processes for making a complaint and investigates the feasibility of establishing an independent advocacy role to support children in residential care;
3. develops performance measures for delivery of residential care services for children to meet legislative requirements and outcomes for children;
4. ensures that residential care staff have the necessary skills, qualifications, training and support to work effectively with children and their families;
5. identifies systems and processes for collecting and analysing information which better meet the department's compliance, assurance and reporting needs;

6. reviews existing demand forecasting approaches and develops plans for the capacity that is actually required.

Unless funding is increased to meet these demands, all the reforms that are suggested are going to be at risk. I therefore implore the minister to take these matters very seriously and look after the most vulnerable members of our community. I commend the report to the house.

**Public Accounts and Estimates Committee:
financial and performance outcomes 2012–13**

Mr D. R. J. O'BRIEN (Western Victoria) — I rise to speak on the Public Accounts and Estimates Committee (PAEC) *Report on the 2012–13 Financial and Performance Outcomes*. It is with great pleasure that I speak on this report. I note that in your other capacity, Acting President, you have spent a considerable amount of time in close proximity to me during the most recent Public Accounts and Estimates Committee hearings on the 2014–15 budget.

This report is on the outcomes and performance of the 2012–13 financial year. It is important, because it is a unanimous report and clearly demonstrates some of the important and significant differences between our side of politics and the Labor-Greens alliance or factional divide. The first thing to note is in the chair's foreword. The chair of the committee is the member for Mornington in the Assembly, David Morris — and I commend him on his chairmanship of PAEC. In the foreword he says:

The general government sector delivered a net operating balance of \$316.4 million in 2012–13, which was \$161.5 million higher than originally expected.

The government invested \$5.9 billion on a range of infrastructure projects and assets during 2012–13.

This is in stark contrast to the 11 years of the Labor government, which under the stewardship of treasurers, who included Mr Lenders, failed to deliver a budget in which actual expenditure met or was within the anticipated expenditure at the time the budget was first submitted. In other words, Labor spent more than it anticipated in every single year.

We also had the very significant scourge of the then federal Treasurer, Wayne Swan, who made so many promises to deliver a surplus that he could not keep. Members opposite need to be continually reminded of this, as our federal colleagues have had to come in and clean up another Labor mess. There is a degree of pain felt across the community, and that degree of pain is solely Labor pain.

This Victorian government has, as this report shows, done an excellent job of ensuring financial stability over its three and a bit years in office, and that is exemplified on pages 56 and 57 of the report, where the credit ratings from Moody's Investors Service and Standard & Poor's are cited by way of noting that Victoria is now the only state that has both a AAA credit rating from both agencies and a stable outlook.

Mr Lenders interjected.

Mr D. R. J. O'BRIEN — I believe it is important to go to other parts of the report, in particular the last chapter, which includes commentary on the actions taken by the government in response to recommendations made by the committee in previous reports. Mr Lenders has interjected, so before I start, one of the important things to note is that the government has accepted a previous recommendation of PAEC, described on page 52 — that the government include in the budget papers a list of public-private partnership projects that are expected to be commissioned in that year. In its response, the government has indicated that it supports the additional disclosure in future budget papers of the contribution made to borrowing and net debt by public-private partnership projects expected to be commissioned during the relevant budget year. It notes there that the largest of those that remain on the Victorian books is the desalination plant, which adds \$4.3 billion to the net debt in those budget papers.

What the government has also done in response to PAEC recommendations is to support more transparency and accountability than existed under the 2009–10 budget from the former government. Again this is in stark contrast to the recent comments by the member for Lyndhurst in the Assembly, Mr Pakula, and others about the operations of PAEC. The reason the former government failed in its financial capacity is that it did not understand money. The reason Mr Pakula and the Labor members of PAEC were not able to punch a hole in the black hole was that it was not there. We then saw the member for Tarneit in the Assembly, Tim Pallas, getting it wrong by \$1 billion yesterday, and the member for Bendigo East in the Assembly, Jacinta Allan, was out by \$500 million in relation to the Regional Growth Fund.

Labor cannot manage money. Thank God there is now a prudential coalition government in Victoria.

Kangan Institute: report 2013

Mr EIDEH (Western Metropolitan) — I rise to speak on the Kangan Institute 2013 annual report. Firstly I acknowledge and congratulate the president of the board, Mr Michael Brown; the CEO, Mr Grant Sutherland; and members of the board, who have worked very hard during the past financial year to ensure that their students have access to exceptional education. In addition to these members, I would also like to extend my congratulations to all Kangan staff members who have contributed throughout the year to make this report possible.

The history of Kangan Institute dates back to 1925, and the institute prides itself on being one that offers extensive vocational education and training to ensure that its graduates are well and truly prepared for the future. Following the amalgamation with John Batman Institute of TAFE in 1997, this provider now proudly offers specialised training in the following centres, to name but a few: the award-winning Automotive Centre of Excellence, the Aviation Industry Training Centre, the Centre for Fashion and Creative Industries, the Centre for Business, the Centre for Community Wellbeing, the Centre for Health and Nursing and the Centre for Youth.

Whilst the institute offers a diverse range of training opportunities, this annual report highlights a very confronting and serious problem — that is, decreasing enrolments. I am saddened to report this, as I spoke about a similar situation in the last sitting week with Victoria University. Kangan has reported that the number of students aged 15–24 decreased by 5.9 per cent from 2012, and students aged 25–64 decreased by 16.2 per cent from 2012.

The report highlights the savage cuts that have forced the removal of the cap on student numbers that TAFE can teach, the forced increase in payments by its students and the removal of government funding for students with other qualifications. I was extremely disappointed to read that the 52 courses that had severely reduced funding had become unviable to continue teaching and were not taught in 2013. The report states:

These included courses in personal services, sport and recreation, hospitality, information technology, language studies and several Indigenous courses.

As a result, Kangan was forced to increase tuition fees for courses, and 100 staff members were made redundant. How do these statistics indicate that TAFE is being made more accessible? They do not. These figures only add up to a savage slashing of funds for

education and a locking out of those who want to make a better future for themselves.

This government should be ashamed. The desire of the Liberal Party and The Nationals to lock out from education those who are disadvantaged is mirrored by what we have just seen from the federal government with its changes to universities. The fate of education and students in this state is grim to say the least, and I feel very sorry for all those who dreamt of attending TAFE or university to make a better life for themselves but who have had their dreams shattered at the hands of the state and federal governments.

We on this side of the house share a belief in making education available to all. It is a fundamental Labor belief, and later this year we will make this possible once again for all Victorians. I commend this report to the house.

Aboriginal affairs: report 2013

Ms CROZIER (Southern Metropolitan) — I am pleased to rise to make a statement on the *Victorian Government Aboriginal Affairs Report 2013*. As my colleague Mrs Millar said, it is timely to speak on this report in this important week of national reconciliation.

Looking through the report, it is clear that there have been many achievements over the past few years. I would like to acknowledge the work of the former Minister for Aboriginal Affairs, Jeanette Powell, on the Victorian Aboriginal economic strategy, which she launched last December, and the work of the current Minister for Aboriginal Affairs, Tim Bull, who is doing a very good job in following on from the good work that Mrs Powell did.

I note that the message from the minister talks about the ‘well-developed and strong reform agenda for Aboriginal affairs’. Indeed, launching the Victorian Aboriginal economic strategy was a first for Victoria. That is a significant piece of work that has been undertaken by this government, and people across the community should be pleased with it.

As I said, the report outlines some great achievements, but there is still much to do. One of the areas which the report identifies as in need of improvement is the high smoking rate among Aboriginal Victorians. Central to this is the national commitment for Aboriginal people to enjoy the same health outcomes as all Australians. I think we would all agree with working towards that aim. The key achievements that are highlighted in the report involve issues of engagement, recognition, respect and, importantly, strategic reform and reports. I

note that economic participation and development are central to the government's reform agenda for Aboriginal affairs and are important areas to focus on. The Victorian Aboriginal economic strategy will connect achievements in education and training to job opportunities with career pathways and Aboriginal business enterprise and investment.

One of the opposition members — I think it was Ms Tierney — was talking about participation by members of the Indigenous community in regional Victoria. This report highlights just some of the achievements, especially in the education sector, where we are seeing some improvements.

However, I want to concentrate on a very good program in Mildura, which I encountered when I attended a number of art shows. With my colleague Mr Crisp, the member for Mildura in the Assembly, I was lucky to visit Mallee District Aboriginal Services in Mildura and meet with chief executive officer Mr Rudy Kirby and manager Ms Annette Toohey, who gave up a great deal of time to highlight some of the key areas for me. One of the initiatives they are undertaking, Bumps to Babes and Beyond, is having some success in achieving its aim to further improve maternity services in the district. The report says:

After operating for just over a year, the early results are very promising:

60 per cent of women have had antenatal care and 30 per cent some care;

80 per cent of women carried their babies to full term;

80 per cent of women were breastfeeding upon discharge; 50 per cent after six months and 20 per cent over 12 months;

100 per cent of women were up to date with the maternal and child health visits;

100 per cent of babies are fully immunised according to the schedule;

there have been no child protection removals.

This program in itself is really significant in engaging with the community and making a significant impact on those important areas for maternal and child health care in the postnatal period, which is at times quite stressful, and also the antenatal period. The community should be commended for its engagement. I was encouraged by meeting with Mr Kirby and others, gaining a full understanding of the program and seeing how it is making a significant impact on mothers and babies in that Mildura district.

There are many other issues in this report that I would like to speak on, because it looks at the achievements and in particular the progress that has been made, but in conclusion, I commend the former minister, Mrs Powell, and the current minister, Mr Bull, on their great work along with the significant work of those involved in putting this report together.

ADJOURNMENT

Hon. D. K. DRUM (Minister for Sport and Recreation) — I move:

That the house do now adjourn.

Mental health funding

Ms MIKAKOS (Northern Metropolitan) — My matter is for the Minister for Mental Health. The matter relates to the re-tendering of community mental health services that has reduced the number of organisations providing these services from 45 to 16, each covering a much larger geographic area. Consequently, connections and relationships with local communities are likely to be lost.

One service provider in my electorate that provides community-based mental health services and has lost its funding is St Mary's House of Welcome. It is an organisation that members from both sides of this house are familiar with as they have participated in its annual Anti-Poverty Week activities. In October 2011 the Minister for Housing spoke in a members statement spruiking the 'wonderful work of Sister Roseanne and her team' at St Mary's House of Welcome. Other government MPs who have praised the work of St Mary's House of Welcome in this Parliament are Nick Wakeling, Christine Fyffe and Neil Angus, the members for Ferntree Gully, Evelyn and Forest Hill in the other place. They praised St Mary's House of Welcome for its very fine work, but they failed to lobby their own minister to ensure that the organisation can continue to do that work.

St Mary's House of Welcome was established in 1959 to assist the homeless and has received funding for the past 28 years to provide services to people with mental illness. It has often provided services for the most vulnerable homeless people who find themselves isolated or excluded from other agencies. Grassroots organisations like St Mary's House of Welcome have spent many years building trusting relationships with the vulnerable and homeless in one of the most disadvantaged parts of inner Melbourne.

In an email to supporters on 19 May, St Mary's House of Welcome CEO Tony McCosker advised that the

re-tendering has meant that St Mary's has lost funding for 60 per cent of its mental health programs and that this decision 'will impact heavily on the way St Mary's operates'. He also said:

In the past we have provided a refuge; a safe place where people who are homeless and who have mental health issues have a place to belong, a place that keeps them from wandering the streets, from visiting emergency departments at hospitals, and ultimately, in many instances keeping them off a road that sometimes leads to prison.

The government's decision to not support programs offered at day centres is fundamentally flawed. Organisations that were unsuccessful in the re-tendering have not been provided with reasons as to why they missed out. I am extremely disappointed this decision is going to impact on the vital work that St Mary's House of Welcome does for my local community. I call on the minister to explain the criteria for deciding which organisations got the contracts and which missed out, including reasons why St Mary's House of Welcome was unsuccessful.

Orbost Aerodrome

Mr RONALDS (Eastern Victoria) — I raise an adjournment matter for the Minister responsible for the Aviation Industry, the Honourable Gordon Rich-Phillips. I ask the minister to come to my electorate of Eastern Victoria Region, in particular to Orbost, to have a look at the upgraded Orbost Aerodrome. The aerodrome has been upgraded significantly; \$850 000 has been spent, \$340 000 of which has come from the \$20 million Regional Aviation Fund. This significant funding has meant that airports at Cobden, Lethbridge, Latrobe Valley, Warrnambool, Edenhope, Cohuna, Stawell and Benalla have been upgraded.

This is a very important issue. The upgrade at Orbost means that the 1140-metre airstrip will be sealed and have lights and allows for 24-hour access to the aerodrome. That is very important because it allows emergency service facilities, particularly the air ambulance, to land there and also allows access during the fire season. I ask the minister to come and look at the aerodrome and to see for himself what has been upgraded. It is a significant investment and another example of the government building a better Victoria.

Caroline Chisholm Society

Mr MELHEM (Western Metropolitan) — My adjournment matter is directed to the Premier, Dr Denis Napthine, and it is in regard to the construction of the new headquarters of the Caroline Chisholm Society to be built at 977 Mount Alexander Road, Essendon. I am

asking the Premier about this matter because there has been correspondence between him and the Caroline Chisholm Society. The action I seek is for the Premier to provide the necessary funding from the Community Infrastructure Fund so that the project might reach its target.

The Caroline Chisholm Society has managed to raise more than \$1 million through the sale of its Moonee Ponds premises and from donations and other fundraising. Over the last 40 years the Caroline Chisholm Society has supported families from the moment they have learnt of their pregnancy until their children have gone to school. The society continues to offer pregnancy counselling and support, material aid and emergency relief, and family and housing support. The new headquarters building will support pregnancy, children and families and will allow the society to remain local to Moonee Ponds, serve the community and retain networks. The building will service the community's needs for the next 30 years and will allow the society to grow in areas of demand.

My understanding is that the society enjoys the support of both sides of politics. I believe Mr Finn has met with the society as well. There is a bipartisan approach, and I understand that the government has opened the community fund grants for the society to apply. Therefore I ask the Premier to support the society's application and provide funding so it might complete the project. My understanding is that about \$500 000 or thereabouts has been sought by the society. I hope it can get the funding and continue its good work.

Hanging Rock

Mrs MILLAR (Northern Victoria) — My adjournment matter is for the Minister for Planning, Matthew Guy, and it concerns the recognition of the Hanging Rock precinct as a heritage place on the Victorian Heritage Register in accordance with the nomination made by the Hanging Rock Action Group. I draw the minister's attention to the fact that this nomination was gazetted by Heritage Victoria last Friday, 23 May, and that there is now a 60-day period — until 22 July 2014 — for the community to make submissions on this issue, after which time it will be further considered by the Heritage Council of Victoria.

The gazetting of this nomination is totally separate from but now follows in the wake of a recent announcement by Minister Guy and the Minister for Environment and Climate Change, Ryan Smith, of a \$1 million maintenance fund and planning provisions to protect the Hanging Rock precinct from commercial

development. Despite this wonderful announcement, which has been lauded and celebrated by many thousands in the Macedon Ranges, a case still exists for this site — an iconic, unique and treasured place — to be separately recognised on the Victorian Heritage Register. It is noteworthy that the gazetting of this nomination only applies to the Hanging Rock precinct and does not apply to the adjoining block of council-owned land known locally as the eastern paddock but which the minister has confirmed will be protected under the state government's announcement of 16 May.

Hanging Rock is well known and valued by Minister Guy, who climbed the rock with me and my predecessor in Northern Victoria Region, Donna Petrovich, together with members of the Hanging Rock Action Group and other community members on 23 March. This was a very special day, and I think I speak for all those present when I say that we could see a change come over the minister as we climbed the famous rock. I have many great photos of that memorable day. As those who have visited the rock since the 1860s would know, climbing the rock is an ethereal and mesmerising experience. Like Joan Lindsay, who wrote *Picnic at Hanging Rock*, which was published in 1967 — the year of my birth — many have tried to describe and characterise this place, but it means something unique to each one of us.

Make no mistake that Mrs Petrovich has worked to protect Hanging Rock over a lengthy period, firstly as a councillor for the Hanging Rock ward during her time on the Macedon Ranges Shire Council and then as a member of Parliament, including during the period when there was a possibility that a wind farm would be built in the Hanging Rock environs. Hanging Rock leaves its mark. As I have often noted, *res ipsa loquitur*, meaning the thing speaks for itself. It is evident that Hanging Rock is a place treasured by all Victorians. For these reasons, and given his deep understanding of this iconic place, I call on the minister to consider the due and proper inclusion of the Hanging Rock precinct on the Victorian Heritage Register.

Kialla Country Fire Authority brigade

Ms DARVENIZA (Northern Victoria) — I raise a matter for the Minister for Police and Emergency Services, Kim Wells. The matter concerns the funding shortfall that arises when a Country Fire Authority (CFA) brigade vehicle is damaged and then written off and needs to be replaced.

The captain of the Kialla CFA brigade, Mr David Thompson, recently contacted me regarding significant

damage that the brigade's utility suffered when attending a major fire at Bunbartha on 9 February 2014. Mr Thompson informed me that on 9 February the Kialla utility was dispatched, on a directive from the CFA, for command and control duties. The vehicle sustained major fire damage and was subsequently written off by the insurance company.

The CFA insures vehicles for market value, and the brigades are required to make up any shortfall. This utility was a 2008 model, so to fund a replacement the Kialla brigade needs to come up with a considerable sum of money. The Kialla CFA has funded three utilities over the years and has no issue with them being sent to any major incident at the direction of the CFA for fire ground duties; however, Mr Thompson believes that the shortfall should be funded from the major incident budget that was set up for the Bunbartha fire, as the damage occurred while the vehicle was fighting that fire in February.

The Kialla brigade has been forced to apply to the emergency grants program to get the funds it needs to replace the vehicle, which means other brigades will miss out on funding. Mr Thompson states that this is not what the program was set up for. The specific action I am seeking from the minister is that he investigate the funding shortfall that arises when vehicles are written off as a result of fire incidents, as this is a huge cost burden on smaller rural brigades.

Responses

Hon. D. K. DRUM (Minister for Sport and Recreation) — I have five issues to work through. Ms Mikakos raised an item for the Minister for Mental Health, Mary Wooldridge, in relation to mental health service providers, particularly St Mary's House of Welcome.

Mr Ronalds raised an issue for the Minister responsible for the Aviation Industry, Gordon Rich-Phillips. He is very keen to see if the minister is able to find time to come to Orbost to look at the airport upgrade, which has been completed out of the \$20 million Regional Aviation Fund.

Mr Melhem raised an issue for the Premier about funding arrangements, specifically a fund for the Caroline Chisholm Society in relation to the range of family and children services it has and an ongoing fundraising project it is working on at the moment. Mr Melhem is looking for the Premier to direct his attention to this project as well.

Mrs Millar raised an issue for the Minister for Planning, Matthew Guy, in relation to lobbying. She requested that the minister look at the Hanging Rock precinct, the current process it is going through and the potential for it to be put on the Victorian Heritage Register.

Ms Darveniza raised an issue for the Minister for Police and Emergency Services, Kim Wells, in relation to Country Fire Authority vehicles that are written off and the funding arrangements associated with the replacement of those damaged and written-off vehicles.

I have written responses to two adjournment debate matters — one raised by Mrs Peulich on 19 February this year and another raised by Mr Ramsay on 20 February this year.

The PRESIDENT — Order! On that basis the house stands adjourned.

House adjourned 6.43 p.m.