Tuesday, 11 November 1986

The PRESIDENT (the Hon. R. A. Mackenzie) took the chair at 3.2 p.m. and read the prayer.

LAND ACQUISITION AND COMPENSATION BILL

This Bill was received from the Assembly and, on the motion of the Hon. J. H. KENNAN (Attorney-General), was read a first time.

LABOUR AND INDUSTRY (REGISTRATION FEES) BILL (No. 2)

This Bill was received from the Assembly and, on the motion of the Hon. O. R. WHITE (Minister for Health), was read a first time.

QUESTIONS WITHOUT NOTICE

NURSES' DISPUTE

The Hon. M. A. BIRRELL (East Yarra Province)—My question is directed to the Minister for Health. I refer to the fact that the nurses' strike was caused by the Government's action in unfairly raising the expectations of hospital nurses about their new award and I ask: why did the Government mislead public hospital nurses into believing they would receive $42 million when the truth is that they will receive no more than $33 million as their package?

The Hon. D. R. WHITE (Minister for Health)—As honourable members will be aware from a statement that appeared in the Sun newspaper last Saturday, the Government will pay public hospital nurses well in excess of $42 million. The cost is well in excess of $42 million and arose well after the Budget was formulated.

It arose after receiving submissions from hospitals during the course of the implementation of the new career structure of Government hospital nurses, when it became clear that adjustments would have to be made.

I am pleased to inform the House that the estimated total cost of all publicly-funded nurses for 1986–87 will be $54.7 million and authority has been provided for that expenditure.

Expenditure for public hospital nurses will be in excess of $42 million—

The Hon. M. A. Birrell—Including back pay!

The Hon. D. R. WHITE—Including back pay, and that does not take into account the fact that there are some outstanding matters to be resolved and, if that involves additional cost, the Government is prepared to meet that expenditure.

REGIONALISATION OF HEALTH SERVICES

The Hon. K. I. M. WRIGHT (North Western Province)—I refer the Minister for Health to the slowness and difficulties experienced in implementing the Government's regionalisation of health services and to the transfer or suspension of the regional director of health at Bendigo, Dr Ian Cumming.

Can the Minister inform the House of the circumstances of that suspension or transfer and of the future of Dr Cumming and what the Government is doing to speed up the regionalisation of health services?
The Hon. D. R. WHITE (Minister for Health)—The role and future of the regional director of health at Bendigo is the responsibility of the Chief General Manager of Health Department Victoria, Mr Leon L’Huillier.

The regionalisation process is proceeding over a period, but it will not provide, as I have said on many occasions, an addition to the existing resources of Health Department Victoria.

WETLAND HABITATS OF PROPOSED FRENCH ISLAND STATE PARK

The Hon. B. W. MIER (Waverley Province)—My question is directed to the Minister for Conservation, Forests and Lands. The Minister would be aware that the wetland habitats of the proposed French Island State Park are of international significance. What action does the Minister intend to take to protect the wetlands in general and French Island in particular?

The Hon. J. E. KIRNER (Minister for Conservation, Forests and Lands)—I thank the honourable member for his question about that most important area of French Island, the wetland habitats. It is a wetland of international significance and is recognised under the Ramsar convention.

The importance of the habitat is because the mangrove communities at French Island are almost untouched. The seagrass communities are under threat in Western Port, but are well preserved on French Island. The mudflats are used as roosting and feeding grounds by migratory wading birds.

On French Island the mudflats extend more than 1 kilometre out from the island at low tide. However, the area that needs to be preserved is located within 150 metres of high-water mark. To ensure the protection of this special area of land, the Government proposes to extend the boundary for the proposed French Island State Park to that 150-metre mark.

In case there is any misunderstanding, deliberately or otherwise, I indicate that there is no intention of restricting commercial fishing or angling in that area of the park. At present, approximately twenty people are engaged as commercial fishermen.

The Hon. H. R. Ward interjected.

The Hon. J. E. KIRNER—I can walk on water as well as mud, Mr Ward!

The activities of those people will not be affected by the creation of the park. In addition, the Minister for Planning and Environment, the Minister for Water Resources and I are awaiting a compilation of the submissions on the first wetlands policy for Victoria, and we hope to have that available to the public at the beginning of next year.

NURSES’ DISPUTE

The Hon. G. P. CONNARD (Higinbotham Province)—I direct a question to the Minister for Health and refer to the nurses’ dispute, particularly the fact that the State Secretary of the Royal Australian Nursing Federation, Irene Bolger, is also a member of the Victorian Administrative Committee of the Australian Labor Party.

Firstly, to whom was the Premier referring yesterday when he said that people outside the federation were encouraging its actions? Secondly, what evidence or what names can the Minister produce to support the Premier’s claim that people outside the nurses’ union are encouraging the strike and that the strike is politically motivated?

Finally, what evidence can the Premier or the Minister produce to support the Premier’s claim that people advising the federation are intent on attacking his Government?

The Hon. D. R. WHITE (Minister for Health)—Firstly, I should indicate that throughout the dispute I have had nothing to say about the merits or demerits of the leadership of the
Royal Australian Nursing Federation. In regard to the latter part of the question, I refer Mr Connard to page 1 of today's Herald, which might be of interest to him.

In answer to the earlier part of the question concerning whether the State Secretary of the Royal Australian Nursing Federation is on the Administrative Committee of the Australian Labor Party, I merely indicate to him that, in future, when Mr Birrell prepares questions for him, he should get the facts right.

**PUBLICATION: "WHERE YOU STAND"**

The Hon. B. P. DUNN (North Western Province)—The question I direct to the Minister for Community Services relates to a publication called Where you Stand that is marked not available to people over the age of eighteen years. It is published by the Fitzroy Legal Service and is funded, at least in part, by the Youth Affairs Council of Victoria and a grant from the International Youth Year.

The booklet gives advice on how to squat, particularly in Government houses. It indicates that it is legal for people over the age of ten years to have sex so long as there is less than two years' age difference between those involved. It indicates how to leave one's parents and how to have abortions if one is under the age of sixteen years.

Generally, it is an extremely destructive booklet so far as community standards are concerned. Is the Minister aware that Commonwealth and State Governments' funding to the Fitzroy Legal Service amounted to $157 300 in this financial year and that some of the money was used to produce this document which is finding its way into schools throughout Victoria?

Does the Minister condone this attack on community standards? Does she condone the use of taxpayers' money for the purposes of publishing a booklet of this kind, and will the document be investigated with a view to having it withdrawn from publication in the State?

The Hon. C. J. HOGG (Minister for Community Services)—I am somewhat at a loss to know why Mr Dunn has directed this question to me, but I am happy to answer what I took to be the substance and thrust of the question.

Firstly, I am reluctant to make a statement on something that I flicked through only moments before you, Mr President, entered this Chamber. I am certainly reluctant to criticise the booklet after glancing at only a few pages.

It is fair to comment that many publications for young people and teenagers are seen as controversial in the eyes of the next generation who are older than they are.

In answer to the specific matters raised by Mr Dunn, it appears to me, from my brief perusal, that the document contains some useful information about addresses of local health centres, intermingled with some misleading information and information that is not useful. It is obvious that advice about squatting in public buildings is not advice that I would regard as particularly useful.

I am not aware how the publication was funded. I am not aware of the sources of funding specifically for that document as distinct from the bodies that have auspiced it.

I am certain that there would have been a mixed reaction to the document in the community. I do not know when the document was launched but it was not brought to my attention until 15 or 20 minutes ago.

I shall certainly make some inquiries about the document, but I reiterate that I do believe booklets such as this appear every so often and particularly in an international year dedicated to youth.

The booklet probably contains a miscellany of items, some of which may be useful, some of which may not be useful and some of which may be misleading. I shall endeavour to obtain some precise information to answer Mr Dunn's precise questions.
ANIMAL EXPERIMENTATION

The Hon. D. E. HENSHAW (Geelong Province)—Can the Minister for Agriculture and Rural Affairs advise the House of recent statistics on animals used in experiments in Victoria?

The Hon. E. H. WALKER (Minister for Agriculture and Rural Affairs)—I thank Mr Henshaw for the question and his interest in this matter and I am certain that it is also of interest to other honourable members.

The number of animals used in medical, commercial and industrial experiments decreased by 16 per cent in 1984-85. I commend to honourable members the third annual report of the department's Bureau of Animal Welfare which showed that 207,000 animals were used in completed experiments that year but that was 33,000 fewer than in the previous year. However, it is still a significant number.

A further 123,000 animals were involved in continuing experiments but that figure also decreased by 14 per cent on the previous year.

The bureau's report provided experimentation statistics and information from tests on vertebrate animals at some 60 institutions which conduct experiments on animals in Victoria. The report also details the time taken for tests, the animals and techniques used and the reasons for the experiments.

Institutions using animals in experiments are now required to provide statistical reports as part of the State Government's policy of informing the public about the nature and extent of experimentation. Toxicity testing was carried out on approximately 950 animals in completed experiments, with more than 800 of them being mice and rats.

Most toxicity tests related to human medicines and household substances. I am delighted to say that none involved general environmental pollutants, industrial substances, cosmetics and toiletries, or tobacco and tobacco substitutes.

Honourable members would be aware that a few weeks ago I announced in this House that the Government was moving towards banning the Draize and LD 50 tests.

NURSES' DISPUTE

The Hon. B. A. CHAMBERLAIN (Western Province)—I refer the Minister for Health to the worsening nurses' dispute and the decision by nurses today to continue with their strike. I ask the Minister: why has he not used the services of an independent arbitrator in an attempt to resolve the dispute in the same way that the Government used a separate or independent arbitrator for the Portland smelter dispute?

The Hon. D. R. WHITE (Minister for Health)—There is a proper and effective industrial relations process to deal with this issue and that process is in train. At 11 a.m. tomorrow the Full Bench of the Industrial Relations Commission will meet and commence to resolve any outstanding matters by way of arbitration.

Last Friday, at the hearing before the Full Bench of the Industrial Relations Commission of Victoria, the Royal Australian Nursing Federation sought a conference on Monday. The Full Bench of the commission indicated yesterday that it would not be possible to proceed with a conference because there had not been a return to work. I refer to page 2 of the decision of the Industrial Relations Commission of Victoria in full session yesterday. In the last two paragraphs on page 2, it stated:

By its refusal to accept the commission's position of holding a conference contingent upon a resumption of normal work, RANF membership have triggered off a series of consequences which mean that the matters in dispute must be decided by the commission.

As a matter of law it can no longer be claimed by the RANF or anyone else that the matters in dispute will be resolved by a process of negotiation.
The Full Bench of the commission yesterday took steps to arbitrate on four matters. It arbitrated on the charge nurse and associate charge nurse issues in favour of the Royal Australian Nursing Federation; it commenced to deal with the issue of designated areas, partly in favour of Health Department Victoria and the Government and, on page 4 of the transcript of its decision in respect of the student nurse issue, the commission states:

Mr Kotsifas, speaking for and on behalf of the RANF, had indicated that the anomalies conference on the student nurse claim would be welcomed if that were commenced to be pursued in 1987.

The conclusion on page 4 states:

That remains the proper way to handle the claims for student nurses and first year grade I registered nurses. Pursuit of those claims in any other manner as from now will be contrary to the State wage principles and will constitute a breach of the undertaking given by the RANF when it received the last State wage increase.

In other words, as recently as 20 October, the federation had indicated a willingness to proceed by way of an anomalies conference in respect of the resolution of the student nurse issue.

The commission went further and, in the final paragraph on page 6, stated:

At the proceedings on 12 November the RANF will only be permitted to make submissions on the merits of the issues if nurses have resumed normal work in accordance with the commission’s order of 7 November 1986. As matters stand at present the Hospital Employees’ Federation of Australia (No. 1 Branch), the Victorian Trades Hall Council, Minister for Labour, Health Department, the Australian Chamber of Manufactures, the Victorian Employers Federation and the Municipal Association of Victoria will be able to make submissions.

It is quite clear that those arbitration proceedings will continue to occur and the matter will be resolved by arbitration.

REPAYMENT OF LOANS FOR PRIVATE POWERLINES

The Hon. R. M. HALLAM (Western Province)—I refer the Minister for Agriculture and Rural Affairs to his recent announcement of a scheme under which funds will be made available through the Rural Finance Commission at subsidised rates of interest to those State Electricity Commission consumers facing capital outlays as a result of the undergrounding of private powerlines. I congratulate the Minister on this move.

I ask the Minister whether he will take up the second part of my original submission to have those loans administered through the State Electricity Commission so that they become repayable over the term of the loan as a normal part of the quarterly State Electricity Commission bill?

The Hon. E. H. WALKER (Minister for Agriculture and Rural Affairs)—I thank the honourable member for his comments with regard to the resolution of the major part of this issue and I give him some credit for having brought it forward in the House some time ago.

The second part of his question is something that deserves attention and I apologise for having missed it when considering what I had been asked in the first instance. I will take up the matter with Mr Hallam if he would care to talk to me later in detail about it and in the meantime I will ensure that work is begun on it and then I will have an answer for him.

URBAN STRATEGY FOR METROPOLITAN MELBOURNE

The Hon. B. T. PULLEN (Melbourne Province)—Prior to the last election, the Government made a commitment to the development of an urban strategy for metropolitan Melbourne. Many people interested in planning have raised the question with me of what progress has been made towards this move, given that they see it as making an important contribution towards the coordination of infrastructure for Melbourne and many related issues. Could the Minister for Planning and Environment inform the House what stage this planning has reached?
The Hon. J. H. KENNAN (Minister for Planning and Environment)—I thank the honourable member for his question. As the shadow Minister in this place would be aware, last week in Melbourne an important international conference was held on this and related matters. Work is well advanced in the preparation of a comprehensive strategy for Melbourne.

Honourable members will be aware that the current strategy really revolved around Amendment No. 150 and that a number of assumptions and forecasts on which that strategy is based are no longer relevant. For instance, the current population forecasts indicate that if present trends were to continue to the year 2001, there would be a decline of 210,000 people in the central to middle suburbs of Melbourne and an increase of approximately 750,000 people on the fringes.

Without a proper strategy developed by a Government to deal with such trends, a number of problems would arise, such as fast growth rates on the fringes with possibly from 4000 to 6000 new lots a year in some outer municipalities in the 1990s. This would place severe strains on State and local government service provision.

There would also be underutilisation of Government infrastructure in the middle and inner suburbs, increasing development pressure on environmentally sensitive areas and increasing travel times to centres of employment, social activity and so on.

The strategy that the Government is now bringing to fruition will deal with how that growth can be properly managed in the urban area and will address locational aspects of the changing urban economy and issues relating to a high level of environmental quality in Melbourne.

Through the strategy, the Government will be able to ensure that areas being subdivided have better physical and social services and that more effective use is made of the Government’s resources in servicing metropolitan development.

I hope that results of this work will be released publicly in the first half of 1987 and I look forward to releasing a document that sets down a clear vision of the future for urban Melbourne.

DEPARTMENT OF CONSERVATION, FORESTS AND LANDS

The Hon. N. B. REID (Bendigo Province)—I ask the Minister for Conservation, Forests and Lands whether she removed Professor Eddison, the Director-General of the Department of Conservation, Forests and Lands, and also the finance director of that department from their positions because of her inability to exercise proper Ministerial control over that department. If not, what were the reasons for their removal?

The Hon. J. E. KIRNER (Minister for Conservation, Forests and Lands)—I am delighted that Mr Reid has given me the opportunity of placing on record the Government’s appreciation of Professor Eddison’s contribution to the development of my department.

While Professor Eddison was recently in London, he accepted the position of Chief Executive of the London Borough of Hammersmith and Fulham.

The Hon. N. B. Reid—He was sent back from whence he came.

The Hon. J. E. KIRNER—Professor Eddison will take up that position after Christmas. While Director-General of Conservation, Forests and Lands, he was instrumental in enabling the department to move from four departments to two and to move in a way that was integrated and brought together some real warring factions in the Forests Commission, the Soil Conservation Authority, Fisheries and Wildlife Service and National Parks Service, and he did that extremely well.

He did that well because he has a strong understanding of concepts for the proper use of public land and integrated planning and because he has a commitment to community participation in decision making.
I am pleased to say in the House that without his contribution the four into two reorganisation would not have gone as well as it has.

At about the middle of this year, the director-general moved to remove the director of finance from the department because of concerns about the ineffective management of finances within the department—a subject on which Mr Reid could probably quote chapter and verse. That position has been filled and the financial management of the department is progressing as it should.

"STAR" FUNDING

The Hon. JEAN McLEAN (Boronia Province)—I direct a question to the Minister for Community Services. As many honourable members are receiving representations on behalf of Star Victoria Association for the Retarded, the organisation for Victorian action on intellectual disability, could the Minister please outline the current funding policy for that organisation?

The Hon. C. J. HOGG (Minister for Community Services)—I should like to make two general points before outlining some details of the current funding situation. Firstly, the State Government has only ever provided about half the income of Star Victoria Association for the Retarded, and my department does not intend to become a more significant funding body than it has been in the past. In the last financial year the general operations area of that association received $5000 directly from my department and a further $25,000 from the Health and Disability Self-Help Fund. This latter grant was supposed to support the association until December this year.

The second point I make is that the association has significantly increased its operating costs and the services it offers, without reference to the department and without taking account of its own financial situation. The association's estimate of its general costs for next year is about $100,000, a 25 per cent increase on the 1984-85 financial year; that is on the latest figures available.

The current situation is that my department is providing an immediate $10,000 emergency funding grant to bridge the gap for the association until the outcome is known of its application for funds through the community support and development grants. I am confident that the association will be able to maintain its operations, but I should place on record that it is most likely that its operations will be reviewed because it is quite untenable that funding situations should reach that kind of projected and actual blow-out proportion.

HEALTH (AMENDMENT) BILL (No. 2)

The Hon. D. R. WHITE (Minister for Health), by leave, moved for leave to bring in a Bill to amend the Health Act 1958 and other Acts and for other purposes.

The motion was agreed to.

The Bill was brought in and read a first time.

CRIMES (CONFISCATION OF PROFITS) BILL

The Hon. J. H. KENNAN (Attorney-General), by leave, moved for leave to bring in a Bill to provide for the confiscation of the profits of crime and the forfeiture and destruction or disposal of property in certain circumstances, to amend the Drugs, Poisons and Controlled Substances Act 1981, the Summary Offences Act 1966, the Crimes Act 1958, the Evidence Act 1958 and for other purposes.

The motion was agreed to.

The Bill was brought in and read a first time.
The Hon. J. H. KENNAN (Attorney-General)—By leave, I move:

That there be laid before this House a copy of the report of the Leo Cussen Institute for the year 1985.

The motion was agreed to.

The Hon. J. H. KENNAN (Attorney-General) presented the report in compliance with the foregoing order.

It was ordered that the report be laid on the table.

ECONOMIC AND BUDGET REVIEW COMMITTEE

Subsidiary companies of Government organisations

The Hon. D. E. HENSHAW (Geelong Province) presented a report from the Economic and Budget Review Committee upon the accountability requirements affecting subsidiary companies of Government organisations, with special reference to V/Line Industries Pty Ltd, together with appendices.

The Hon. D. E. HENSHAW (Geelong Province)—I move:

That these papers do lie on the table and be printed.

In doing so, I point out that, under the Parliamentary Committees Act, the Economic and Budget Review Committee is permitted to inquire into, consider and report to Parliament on any proposal that arises out of the annual Estimates of receipts and payments from the Consolidated Fund or under the Budget Papers. Arising out of that power under its own Act, the Economic and Budget Review Committee has a subcommittee called the Public Accounts Subcommittee, and it is from that subcommittee that this report has originated; so that the report is, in effect, an indication of the operation of the Economic and Budget Review Committee in its public accounts role.

I advise the House that it is hoped that two further reports will be tabled from that same subcommittee within the next several weeks.

I thank my colleagues on that committee for their contribution to that report. I specifically congratulate the research staff and other staff who contributed to the report.

The motion was agreed to.

On the motion of the Hon. H. R. WARD (South Eastern Province), it was ordered that the report be taken into consideration on the next day of meeting.

LEGAL AND CONSTITUTIONAL COMMITTEE

Subordinate legislation

The Hon. HADDON STOREY (East Yarra Province) presented:

the sixth report on subordinate legislation, together with an extract from the proceedings of the committee, in relation to—

(a) the County Court (Bailiff's Fees) Order 1986 (Statutory Rule 71 of 1986), the Fishing (General) (Amendment) Regulations 1986 (Statutory Rule 79 of 1986) and the Melbourne and Metropolitan Board of Works By-law No. 222: Water Supply (Statutory Rule 148 of 1986); and
(b) recommending the disallowance of regulation 5 of the Coroners Regulations 1986 (Statutory Rule 126 of 1986); and

the seventh report on subordinate legislation recommending the disallowance of—

(a) the Teaching Service (Appeals Boards, Chairman and Members—Terms and Conditions) (Amendment No. 20) Regulations 1986 (Statutory Rule 226 of 1986); and

(b) the Freedom of Information (Prescribed Office) Regulations 1986 (Statutory Rule 111 of 1986).

It was ordered that they be laid on the table and be printed.

On the motion of the Hon. HADDON STOREY (East Yarra Province), it was ordered that the reports be taken into consideration on the next day of meeting.

PAPERS

The following papers, pursuant to the directions of several Acts of Parliament, were laid on the table by the Clerk:

Labour Department—Report and financial statements for the year 1985–86.
La Trobe University—Report of the council, together with statutes approved by the Governor in Council, for the year 1985 (ten papers).
Metropolitan Transit Authority—Report and financial statements for the year 1985–86.
Police and Emergency Services Ministry—Report and financial statements for the year 1985–86.
Police Service Board—Determination No. 465.
Port of Melbourne Authority—Report and financial statements for the year 1985–86.
Road Construction Authority—Report and statement of accounts for the year 1985–86.
Road Traffic Authority—Report and statement of accounts for the year 1985–86.
State Insurance Office—Report and financial statements for the year 1985–86.
State Transport Authority—Report and financial statements for the year 1985–86.

Statutory Rules under the following Acts of Parliament:

Country Fire Authority Act 1958—No. 274.
Fisheries Act 1968—No. 281.
Industrial Relations Act 1979—No. 280.
Lotteries Gaming and Betting Act 1966—No. 272.
Mines Act 1958—No. 270.
Public Service Act 1974—PSD Nos 36 to 38.
Racing Act 1958—Nos 266 and 271.
Transport Act 1983—No. 278.
Water Act 1958—No. 279.
Town and Country Planning Act 1961—
   Ballarat—City of Ballarat Planning Scheme—Amendment No. 87.
   Bass—Shire of Bass Planning Scheme—Amendments No. 24, Part 1; and No. 30.
   Bright—Shire of Bright Planning Scheme 1983—Amendment No. 5.
   Geelong Regional Planning Scheme—Amendments No. 123; No. 148, 1985; No. 148, Part 1, 1986; and No. 174.
   Lillydale—Shire of Lillydale Planning Scheme—Amendments Nos 219 and 221.
   Moe—City of Moe Planning Scheme—Amendment No. 96.
   Pakenham—Shire of Pakenham Planning Scheme, Part 1—Amendment No. 50.
   Rochester—Shire of Rochester (Rochester Township) Planning Scheme—Amendment No. 21.

Transport Ministry—Report and financial statements for the year 1985–86.

Proclamations of His Excellency the Administrator in Council fixing operative dates in respect of the following Acts:
   Lotteries Gaming and Betting (Amusement Machines) Act 1986—1 November 1986 (Gazette No. 90, 29 October 1986).
   Registration of Births, Deaths and Marriages (Amendment) Act 1985—31 October 1986 (Gazette No. 90, 29 October 1986).

On the motion of the Hon. HADDON STOREY (East Yarra Province), it was ordered that the reports be taken into consideration on the next day of meeting.

EGG INDUSTRY STABILIZATION (AMENDMENT) BILL

The debate (adjourned from October 22) on the motion of the Hon. E. H. Walker (Minister for Agriculture and Rural Affairs) for the second reading of this Bill was resumed.

The Hon. R. I. KNOWLES (Ballarat Province)—The Bill is necessary to allow the production of additional eggs and egg products to supply a contract entered into between the Australian egg industry and Japan. The possibility of the contract arose because of the depreciation of the Australian dollar against the Japanese yen. The profitable contract, which is worth $15 million to Australia, will mean that Victoria will receive a 30 per cent to 40 per cent share.

Because of the tight control over the Victorian egg industry, it is necessary for proposed legislation to be introduced to allow the production of more eggs. It would be appropriate to register my concern that, having negotiated a successful contract, the industry then has to have proposed legislation introduced to allow for increased production to meet the contract.

During many previous debates in this place, honourable members have canvassed the way in which the egg industry is structured and the issues involved. I do not intend to canvass those views in this debate. As honourable members will be aware, very few of my colleagues support the views that I am supposedly presenting on behalf of the Liberal Party.
The Opposition supports the Bill because it is in the interests of the Victorian egg industry. My understanding is that if producers with hen quotas take up the option to increase production, it will lead to a 10 per cent increase in their quotas. If they do not, obviously the percentage increase in quotas for those farmers will not increase. The Opposition supports the proposed legislation and wishes it a speedy passage.

The Hon. B. P. DUNN (North Western Province)—The National Party supports the Bill, which is an example of the opportunities that can be taken by Australia in the world market in view of the depreciation of the Australian dollar. It is one of the positive aspects that arises from the devaluation of the dollar and places exports in a more competitive position. This flows through to all fields of agriculture. That should be and is a benefit of the depreciation.

However, the cost structures that still apply in Australia cancel out, to a large extent, the benefits that are flowing to Australia from the increased export opportunities. That is an area where the State Government, and the Federal Government in particular, must work if they are to ensure that Australia receives the full benefits of its export potential.

The Victorian egg industry is stable and successful. The industry has been able to build up under the provisions of the Egg Industry Stabilization Act, and the National Party strongly recommends that those provisions continue to operate. I should like to see the Liberal Party make a similar commitment to the continuation of the provisions of the Act because, if one departs from the Act and allows Victorian egg production to increase at will, it will be a disastrous day for the egg industry.

The Hon. R. I. Knowles—I think the Government is going to move.

The Hon. B. P. DUNN—I am concerned about that fact.

The Hon. E. H. Walker—Who said that?

The Hon. B. P. DUNN—The Minister gave an undertaking, admittedly in answer to a question of mine, that in the foreseeable future he would continue the Government’s commitment to egg industry stabilisation. However, the Minister would not commit himself beyond the findings of the Public Bodies Review Committee on the matter. I can understand that the Minister is not prepared to commit himself so far into the future.

However, I point out strongly to the Minister, Mr Knowles and the Liberal Party that the Egg Industry Stabilization Act is paramount if the Victorian egg industry is to enjoy continued stability and to produce a quality product.

Victoria produces a number of outstanding agricultural products. Two that come to mind are milk and eggs, which are first class, top quality products provided to consumers at reasonable prices, especially when measured against the prices of other items families need to purchase. Bread and meat are other important products. Stabilisation has allowed the producer to provide such a good quality product.

The provisions of the Bill will enable the industry to develop an export market to Japan. Although it is only a short term initiative at this stage, the National Party believes this to be encouraging. There is an annual contract commencing on 1 December this year which allows Victorian producers to receive 80 cents a dozen for the extra eggs that will be produced in addition to their existing quota production. As Mr Knowles pointed out, all Victorian licensees can apply for an export permit of up to 10 per cent of their current quota. A permit will be issued for a four-weekly period.

Some honourable members may not be aware of how the export eggs will be physically handled and whether they will be dealt with separately. The eggs will go into the total egg pool and the Egg Marketing Board will apply a levy on producers to ensure that the return is reduced to 80 cents a dozen. The quota levy required to equate to a return of 80 cents a dozen is 33 cents per permit hen per fortnight in the period 1 December 1986 to 30 June 1987, and 35 cents per permit hen per fortnight in the period 1 July 1987 to 30 November 1987.
The reason for that is basically because of the changed hen levy provisions that were established by the passage of legislation during the last sessional period. Therefore, the export eggs will go into the total pool and producers will be charged a levy which reduces the amount they receive to 80 cents a dozen for that extra production.

Producers will handle this extra production in different ways. Many producers may just hold their hens for an extra period. Some sheds operate on an "all in-all out" basis where once the hens are to be phased out of egg production, the shed closes down for a period until a new group of layers comes in and reaches the laying stage. Other sheds work on the basis that a percentage of hens are turned over all the time. An egg producer with 4000 hens might turn over 2000 hens at a time so that 2000 hens are always in full production and another 2000 hens are at various stages of development. There would be others that are not at the laying stage.

The hens that have finished their full laying life will be kept on for an extra period, and they will meet the additional 10 per cent of quota which they are allowed to attract under the provision.

Some people will take advantage of the offer and others will not. I have spoken with egg producers who are going to go both ways. They do not believe it is economical to purchase young birds and to bring them into production just to meet the 80 cents a dozen return that they will get from this export market. They will basically continue with the young hens but, towards the end of their laying lives, use them to meet this commitment. In that way it could be economical to do it.

It says something for our product that we have been able to establish a contract of this kind with Japan. We know that the Japanese are particular about the food products they purchase and they are very particular in relation to chemical additives and pollution of food that comes into their country. Our product must be of a good standard to meet this export market for egg yoke and egg white products.

There are a number of clouds on the horizon for the egg industry. Some of them have been created by the Government and are directly related to the profitability of producers. Only a couple of months ago the Government reduced the price of eggs in Victoria by 12 cents a dozen.

The Hon. E. H. Walker—The Egg Marketing Board reduced the price.

The Hon. B. P. DUNN—I know the Minister would like us and the Government to believe that, but does he deny that he does not have the ultimate responsibility, as the Minister, for decisions that are made?

The Hon. E. H. Walker—We do with the milk, but not with eggs. The ultimate responsibility for the price is with the board.

The Hon. B. P. DUNN—I believe the Minister does have some responsibility and he certainly has some input into the policies of the board. The Minister certainly has the ability to appoint the board.

The Hon. E. H. Walker—True.

The Hon. B. P. DUNN—With an issue of this kind, 12 cents a dozen is going to severely affect producers, and, as we know, Professor Fels recommended that there should even be a further cut. The Minister has not ruled out that possibility in the future. This might be just the first cut, and, frankly, we have got to look at the effects of the reduction on the egg producers.

Just doing some quick figures in relation to the average hen, I understand the average hen will lay approximately 21 dozen eggs a year, and if one considers 12 cents a dozen applied across those 21 dozen eggs, the figure is $2.52 per hen a year. That is the effect of the cut.
The Hon. R. I. Knowles—What are they paying for quotas, just to get a licence to produce?

The Hon. B. P. DUNN—I wonder how Mr Knowles can express those views as they are not compatible with the views of some of his colleagues. I know they will express different views.

The Hon. R. I. Knowles—Mr Granter will express a different view.

The Hon. B. P. DUNN—I tend to favour Mr Granter's view. Mr Knowles should stay with his beef cattle and let Mr Granter and Mr Grimwade and the other people who know about eggs deal with that industry.

Mr Hunt knows a bit about eggs, too, and we welcome him back to the Chamber; we need his support. Mr Knowles is suggesting that these cuts in egg prices may well be justified because people are paying too much for hen quotas. One could use the same argument for land, and there are a whole lot of variables that come into a decision to buy either land or hen quotas that are not directly related to the immediate returns one is going to get over the next month or over the next six months.

One has to take into account the other factors such as the number of people involved on the farm. There may be a son or a daughter who is coming home to the property and the farm may need to expand. The family may need a greater economy of scale in its operation. One cannot say that because people pay $17 per hen quota that that amount reflects the profitability of the industry.

That was the view of the former Minister of Agriculture, Mr Eric Kent, and we all know that he was totally wrong in regard to that issue. He used to say that if prices are so high, how come things are so bad and there is no profitability in the industry? It is not an accurate measurement of the profitability in an industry.

With regard to quotas, a 10 000-bird egg farm with a reduction of $2.50 a hen a year is $25 000. That is the cut that one is looking at by the stroke of the Minister's pen when he reduced the price by 12 cents.

The Hon. E. H. Walker—The board's pen!

The Hon. B. P. DUNN—I see the Minister as the accountable person who could have stopped it.

The Hon. E. H. Walker—I could have stopped it? I supported it.

The Hon. B. P. DUNN—I know the Minister did; the Minister even set up the situation. That is the effect of the Minister's decision back on the farms, and he will be taking $25 000 out of the pockets of egg producers overnight. The Minister is also talking about taking another 8 cents a dozen in the future.

There have been no real increases in egg prices during the past three years, until this last occasion when the price was cut, and the costs have continued to rise. Admittedly the price of grains is creating a bit of a war at present, but the general costs of operating an egg farm have increased dramatically over that time.

I ask the Minister to take into account people other than the consumers. He should take into account the producers and the effect on them in cold, hard money terms of his decision. I believe it puts in jeopardy the stability of the whole industry.

One of the features in the Victorian egg industry that we have always defended is the number of producers who are involved in it. We support that, and this Egg Industry Stabilization (Amendment) Bill allows a large number of producers to be involved.

There are producers not far from my property who are basically wheat growers but they are surviving on their egg enterprise. The balance of their farms is basically running at a loss. They are running approximately 3000 hens.
The Hon. E. H. Walker—And that is profitable?

The Hon. B. P. DUNN—They are growing grain on their properties, and that is a very important adjunct to their operations.

The Hon. E. H. Walker—Are 3000 hens profitable?

The Hon. B. P. DUNN—Not in conjunction with the balance of their properties. They run wheat farms and this is a sideline.

The Hon. E. H. Walker—The balance is making a loss?

The Hon. B. P. DUNN—The balance of the farm is basically running at a loss and the egg producing side is bringing in the grocery money for them during the year. None of them is making as much money as professional people such as architects or lawyers.

The Hon. E. H. Walker—I wish I was back in architecture!

The Hon. B. P. DUNN—I'll bet the Minister does! The Minister went a long way backwards when he came into this racket.

The fact is that we have a decentralised industry and we are trying to protect that. Many of the moves that the Government has brought into effect recently—I am only going to touch on those—have tended towards centralising this industry. There are producers at Murrayville at Mildura and at Bendigo and at Birchip—right throughout country Victoria—and the one thing that the Minister ought to remember is that the National Party does not want to see the day when all these egg industry and poultry sheds are located down on the Mornington Peninsula or within close proximity of Melbourne. A number of things that the Government is doing is moving us in that direction.

Firstly, the Government removed the transport subsidy, which means that the egg producers at Bendigo, or even Mildura, have to pay freight on their eggs from the egg floor in Bendigo to Melbourne. Previously they had to pay freight on their eggs only to the Bendigo egg floor and the remainder of the cost was integrated in the total cost of operating the Egg Farmers of Victoria and the Victorian Egg Marketing Board.

The cost was shared across the industry. What the Government has done by removing those transport subsidies—if one wishes to call them that—is to place further in jeopardy the decentralised aspect of the industry.

That was a detrimental move, which has placed the producers at Bendigo, Mildura, Murrayville and so on at a distinct disadvantage because of their geographical locations. Frankly, that is one aspect that the Minister has introduced which will hurt the producers in this State, particularly those in country areas.

In regard to prices, I should like to make the following point to the Minister, without going into it in great depth. The model used by Professor Fels was a 20 000-bird controlled environment farm. The figures that have been provided to me indicate that only a handful of farms fall into that category in this State, yet the professor used that as a model on which to base his figures on the profitability of the industry.

That is strongly disputed by the Bendigo branch of the Commercial Egg Producers Association of Victoria, which raises particular opposition to the use of that model. The association wrote a letter to the Minister dated 25 August, of which I have a copy. I assume the Minister for Agriculture and Rural Affairs has read it. In that letter, the association states—and this relates to the factors that Professor Fels took into account:

Any cost of production should include all the costs involved in the production of eggs including land, hen quota, and farm house for security which is not included in the model farm.

In Professor Fels's model, the interest on capital invested is 6.3 per cent. I wonder how many of us would accept a return such as that. I know that I would do so in regard to the wheat industry, because it is a minus at this stage, but the professor used 6.3 per cent as a
model, when, as the association states, its members are paying 17.5 per cent. The letter continues:

The big mistake in Professor Fels' model farm is in the sale of eggs: 20,000 hens laying 252.25 eggs each.

The Hon. J. E. Kirner—The poor things; they ought to be in a union—that is overwork.

The Hon. B. P. Dunn—It is overwork, I agree. That equals 420,417 dozen annually at $1.14 per dozen, which equals $479,275. The letter also states:

While he allows 10 per cent mortality in the sale of spent hens, there is no allowance for mortality in egg sales. This equals 1000 hens out of production annually.

Therefore, the sheds are never operating at full capacity of quota at any given time, and this figure does not take into account, for instance, the summer quota cut.

According to the Commercial Egg Producers Association of Victoria, with those things taken into account, there are 3000 hens out of production in those sheds for seven months of the year, which has a significant effect on the production involved. However, that is not taken into account by Professor Fels. Instead, it is glossed over, and the professor's figures are strongly disputed by the industry.

I should like to issue somewhat of a warning to the Government as to its future action on egg prices. We know that the Government is a consumer-oriented Government, which wants to provide cheap food to the people and which has very little regard for the producer. This is evident throughout the philosophy that has been put forward by the Government.

There is no way known that the egg industry can tolerate a further cut in egg prices, either in the immediate or foreseeable future. This cut is bad enough, but the effect of a further cut will be to destroy some of those producers. That would be disastrous for this State and particularly for those individual families. I emphasise that point.

The National Party wishes the Bill well. It will watch its progress closely and with interest. The National Party is interested in developing initiatives. The Bill represents one initiative, and I believe it is too good an opportunity to miss.

Administratively, the National Party are reasonably happy that the eggs will be managed within the system and that the program that is now outlined by the board will work effectively. There may be a need for some administrative changes but, at this stage, it is satisfactory to the National Party.

It will watch its progress closely. It hopes that many producers will take part in the scheme. It is not profitable to do so by bringing in young hens, but many producers will be able to have some involvement in the scheme, and it is hoped that the scheme will bring a little more additional return to them.

If that is the purpose of the measure, it will provide some assistance to the industry. However, I put the Government on notice in regard to the other matters I have mentioned. It should maintain egg industry stabilisation, retain the decentralised aspect of the egg industry in Victoria, and not provide for a further cut in egg prices, as has been planned by Professor Fels. To do otherwise would put the egg industry in grave jeopardy.

The Hon. F. S. Grimwade (Central Highlands Province)—I am pleased to support the Bill for the export possibilities that it envisages. I am sure I can imagine the smiles on the faces of egg producers and egg farmers when they received the Egg Farmers of Victoria Newsletter of October 1986, Volume 4, No. 9. The front page contained the heading, "Export Contract Bonanza". No doubt, all the producers thought that this would be one of the most exciting proposals. The first column of the article contains the following:

This is the first time that exports of egg products have been possible without equalisation and while the return offered to producers is only viable at the margin, the premium does represent an exciting potential for the Australian Egg Industry.

I would have to echo that thought also. It is really quite remarkable that we have, as it were, gone the whole circle over some period of years, from complete overproduction and
disposing of eggs and egg products at whatever cost, to a situation now where we can perhaps envisage the start of a viable export industry.

I am delighted on behalf of the egg farmers that this is now possible. As other speakers have said, it has been made possible as a result of the devaluation of the Australian dollar. I have no doubt that the strength of our ability to sell agricultural products overseas, such as now exists with regard to eggs, will be reflected also in the wool and meat industries. Unfortunately, I do not envisage it happening in the wheat industry or, for that matter, in the dairying industry. However, there are exciting possibilities for the wool and meat industries.

This Bill does not relate specifically to Japan and, indeed, it may well be possible for producers to sell eggs to other countries to Australia’s north. It is interesting that the contract with Japan is for a twelve-month period for the 1987 calendar year. I understand it also allows for an additional six months in 1988.

Therefore, it could be an ongoing process. It is also interesting to note that one of the reasons why the contract was undertaken with Japan was the emphasis that the Japanese place on egg quality, particularly the natural yolk colouring that is found in Australian eggs.

I am sure my views are well known in regard to the operation of the quota system. I fully support the way in which the former Liberal Government introduced the hen quota system and the rationalisation of the egg industry. I refer the House to the annual report for 1985–86 of the Egg Farmers of Victoria, which refers to the reduction in the number of hens and the increase in production over the period between 1975–76 and 1986–87.

The hen quota has been reduced by 20.5 per cent, from 3.17 million to 2.521 million hens. This dramatic reduction has been orderly and planned, and has achieved considerable success, which was the intent behind the principal legislation.

Although the number of hens has dropped by one-fifth, egg production has increased by 9.2 per cent from 49.5 million dozen to 51.2 million dozen. The productivity and efficiency of farmers has increased. Putting it another way, thus the rate of lay or the number of dozen eggs per hen has increased from 17.3 dozen a hen a year to 21 dozen.

Under the Bill before the House, the number of hens may be increased in the way Mr Dunn outlined; that is, the egg producers may keep hens for a longer period rather than increasing their number by the introduction of new and younger birds.

Mr Dunn mentioned the pricing of eggs and said that the Minister for Agriculture and Rural Affairs had been responsible for the pricing of eggs. I found that interesting. The Minister is not absolutely responsible for the price of eggs but the Government is involved completely in the process. Page 9 of the annual report of Egg Farmers of Victoria states under the heading, “Pricing”:

The board requested support from the Government on its pricing policy and in January, 1986 the Minister referred egg pricing policy to the Prices Commissioner for examination. The board froze egg prices pending the outcome of the inquiry and cooperated fully with the Prices Commissioner. The Prices Commissioner’s report was released in August 1986 and on August 13, 1986 the board reduced egg prices by 12 cents a dozen.

I am not sure whether the Minister actually changed the price of eggs but he asked that the prices be reviewed. No doubt that was the result of his request. I am not suggesting that this practice is improper because it is proper that pricing be dealt with in this way. The Minister is at arm’s length even if that arm is not very long!

I am delighted the Bill has been presented to the House. I echo a thought that the measure is the start of bigger and better things for the very important—but small in number—egg producers in Victoria. The October Newsletter of Egg Farmers of Victoria reports that the total number of egg producers in Victoria is now 431, which number includes many who have a hen quota of 21 to 40 hens, 41 to 75 hens and so on. The bulk
of producers are below the 2000 level. As one would imagine the greatest amount of egg production is at the top end of the scale.

I wish the Bill a speedy passage.

The Hon. F. J. GRANTER (Central Highlands Province)—I could not let this opportunity pass without saying a few words about an industry in which I have been involved nearly all my life. As I have said before, my father was President of the National Utility Poultry Breeders Association and spent most of his life on poultry farms and auctioneering. I appreciate the dedication of the poultry farmer to his industry and the sincerity shown by the industry to the producer.

I applaud the Bill because it will mean much to the poultry farmer, although the initial returns may not be great. As my colleagues, Mr Grimwade and Mr Dunn, have said—and, no doubt, Mr Knowles will say—if the export from Australia to Japan and some of Australia’s near Asian neighbours increases, it will be an impetus to the industry. An increase of only 10 per cent of the quota will mean a return of approximately 80 cents a dozen. No doubt, the proposed legislation will provide the poultry farmer with the incentive to become a little more efficient, to look after his birds a little better and to carry them on for a longer period. It will no longer be economical for the farmer to carry the birds through the moulting period but the Bill will extend the lives of the birds. If it were not for the increase in the export quota, the birds would be slaughtered and would be sold on the poultry meat market.

Export of poultry products is not new to Australia. I remember that many years ago poultry products were exported to the United Kingdom. No doubt with the introduction of the common market some years ago the export of eggs, like so many primary products, went out of existence. The export of poultry products to Japan and other countries will mean a fillip to the industry.

Bendigo is now not part of the province I represent but I know it very well. It has been well represented by the Commercial Egg Producers Association, a fine association that has existed for a number of years. It has been well organised by Dennis Oaks and a number of other office bearers. I am sure they would applaud the chance of exporting eggs to Japan, which the industry has always wanted. At present hen quotas are restricted and cannot be increased unless a quota is bought from another producer.

By and large, egg producers are efficient. Over the years they have carried on in the face of adversity, had their quotas cut and egg production reduced. Now they have a stable quota system. Some of my colleagues may not agree with the quota system but I do and have always said so. In conjunction with Mr Grimwade and the late Sir Gilbert Chandler, I was one of those who introduced the quota system to Victoria. That system has been a blessing to the egg industry.

The cost of production of primary products is the governing item in any industry, whether it be the egg, poultry meat, wool, cattle or land production industries. Producers must be aware of that cost of production.

Previously I mentioned that Bendigo is probably the greatest egg producing area in Victoria. That statement was true a few years ago, but now the majority of eggs are produced within 20 miles of the General Post Office. Nevertheless, the poultry industry in Bendigo is still alive, as it is in Mildura, Castlemaine and other areas that Mr Dunn mentioned. Mr Dunn also referred to the freight or dockage for the transport of eggs from northern or country Victoria to the metropolitan area.

The Crystal Egg Co. in Bendigo, which is managed by Mr Richard Guy, has given great service to egg producers in northern Victoria. It is one of the few egg floors still operating: an egg floor is operated at Euroa and another is operated by the Victorian Egg Marketing Board. Honourable members should seriously consider a decentralised program for egg production. Country members must try to retain industries in country districts.
The Minister for Conservation, Forests and Lands remarked that a bird that produced 250 eggs a year should be in a trade union. I advise the Minister that when I was a fancier and breeder of birds, I bred a bird that laid 313 eggs, which was the record at that time. That was done at the Burnley egg laying competition, and I received a trophy for it, which I am proud to still have.

The fall in the value of the Australian dollar has made the export of eggs to Japan possible. As I stated before, honourable members hope the export of eggs to other countries will follow. The industry is viable and will continue to be with the exportation of eggs. However, the industry is viable regardless of whether eggs are exported: under the management of the egg floors that I mentioned, the industry is efficient. I wish the industry and the Bill well.

The motion was agreed to.

The Bill was read a second time.

The Hon. E. H. WALKER (Minister for Agriculture and Rural Affairs)—By leave, I move...

That this Bill be now read a third time.

I appreciate both the comments of members of the Opposition and their support for the Bill.

The motion was agreed to, and the Bill was read a third time.

**BUILDING SOCIETIES (AMENDMENT) BILL**

The debate (adjourned from October 29) on the motion of the Hon. J. H. Kennan (Attorney-General) for the second reading of this Bill was resumed.

The Hon. REG MACEY (Monash Province)—The Opposition supports the Bill; indeed, it welcomes the Government’s initiative in proceeding with it. The Bill will allow building societies incorporated in Victoria to merge with building societies incorporated in other States. In doing so, the Bill will enable Victorian building societies to take advantage of the economies of scale that are now available to their competitors. It is extremely important that the proposed legislation should go forward without delay.

Currently, the Building Societies Act 1986 regulates societies. The Act currently allows the merging of building societies incorporated only within this State. Because of the progressive deregulation of the Australian financial markets in recent years—a deregulation which the Opposition supports—rationalisation of financial institutions is occurring. If handled properly and with due regard to the needs of the community, that rationalisation will benefit the community.

The Opposition recognises that the pressure to rationalise stems from the need to maintain a competitive position in the face of competition from the new foreign and merchant banks. It will also enable the diversification of services which a larger financial institution can provide. The danger exists that if Victoria’s building societies are not given the legislative power to take advantage of the deregulation, they will lose the opportunity of benefiting both their own members and the State.

The second-reading speech indicates that 22 building societies are incorporated in Victoria with assets worth $4.7 billion. In terms of the total banking system, that figure is relatively small. Therefore, it would be inevitable that such an amount would be overwhelmed by larger organisations to the detriment of the continued profitability and existence of Victorian building societies.
The Government has indicated that its aim is to remove any restriction or impediment to Victorian building societies to enable them to meet competitive pressures, and the Opposition supports that objective.

The Bill removes the existing restriction on interstate building societies merging with Victorian building societies. This restriction is an artificial barrier to the free operations of the financial market and, ultimately, it is detrimental to consumers.

There is a need for oversight by the Government. The Opposition notes that the Bill inserts a new division in Part 6 which sets out the ways in which mergers must take place. It will be necessary for the mergers to be approved, firstly, by the Minister responsible for building societies and, secondly, by the Treasurer, a move the Opposition endorses. The proposed legislation allows the Minister and the Treasurer to impose requirements on aspects of a merger as a condition of approval, thus ensuring that only mergers which are in the interests of the State will proceed. The Opposition will be interested in the ways in which this discretion will be applied by the Government.

The new division allows a number of methods by which mergers may proceed, either by way of partial or total consolidation. It applies to mergers either where participants may cease to exist and a new society is incorporated in Victoria, another State or Territory, or where the merged entity is only one of the participants.

The Bill provides a procedure which a building society must follow when merging with other Victorian building societies. A requirement of the participating building society is that the members must approve the proposed merger unless the Registrar of Building Societies directs otherwise, and each society must provide a statement setting out its financial position, the interest any director or officer of a society may have in the merger and any compensation or other payments which may be made to officers or members of the society.

The Bill provides requirements for appropriate advertising in Victoria and in the home State of other building societies. When the statutory preconditions have been satisfied, the registrar will be required by the new division to issue a certificate, and the merger will take effect only on the issue of that certificate.

There appears to be adequate safeguards for those whose interests are affected by the proposed legislation. Society members are to agree to the proposal and the Minister and the Treasurer are required to ensure that the interests of the State are paramount. There are requirements as to how assets, liabilities and obligations of each of the merging building societies are to be transferred into one entity. They must be made public and stated on the certificate.

The Opposition shares the hope of the Minister that other States also will recognise the need to remove provisions in their legislation that at present may impede Victorian building societies merging with societies in other States.

The Opposition agrees with the Government that without this initiative smaller financial institutions, such as building societies, will not be able to meet the challenges of a deregulated, financial industry. This would be to the detriment of the Victorian community.

Building societies in Victoria have indicated no opposition to the measure, which is not surprising. In fact, they are waiting with a degree of anticipation for the Bill to become law. The Liberal Party is anxious to work with the Government in bringing this about.

The Hon. K. I. M. WRIGHT (North Western Province)—The National Party supports the Building Societies (Amendment) Bill. It arises from pressures of deregulation of the Australian financial markets, which have generated changes in existing financial institutions. The Bill will allow building societies in Victoria to merge with building societies in other States.

The Minister did not mention it in his second-reading speech but, as I understand it, the amendments to the Act are designed to permit the merging of the Hotham Building
Society with the Perth Building Society. I understand that the Perth Building Society has been in control of the Hotham Building Society for several years.

There are excellent building societies in the province that I represent, and they include the Bendigo Sandhurst Building Society, RESI-Statewide Building Society, North-West Building Society, Security Cooperative Building Society, Hotham Building Society and others.

The Hon. J. H. Kennan—Do you or your family have an interest in any of them?

The Hon. K. I. M. Wright—The interest that I have is duly notified as required by Parliament.

I take the opportunity of commending the Bendigo Sandhurst Building Society, which recently merged with the Sunraysia Building Society. Their combined assets are $423 million; the permanent shares and realised reserves are $22·4 million; the percentage of assets is 5·3 per cent; operating profit after tax is $4·1 million; and percentage of assets is 0·97 per cent.

It is obvious that the Bendigo Sandhurst Building Society is large and important. I congratulate the board of management and the staff of the Bendigo Sandhurst Building Society for the excellent results in its balance sheet. It gives Victoria its only truly country building society. I note that the Geelong Building Society and subsidiaries have assets of $584·1 million.

The RESI-Statewide Building Society is another important building society and its assets are $2259·3 million. Having been a real estate agent when the RESI Building Society was established, I was pleased to note its growth and its merger with the Statewide Building Society. In a way, that answers the query of the Attorney-General.

However, I censure the Hawke Government for its financial policy. It has not faced reality with Australia’s massive foreign debt, which has tripled in four years of Labor Government. The debt in the early 1980s was $23 billion, but now it is $65 billion.

The President—Order! The honourable member is straying from the provisions of the Bill.

The Hon. K. I. M. Wright—I am leading up to a point that drastically affects Victoria’s building societies: the Commonwealth Government has increased interest rates to stop a capital outflow and to attract foreign investment; however, over the past six months this has caused great difficulty to building societies in attracting capital.

Basically, building societies accept deposits and lend money out; they operate within a margin of less than 2 per cent. They provide a real service to the community and a tremendous boost to homeowners.

As a former estate agent—some thirteen or fourteen years ago—I believe the most important aspect of the advent of building societies was their preparedness to allow young couples to borrow 95 per cent of the valuation of the property. At that time banks were prepared to lend only up to 75 per cent of the value of the property.

The Hon. J. H. Kennan—Or even 60 per cent!

The Hon. K. I. M. Wright—That is correct. However, I am not criticising the banks because in other areas banks have provided either an equal or better service than building societies.

The Bendigo Sandhurst Building Society informs me that additional financial organisations have not created competition to reduce the cost of money; indeed, they have had the opposite effect!
Following new legislation, the Bendigo Sandhurst Building Society provided new Visa facilities; installed automatic teller machine facilities; provided new credit facilities and established new branch locations.

Building societies are justifiably upset at what the Federal Government is doing for savings banks by subsidising them to the extent of $160 million this year to hold the existing mortgage interest rate at 13.5 per cent. Despite a number of protests from other honourable members and me, building societies have not been included in the subsidy arrangements even though they are expected to compete with banks on an equal footing.

The interest rate subsidy has created grave difficulties for housing finance. Even though investors want the highest possible interest rate on their investments, when an investor purchases a house, he or she expects to borrow money at the lowest possible interest rate. It is an impossible situation, and house interest rates must rise.

A further point is that young couples purchasing houses in Victoria should be permitted tax deductions on the interest paid on their mortgages. Such a move would be logical in light of the way interest rates have been allowed to escalate.

Having praised the building societies both in my electorate and throughout the State, I commend the Government on introducing the Bill which will allow building societies more flexibility.

The motion was agreed to.

The Bill was read a second time.

The Hon. J. H. KENNAN (Attorney-General)—By leave, I move: That this Bill be now read a third time.

I thank Mr Macey and Mr Wright for their comments—although not all of Mr Wright’s comments—but those relating to the actions of the Government in introducing the Bill. I thank the Opposition for granting speedy passage for this important Bill.

The motion was agreed to, and the Bill was read a third time.

COURTS (FURTHER AMENDMENT) BILL

The debate (adjourned from October 29) on the motion of the Hon. J. H. Kennan (Attorney-General) for the second reading of this Bill was resumed.

The Hon. B. A. CHAMBERLAIN (Western Province)—The Opposition supports the Bill, which is a further progression in court legislation and jurisdiction. The Opposition commends the Government on the way it has handled these issues.

The Bill represents an erosion of the distinction between the various levels of civil courts by conferring equitable jurisdiction over the three layers of courts.

Many matters which were small in essence had to go before the Supreme Court because that was the sole repository of an equitable jurisdiction. Earlier this year Parliament passed legislation which conferred wide-ranging jurisdiction on the three levels of courts. The Magistrates Courts now have jurisdiction, in the main, up to $20,000; the County Court now has jurisdiction, in the main, up to $100,000; and the Supreme Court now has jurisdiction in levels beyond that.

The Bills which the Government produced previously in accordance with the recommendations of the various committees which examined these matters conferred equitable jurisdiction and jurisdiction in specific areas, such as testator’s family maintenance, on those lower courts up to the limit of their money jurisdiction. Both the Opposition and the legal profession welcomed those progressive moves. The Bill takes that step a little further.
In relation to the Magistrates Courts, the Bill provides that those courts will have the power to perform some of the functions which until now have, of necessity, been forced on the Supreme Court. I am referring to disputes involving strata title and cluster plans. In such instances one could have neighbours working with neighbours and one member of the cluster subdivision or the strata subdivision not complying with the rules by having three dogs in a flat or not observing the rules about the use of a common laundry or not performing his or her part in the maintenance of the property. The only redress that people had who wanted to complain about those activities was to go to the Supreme Court, which is prohibitively expensive.

The mere fact that it was so prohibitively expensive deterred people from enforcing their rights which they would normally have had under the rules of the body corporate. The Bill effects an important change in this area.

Another change is to provide that in disputed claims up to $3000 the magistrate does not act as a magistrate but conducts an arbitration where, although one does not have the strict rules of evidence and the proceedings are informal, real justice is still dispensed. There is no attempt to preclude legal representation before the magistrate when acting as an arbitrator, but if the award is less than $500 no costs will be allowable.

It could be argued that that is not fair. For example, assume a claim of $400 where your car, Mr President, was driven on the wrong side of the road and collided with my car and inflicted $400 worth of damage on my car. I make a demand upon you for payment and you refuse so I am forced to go to court. Under the Bill the action would be taken under the arbitration provision. Assume that the magistrate arbitrated and awarded me $400. It would be unfair if I was not awarded costs because it would have cost me money to go to court. The court found that you, as the driver of the other vehicle, were at fault, yet I am precluded from recovering the full cost of that incident. The Opposition does not oppose that provision but makes the point that it could lead to unfairness.

In recent days it has been suggested that perhaps justices of the peace could be considered as arbitrators. Generally, justices of the peace who had worked in the Magistrates Courts were renowned for their commonsense. In areas of technical law it could be argued that they did not have the same expertise as someone who had a law degree, but in dispensing commonsense and in coming to the real justice of the situation, consideration could be given to using some of those resources, which are still ready and willing to operate—obviously one picks one’s mark and selects those who have the experience—as a way of easing pressure in the court system.

Changes in the pretrial conference have been recommended by a number of committees that have examined those issues—the Institute of Judicial Administration and a number of other reports—and those changes, as set out in the Bill, are sensible. Anything that can help solve or at least limit the areas of complexity, so that when parties get to court they are not fighting about a range of matters but are honed into the essential points of difference, is something that should be supported and the Opposition does support that proposal.

The extension of the PERIN system—Penalty Enforcement by Registration of Infringement Notice—to breaches under the companies and securities regulations, is welcomed because it will have the effect of reducing the paperwork and time of officers in the Corporate Affairs Office so that they can concentrate on the more serious areas of law enforcement.

The final changes in the Bill relate to the proof of service of a court summons. I understand that the process server will sign a statement that he has served a summons on a particular person and it will not be necessary to have that statement witnessed by anyone. Of course, if the process server signs a false statement it is still treated as perjury.

The Opposition believes these matters are worth pursuing. It supports the Government’s proposals and wishes the amendments a speedy passage.
The Hon. W. R. BAXTER (North Eastern Province)—The National Party supports the proposed legislation. Mr Chamberlain has given a good overview of its provisions. I welcome the development of arbitration in the court system because it will open up to the average citizen an ability to have his or her grievance aired before a competent body and a decision made on the merits of the case without exposing the complainant to the extraordinary cost that seems to be endemic in the legal system if the plaintiff resorts to the County Court or, worse still, the Supreme Court.

One has only to take the example, albeit an unfair example in that it was a one-off situation, of the colossal cost generated by the dispute over an extension to Mr Doug Wade's house in Parkville. The fact that a $30 000 extension to a home generated $700 000 in legal costs indicates that something is radically wrong with the system used by the average citizen.

I commend the Attorney-General for his initiatives in extending the jurisdiction of Magistrates Courts, both in this Bill and in previous legislation. The introduction of an arbitration concept in the Bill is most welcome and it will be seen as a good initiative by the public.

I was intrigued by Mr Chamberlain's suggestion that justices of the peace may have a role as arbitrators.

The Hon. B. A. Chamberlain—Some of them.

The Hon. W. R. BAXTER—That may well be, but going on the Attorney-General's past attitude towards justices of the peace, I think it highly unlikely that the suggestion will commend itself to the honourable gentleman.

The National Party endorses the idea of pretrial conferences. Every opportunity should be available so that parties to a case can identify common ground and areas of conflict. One of the reasons why legal costs have become so high in recent years is that so much court time has been taken up arguing over matters that ought to be self-evident. Evidentiary or deeming provisions that will accept certain matters as self-evident on the production of the relevant documents should be established. Court procedures have become bound up with improving the veracity and validity of documents which ought to be taken prima facie as valid in any event. That is one of the reasons costs have risen so much. Pretrial conferences can head off some of the time-wasting exercises that occur in courts.

The new provisions regarding strata title disputes are a welcome development. It is obviously unrealistic that a dispute with a body corporate should be taken to the County Court or, in the first instance, the Supreme Court. The amount of money at stake does not justify the cost that is often incurred, but there are many instances of disagreement among residents living in strata title units and there ought to be a mechanism that enables the resolution of those disputes simply, cheaply and economically. Referring those matters to Magistrates Courts is the proper solution.

The extension of the PERIN system to the Companies (Victoria) Code is most welcome. The previous system has proved to be inefficient.

The National Party believes the four issues canvassed in the Bill are significant and likely to be of benefit to the community. I am pleased with the consultation procedure that has taken place around Victoria and the way it has been handled by the Attorney-General and his team. Unlike some other areas where consultation has become tedious, consultation regarding the court management program has been of value.

I am anxious to ensure that certain growth areas in the State that are underserved by the court system, in particular Wodonga, are better served. A decision to upgrade the court facilities at Wodonga, certainly with the provision of a new court building at Shepparton, will be of assistance, but perhaps the Budget debate may be the appropriate time to canvass those issues.
The Hon. R. J. LONG (Gippsland Province)—As the Attorney-General has indicated that the Bill will go to Committee, I shall address my remarks to the House at this stage.

The matter I raise concerns the "Kennanisation" or plain English issues about which honourable members have heard so much over the past few years. The first matter I raise is proposed section 72A.

I should have thought that in using plain English in proposed section 72A (1) instead of referring to an amount of less than $3000, the provision would have stated, "less than $3000 or such amount as is prescribed". I make this point because in proposed section 72A (5) a different amount may be prescribed by regulation.

I point out to the Attorney-General that there is a gap in those figures because, although the amount is less than $3000 in proposed subsection (1) and is greater than $3000 in proposed subsection (5), the figure of $3000 has been left out. The Bill should be amended accordingly to overcome that gap.

I also refer to proposed section 72A (3) (b) which states, "the complaint relates to enforcement of a judgment". It is meaningless in that context, and perhaps should state "the matter relates to enforcement of a judgment".

Proposed section 72G interests me in the same way. It provides that a Magistrates Court can refer a complaint to a magistrate or a clerk for a prehearing conference. Proposed section 72G (2) provides that a court must not make a reference unless it is satisfied that the reference may promote settlement of the complaint. I ask the Attorney-General how the court will discover whether a matter is capable of settlement. How does it know that the reference will promote settlement, because at that stage, I take it, it has not heard the evidence.

The Hon. J. H. Kennan—Practitioners do it all the time.

The Hon. R. J. LONG—Practitioners may be able to arrive at that conclusion in some way, but I fail to understand how the court can reach a conclusion that "the complexity of the issues in the complaint makes it desirable that such a reference be made".

I point out also that proposed section 72G (3) provides that a magistrate or clerk in the prehearing conference may refer the complaint back to the court or, at the request of the parties, refer the matter to a magistrate for arbitration. I take it that is done by agreement. The only point I raise is that there is no power to award costs if the matter is settled in arbitration proceedings. The second point is that there is no provision which makes that award a judgment of the court for enforcement purposes, because one is then dealing with an amount of more than $3000.

The Hon. J. H. Kennan—What about proposed subsection (4)?

The Hon. R. J. LONG—Proposed section 72G (4) applies only to subsection (3) (c).

Clause 7 refers to a court of competent jurisdiction. Those words have irritated me for many years. It obviously refers to a Magistrates Court, and I do not know why that is not stated in legislation to save people the problem of trying to determine what is a court of competent jurisdiction.

Proposed section 16A on page 7 of the Bill intrigued me for some time because I thought that the words "prescribe offences against the Companies (Victoria) Code" meant that the regulation powers would overtake those of Parliament. Upon further investigation I have come to the conclusion that it should not state "prescribe offences", but "prescribed offences". Therefore, I suggest that the provision is improperly printed.

The same criticism applies to clause 14 because section 570A of the Companies (Victoria) Code refers to prescribed offences.

I raise these matters by way of assistance, not criticism, so that honourable members can deal with matters further in the Committee stage.
The motion was agreed to.

The Bill was read a second time and committed.

Clause 1 was agreed to.

Clause 2

The Hon. J. H. KENNAN (Attorney-General)—I thank honourable members opposite, particularly Mr Chamberlain and Mr Baxter, for their comments. It is extremely helpful in these matters, which affect the administration of the courts, that they receive the bipartisan treatment that has been accorded in this case. It is correct to say, as Mr Chamberlain and Mr Baxter have said, that the evolution of the jurisdiction of the Magistrates Court is one that has made the law and courts more accessible to people; and as one looks at changes in the past three years when magistrates have been taken out of the Public Service and given judicial independence and when qualifications for magistrates have been upgraded, is a dramatic one.

It is a change that has nonetheless been welcomed by the legal profession. The legal profession is to be commended for the way it has accepted possibly the most radical period of change, in terms of substance, without characterising it in the political sense, probably since the inception of the courts system in this State.

I am grateful for the keen interest that Mr Chamberlain and Mr Baxter have exhibited and continue to show in the work of the Institute of Judicial Administration and the related bodies that have given rise to the many reforms to the court system which have been introduced through this place. I thank them for their contributions.

I also thank Mr Long, who has obviously read the Bill with great care. He has raised issues on clauses to which I wish to reply and I am intrigued about the gap of $3000 and the other matters he has raised.

I foreshadow that I will move some proposed amendments, one of which relates to the problem that arises when a verdict is brought down in the County Court for greater than an amount covered by that jurisdiction. Previously that matter was dealt with under section 37A of the County Court Act which expressly said that if the verdict brought in was for an amount greater than the mandatory limit, it was still valid providing that the sought-after amount was within its jurisdiction and that no other recovery was involved.

It was never my intention or the intention of Parliament to change that position by the earlier amendments that were made. However, the old section 37A was repealed and in one or more cases the point has been made that the verdict was not valid. A recent ruling of a judge of the County Court was that it was valid and that matter is now under appeal.

I have received submissions from various members of the legal fraternity that it might be better to cure the problem and to do it retrospectively by this Bill. I have accepted those submissions and an amendment is being drafted at present which I shall later move to give effect retrospectively to former section 37A so the position is made clear for the future. The clear instances where this has already occurred will automatically be picked up. It may be that the decision on appeal to the court will be the same as that taken by the judge in the first instance, but I believe Parliament should take the trouble to clear up the matter and put it beyond doubt. For that reason, I propose that progress be reported.

Progress was reported.

**RURAL FINANCE (AMENDMENT) BILL**

This Bill was received from the Assembly and, on the motion of the Hon. E. H. WALKER (Minister for Agriculture and Rural Affairs), was read a first time.

The Hon. E. H. WALKER (Minister for Agriculture and Rural Affairs)—I move:

That this Bill be now read a second time.
The Bill before the House is a machinery measure relating principally to the fundraising, assistance and investment activities of the Rural Finance Commission.

This Bill does not relate to or pre-empt consideration by the Government, after a period of public comment, of any of the Lloyd Rural Economics Study recommendations relating to the commission. This Bill is limited to a number of machinery measures which the commission considers are urgent and necessary for it to efficiently perform its functions.

The present legislation in relation to the commission's fundraising powers is largely the same as was enacted when the commission was formed in 1962, with an emphasis on Government funding from the Public Account and the issue of inscribed stock, debentures, and so on within relatively narrow limits.

The Bill broadens the sources of the commission's fundraising. Subject to the Treasurer's approval, funds may be raised by a wide range of financial techniques.

It is important to note that the new fundraising powers being conferred on the commission have been developed against the background that the Rural Finance Commission is able to operate outside the restraints of Australian Loan Council fundraising arrangements.

Funds raised pursuant to these additional powers will be used for existing commission activities, including rural lending and projects undertaken by the commission at the direction of the Treasurer under the present section 35 of the Rural Finance Act. In addition, funds will be used by the commission for projects undertaken by it at the direction of the Treasurer under a proposed new section 35AA of the Rural Finance Act as provided for in clause 5 of the Bill.

Under section 35 of the Rural Finance Act the commission administers special assistance measures such as the Commonwealth rural adjustment programs and drought and bushfire relief, limited at present to funds which are provided from the Public Account for these purposes. The Bill provides an additional source of funding for these purposes.

The proposed new section 35AA will widen and facilitate the commission's administration of a variety of special measures for rural communities, particularly rural adjustment and jointly-funded Federal/State measures as may be negotiated from time to time and is consistent with greater flexibility in the administration of the present rural adjustment scheme as at present enacted by the Commonwealth Government. The new scheme allows the State administering authorities to raise funding for rural adjustment with the assistance of an interest subsidy from the Commonwealth Government.

The provisions of the existing legislation dealing with the Rural Finance Fund, the main operating fund of the commission, are being amended to accommodate the changes proposed in the Bill.

Wider powers of investment of moneys held by the commission are also included in the Bill. The exercise of these powers is subject to the general approval of the Treasurer.

Provision is made to allow the Treasurer to fix the amount of any loan the commission may make without the Treasurer's specific approval. At present the limit is set by legislation and is $100,000, a figure which is proving too restrictive in the present circumstances.

Clause 12 of the Bill increases and widens the general powers of the commission, enabling the commission to carry out its functions as practically and effectively as possible.

The present Chairman of the Rural Finance Commission is carrying out those duties in a part-time capacity. It is desirable that the wording of the Act be improved to more clearly acknowledge this situation and to allow an option in future appointments for either full-time or part-time appointees to the commission. Provision is also made to update provisions in relation to conflict of interest.

The present legislation requires the Treasurer to pay to the commission a fee for the administration of soldier and land settlement accounts. With these activities coming to a
successful conclusion, it is not necessary that there be a statutory provision in respect of this matter. I commend the Bill to the House.

On the motion of the Hon. R. I. KNOWLES (Ballarat Province), the debate was adjourned.

It was ordered that the debate be adjourned until the next day of meeting.

**FOOD (AMENDMENT) BILL**

The debate (adjourned from October 8) on the motion of the Hon. D. R. White (Minister for Health) for the second reading of this Bill was resumed.

The Hon. M. A. BIRRELL (East Yarra Province)—The Food (Amendment) Bill makes some important but small amendments to the Food Act 1984. Honourable members will recall the important changes put into place and the consolidation of laws under that Act.

Victoria has in force a set of regulations which impact upon food standards. In an attempt to secure uniformity with all other States, the Bill proposes that a mechanism be put into place to ensure that the regulations in each State are identical for all intents and purposes.

On behalf of the Liberal Party, I have discussed this matter with most groups affected by the proposal, including the Australian Chamber of Manufactures, the advertising industry, grocery manufacturers, the Bread Manufacturers Association of Victoria and many others. Those organisations offered overwhelming support for the concept of uniformity of food standards across State boundaries. In terms of logic and practice, the Liberal Party supports this concept and has long done so.

The proposal before the House is that the National Health and Medical Research Council can formulate standards which, if then supported by the Ministerial Council that will be known as the National Goods Standards Council, can then be promulgated as regulations at a Commonwealth level and then at a State level.

In broad terms, the Liberal Party supports the idea but it has a major reservation that I wish to mention to the Minister for Health. That reservation is that the Bill effectively takes out of the ambit of State Parliament, any control over a regulation-making power. The Liberal Party believes, as an important concept, that State Parliament should be able to control the regulation-making power of any legislation and should have some overview role.

We are increasingly seeing in modern democracies, that restrictions and restraints are brought in by the vehicle of regulation rather than by the vehicle of legislation. In that context, Parliament must exercise some overview and scrutiny and the Bill currently does not provide that. In other words, a standard that was agreed to by the National Health and Medical Research Council and then promulgated by the National Foods Standards Council could end up being a regulation in this State without any discussion within the State as to its merit or lack thereof.

I am not suggesting that that will happen on frequent occasions. Hopefully it will never happen that a regulation will be brought in without consultation but, under the Bill, there is no mechanism for giving a breather for regulations to be reconsidered or at least subject to scrutiny before they are put into force.

Therefore, there should be a provision in the Bill, and I will move an amendment to it, to ensure that any regulation resulting from the proposed legislation will be made subject to the disallowance of this Parliament. That is an amendment to the effect of giving Parliament a final say to disallow any regulation.

The Liberal Party's proposal is a minor but important amendment to the Bill to ensure that Parliament is given a chance to disallow a regulation. In practice, that will rarely occur but what it does mean for the industry and anyone else who may be affected by the
Food Act is that they have a breathing space within which they can lobby a Minister or Government as a whole and say that the regulation should not go ahead. That is reasonable; it is eminently sensible and it is in the better interests of ensuring the priority and dominance of State Parliament over any power that State Parliament actually creates.

Within those constraints and with that amendment being accepted by the Government, as I hope it will be, the Liberal Party is prepared to support the Bill and it commends all State Governments and the Federal Government for bringing together what has been a unanimous decision to ensure that we have consistent food laws throughout the nation. Many people debunk federalism but this is an example of cooperative federalism where State and Federal Governments have said, “Let’s get our act together and not let State boundaries interfere with logic.”

For the benefit of the Minister for Health, who has just entered the Chamber, I shall reiterate the Liberal Party’s proposal: it is that an amendment be made to the Food (Amendment) Bill so that regulations are made subject to the disallowance of Parliament and that amendment would be in clause 22 of the Bill and would therefore amend new section 63+ of the principal Act.

The Liberal Party looks forward to the Government agreeing to that proposal and, within its constraint, the Liberal Party will give the Bill a speedy passage through Parliament.

The Hon. K. I. M. WRIGHT (North Western Province)—The Food (Amendment) Bill is aimed at achieving and maintaining national uniformity and standards for food and food labelling. The National Party agrees that it is essential that the Government have that ability to set basic standards for food to be observed by manufacturers and sellers and the National Party, in principle, proposes to support the Bill. Of course our food laws should provide that any food offered for sale is wholesome, free from harmful levels of additives and contaminants.

For many years the Commonwealth, the States and the Territories have been striving to achieve common standards for food and for the labelling of food products. It is a matter of grave concern to me that primary industries in the province I represent are vitally affected by food regulations. They are affected by the fact that poor quality imports of dried fruits can disrupt the domestic marketing of Australian dried fruits because it undermines the product integrity of the dried fruit industry.

For many years the Australian Dried Fruits Association and Parliamentary representatives have been seeking the adoption of uniform standards for both Australian and imported dried fruits. It is a fact that the inspection of dried fruit for the domestic market is a responsibility of the Victorian Dried Fruits Board, which is an independent statutory authority. It derives its powers from an Act of Parliament. At the moment, the inspection of dried fruits for both the export and domestic markets is carried out by the Department of Primary Industry; that is the Federal Department, so Australian dried fruits for the domestic market are subject to high quality standards and thorough inspection.

However, the point of concern is that dried fruit can be imported from overseas and it is not subject to this same high quality. It is not subject to inspection and this undermines our own fruit in our own market.

I was proposing to bring several samples of these dried fruits into the Chamber today but they are of such poor quality with weevils and so forth that I did not think it appropriate to bring them in even though I did have permission to do so.

The other point is that importers have been misleading consumers as to the true contents of the packets offered for sale. The Australian Dried Fruits Association is concerned about the serious consequences on consumer expectations by prolonged exposure to this substandard fruit. The existing arrangements for the inspection of imported goods are inadequate and there should be compliance with the respective Acts and regulations for hygiene, labelling and standards.
The Australian Dried Fruits Association is seeking three things: firstly, the establishment of an import inspection service to ensure Australian quality, hygiene and packaging regulations are complied with. Secondly, it is seeking that the cost of inspection be met by the importer in accordance with the user-pay principle applied to the inspection of Australian primary products. Thirdly, it is seeking that the inspection system be implemented immediately to minimise the damage done by poor quality imports to the product integrity of Australian dried fruits.

This problem also applies to the labelling of other primary products. In the Australian citrus industry, we receive, first of all, imports of navel oranges from California in the months of February and March when our own valencia oranges are also available.

A genuine reason exists for this being done in that we are unable to provide competitive fruit at this time. Our industry must seriously consider that matter. I am not criticising the Californians for that but I am critical of the developing Third World nation of Brazil which is exporting huge quantities of citrus concentrate to Australia.

Returning to dried fruit imports, the labelling and packaging leave a lot to be desired. One side of the package might contain the words “Packaged in Australia” and the reverse side might have the words “Product of Turkey”. I have an example here of inadequate packaging. I know that these apricots are from Turkey because of the fact that they are pitted. Other exporting nations actually cut the apricots. On the front side of the package is printed: “Olympic Apricots, 250 g net, $2.77”. On the other side is printed, “Olympic Distributors Pty Ltd, 12 King Edward Road, Osborne Park, Western Australia.” Although this package of pitted apricots is a product of Turkey, no indication of that is shown on the package. The point I am making is that the packaging of products leaves a lot to be desired. The amendments that this Bill will make to the Food Act should include these matters.

I raise another matter that I know is dear to the heart of the Minister and is something that I have been suggesting for some time. Mr Bill Fisher, chairman of directors of Fishers Supermarkets, a supermarket chain competing extremely successfully against the Australian conglomerates, points out that all supermarkets have exposed food in their fruit and vegetable sections where cigarette smokers are allowed to move freely. This exposed food must be contaminated to some extent by cigarette smoke.

Smoking also increases fire risk. No matter how many ashtrays are placed at convenient positions, people still put their cigarette butts on the floor. Smoking is a dirty habit and should not be allowed in the vicinity of exposed food and vegetables. The Minister may consider some measure to cover that. This seems a good time to bring up the matter because non-smokers are progressively becoming less tolerant of smokers.

Another point I make relates to clause 13 that amends section 38 (1) of the Food Act 1984. The Mildura Shire Council, the second largest municipality in Victoria by area, objects most strongly to the proposed exemption from registration of food vending machines under section 38 of the Food Act as recommended by Health Department Victoria in correspondence No. 30—1986, 30 May 1986.

I understand that the Shire of Swan Hill has also made representations in that regard. The situation is that the Mildura Shire Council does not object to the exemption from registration of food vending machines installed in registered food premises irrespective of the type of food dispensed, providing the relevant details are included in the registration of the food premises and that the local council is informed in writing at least seven days prior to the installation, removal or transfer of any food vending machine. However, the Mildura Shire Council objects most strongly to the exemption of registration of all other food vending machines.

Where it is registered food premises, the Mildura Shire Council has no complaint. However, where the food premises are not registered, the council feels that some control should be exercised over the food vending machines in those premises.
I ask the Minister to take on board and endeavour to overcome the problems that I have raised. The National Party supports the measure.

The Hon. G. P. CONNARD (Higinbotham Province)—I indicate my general support for the Bill. However, I am concerned that Bills similar to this are debated that somehow or other abrogate the State's duty and give it to a Federal authority. The Minister would be well aware of the high expertise within his own department—an expertise that is historic—in maintaining extremely high standards in this State. I applaud the department for that. I do not disagree with a national standard at the same level but I would plead with the Minister to ensure that his department continues to develop and police the high standards set in this State. Neither this State nor any other State in Australia should abrogate its rights to a Federal consortium.

It is important for the people of Victoria to be confident that the expertise already established in Health Department Victoria continues to exist.

The Bill picks up not only the incidences about which Mr Birrell spoke but also several other matters in the Food Act 1984 about which honourable members were concerned. The Bill tidies up the time during which an hotel is deemed to be registered as food premises. That is commendable. The Bill also extends the food definition of "authorised officer" to include a medical officer of health. That is extremely important for the assistance of our health surveyors.

The inclusion of "the person in possession of food" rather than "the owner of food" clears up a difficult area for the courts which over the years have had to identify who in fact was the owner of foods that may or may not have been adulterated.

I share Mr Wright's concern about clause 13 but for other reasons. This clause delineates the new provisions concerning food vending machines. Honourable members will have noted that the name of the actual proprietor of an unregistered food vending machine must either paint or affix his name on the premises or vehicle for identification purposes. Simply painting on a name is not good enough in an age where, unfortunately, vandalism occurs in our community. The name painted on these machines can be rapidly obliterated, making it difficult to detect the actual owners of the food contained in that machine. This in turn can make it difficult for the department and health surveyors who may be wanting to prosecute in certain circumstances. I stress to the Minister that a proper form of permanently affixing the name of the proprietor on food vending machines is important. I hope the Minister will take that on board.

When the last Food Bill was debated, the Opposition warned the Government that the capacity for councils to determine their own levels of registration fees under the Act had not been properly delineated. Many months later, the Minister has inserted that provision in the Act.

Turning to the general matters under discussion arising from clause 17, I am concerned that proposed section 45A puts the onus on the person charged of proving the correctness of any statement on a label relating to the origin, composition, therapeutic or nutritive properties or the therapeutic effects of any food.

There is a blurring between the Food Act and the Drugs, Poisons and Controlled Substances Act as to what is a medicine and what is a food. The Minister would be well aware that his department leads Australia in the registration of poisons and medicines and in its ability not only to register medicines but also to examine medicines properly and list their contents on the label. Without doubt, Victoria is in the forefront of the Commonwealth in that area.

When dealing with the nutritive properties of food, there is essentially a blurring between what is required under the Drugs, Poisons and Controlled Substances Act and what is required under the Food Act, and one must be careful about listing nutritive properties on a label unless an appropriate inspectorial mechanism is present, because the labelling of it essentially gives respectability to the product.
So there is essentially a blurring, and that blurring as between medicines and foods is extremely difficult for any of us to conceive. As the months go by, I am sure these matters will be narrowed down and we will be able to define those areas a little better. Nevertheless, I am concerned about clause 17. Although I do not have a ready answer that the Minister might take up, I warn him that there will be further debate on this matter.

The general aspirations of the Bill are worthy of support. It will give the community more ability to know what is contained in food and to have food correctly labelled, but I respectfully request the Minister to ensure that his department participates actively in the national committee so that Victoria can insist that its standards are the highest possible for the community.

The motion was agreed to.

The Bill was read a second time and committed.

Clauses 1 to 21 were agreed to.

Clause 22

The Hon. M. A. Birrell (East Yarra Province)—I move:

Clause 22, line 24, after “document” insert “and such regulations may be disallowed by Parliament”.

As I indicated in my second-reading speech, it is important for Parliament to maintain its primacy in this area so that, should a controversy arise, Parliament will at least have the power to rethink whether a regulation is in the public interest. The Liberal Party supports that concept as a matter of principle and as a matter of practice.

I believe the power will rarely be exercised. In practice, it will give an aggrieved person a month’s breathing space, which should be enough to allow him to lobby the Minister, the department or Government as a whole to say that the regulation should not be agreed to by Parliament.

The Hon. D. R. White (Minister for Health)—Notwithstanding the fact that this is to be uniform legislation, and notwithstanding that an all-party Parliamentary committee process places expectations on the Government in respect of new regulations, the Government does not oppose the amendment.

The Hon. K. I. M. Wright (North Western Province)—The National Party sees merit in Mr Birrell’s amendment, and will support it.

The amendment was agreed to, and the clause, as amended, was adopted.

Clause 23

The Hon. D. R. White (Minister for Health)—I move:

1. Clause 23, page 6, line beginning “AN AGREEMENT”, omit “day of” and insert “16th day of September”.

The amendment was agreed to.

The Hon. D. R. White (Minister for Health)—I move:

2. Clause 23, page 6, last line, omit “and”.

3. Clause 23, page 7, first line, omit “the STATE OF VICTORIA of the second part.” and insert—

“the STATE OF NEW SOUTH WALES of the second part,
the STATE OF VICTORIA of the third part,
the STATE OF QUEENSLAND of the fourth part,
the STATE OF WESTERN AUSTRALIA of the fifth part,
the STATE OF SOUTH AUSTRALIA of the sixth part,
the STATE OF TASMANIA of the seventh part, and
the NORTHERN TERRITORY OF AUSTRALIA of the eighth part.”.
4. Clause 23, page 9, in the last line of the signatories to the Agreement, omit the surname "GRAY" and insert "YOUNG".

The amendments were agreed to, and the clause, as amended, was adopted.

The Bill was reported to the House with amendments, and passed through its remaining stages.

LABOUR AND INDUSTRY (REGISTRATION FEES) BILL (No. 2)

The Hon. D. R. WHITE (Minister for Health)—I move:

That this Bill be now read a second time.

The Bill is designed to increase the registration fees for factories, shops and market sites which are imposed by section 52 of the Labour and Industry Act and set out in the Fourth Schedule to that Act. The proposed fees are to come into effect on 1 January 1987. The increases proposed in the Bill are modest. They represent a 7 per cent increase over the present fees.

Honourable members are well aware that it has been the practice of Government since the 1970s to increase fees and charges on an annual basis. The reason for this is obvious: to keep pace with inflation Government fees need to be increased in accordance with movements in the consumer price index. The revenue from the fees for the registration of factories, shops and market sites serves to offset the cost of administering the laws designed to protect the conditions of employment laid down under the State awards and to protect law-abiding traders. I commend the Bill to the House.

On the motion of the Hon. H. R. Ward, for the Hon. HADDON STOREY (East Yarra Province), the debate was adjourned.

It was ordered that the debate be adjourned until later this day.

LOCAL GOVERNMENT ACTS (MISCELLANEOUS AMENDMENTS) BILL

The debate (adjourned from October 29) on the motion of the Hon. C. J. Hogg (Minister for Community Services) for the second reading of this Bill was resumed.

The Hon. REG MACEY (Monash Province)—The purpose of the Bill is to make miscellaneous amendments to certain Acts concerning local government. Apart from the Local Government Act 1958, a number of Acts contain powers relating to local government. It is not since 1982 that a miscellaneous amendments Act has been passed to amend any of the other Acts. Therefore, it is appropriate that the Government should turn its attention towards updating various aspects, even though I shall be expressing reservations about some of them.

I pay tribute to the Government for at least giving some substance to the oft-repeated assertion that it will give municipal councils more discretion. Time after time the Minister in another place—and, indeed, other representatives of the Government—have spoken about how much they support the proposition that municipal councils should be given more discretion. The amendment to the Hawkers and Pedlers Act permits councils to make by-laws about hawkers and pedlers without the approval of the Governor in Council. Although this is a relatively small area of local government responsibility, nevertheless, as a former municipal councillor and one whose heart is still very much in local government, I applaud the Government for this move.

The Bill also makes amendments to the Dog Act 1970, the Hawkers and Pedlers Act 1958, as I mentioned, the Local Authorities Superannuation Act 1958, the Litter Act 1964, the Pounds Act 1958 and the Weights and Measures Act 1958. There was some hilarity in the other place when the Bill was dealt with there when a number of honourable members
declared their pecuniary interests as dog owners. I do not have any interests in relation to any of these matters.

The amendments to the Dog Act are significant. I shall address some of the matters at some length because the Bill may not be dealt with by a Committee of the House. The Opposition is generally satisfied with the Bill as presented. I shall have only one question of the Minister, and I foreshadowed that to her a minute ago. The major impact of the amendments to the Dog Act is that it imposes significantly increased penalties. It amends the relevant sections of the Dog Act that apply to dogs that are being trained for or are participating in obedience trials. The Bill will protect those dogs from the provisions dealing with dogs found to be wandering at large. The Bill also amends the provisions of the Act relating to recovery of fees for impounded dogs. It also eases the provisions for greyhounds and removes the discriminatory provisions related to German shepherds.

This is an aspect that I, along with most other honourable members who have been municipal councillors, would be conversant with, given the lobbying to which we have been subjected in the past. The amendment will be welcomed.

The Bill also extends the provisions of the Dog Act to provide for goats the same protection that applies to other stock when attacked by dogs. That matter is not relevant in my province, but apparently arouses considerable interest in the provinces of some of my colleagues. The Bill also extends provisions of the Act to cover dogs trained to assist deaf persons. It deals with offences concerning the obstruction of proper officers and makes other minor amendments.

When one is dealing with issues related to the Dog Act, from my experience in local government one finds it is an issue that brings out many concerned people. One has to be involved in local government to realise how much people consider they are affected by alterations to the Dog Act. I had to become a municipal councillor to discover that.

I am sure that once the impact of the increased fines becomes public knowledge I shall be glad I am now out of local government and not subject to the lobbying that no doubt will take place.

Penalties for breaches of the Act can be applied either through on-the-spot fines or by appearances in court. As I said, the Bill significantly increases fines. For example, the on-the-spot fine for the owner of a dog that is apprehended and not wearing a registration tag will increase from the current fine of $10 to $50. If the person is taken to court and pleads guilty or is found guilty, the current fine of $20 will be increased to $100. If a dog is apprehended wandering at large without a registration tag, the owner will face an on-the-spot fine that increases from $10 to $50. The court fine will also increase from $20 to $100.

The on-the-spot fine for the owner of a dog that is simply found wandering at large will increase from $25 to $100. Once again that is a significant increase. If the person is taken to court, the fine rises from the current fine of $50 to $100. The Bill contains similar increases of that order for other offences.

The present fine for urging a dog to attack, which is an offence that can be dealt with only in a court of law, has doubled from $250 to $500. The fine for a person owning a dog that rushes or attacks has risen from the current fine of $200 to $500.

A question asked by my colleague in the other place, and one that continues to be of concern, is whether the significant fine increases are designed to control the dog problem or are aimed at increasing revenue.

The Opposition is concerned that the Government has not given sufficient indication that it is prepared to become involved in an effective education campaign. The Opposition is also concerned that when their dogs are impounded or found wandering at large, people on low incomes may, because of the extent of on-the-spot fines, be dissuaded from claiming their dogs.
Thus there are two possible results; firstly, a much loved family pet may be lost to the person concerned; or alternatively, the municipal council operating the pound is likely to be responsible for additional holding charges and subsequently the destruction of the animal. The Opposition is not convinced that the extent of the increase in fines is justified.

Another matter that I wish to bring to the attention of the House that concerns my party is that the Animal Welfare Advisory Committee was not consulted about the framing of the Bill. The shadow Minister for Local Government in another place did contact that committee and was told that the committee was given little opportunity for input into the Bill, and the Opposition is concerned about that.

The Traffic and By-Laws Institute of Victoria looks after the interests of by-laws officers and dog rangers throughout local government. The Opposition is concerned that the Government has not sought any comments from that organisation about the amendments that affect those individuals. The institute has considerable expertise and it could have offered the Government help. Our attitude on this side of the House is as it was when it was in government, to consult widely with organisations that might be affected by proposed legislation put before the House for consideration. The Opposition is concerned that the Government has not carried out the consultative process effectively.

The Animal Welfare Advisory Committee, in particular, is one group that the Liberal Party is impressed with. It is true that it was set up by a former Minister from our party, the Honourable Vasey Houghton, and subsequent Governments agreed that that committee and the Royal Society for the Prevention of Cruelty to Animals would be the bodies through which matters would be channelled. The Opposition wonders whether the Government has any reason for now paying little regard to the Animal Welfare Advisory Committee.

Earlier I referred to the Traffic and By-Laws Institute of Victoria and a number of matters have been raised by it with my party and a number of issues were brought to the attention of the Minister for Local Government in another place. The institute is concerned about increases in fines to the extent that they may lead to an increase in violent confrontation between its members and the people who are apprehended under the provisions of the Act. The Opposition believes there should have been far more consultation with that body.

The removal of the provision discriminating against German shepherd dogs, which has been in force since 1928, is welcomed by the Liberal Party.

Clause 11 deals with dogs that are trained to assist deaf persons—or hearing dogs as they are known—which are becoming more common. We welcome the move by the Government to include these animals under this provision, allowing them the right to travel on public transport and to move in other areas where guide dogs are allowed to go.

The Opposition applauds the action of the Government in giving more discretion to local government in the making of by-laws under the Hawkers and Pedlers Act without the need to obtain the approval of the Governor in Council. However, the penalty increases provided in the proposed legislation—to put it mildly—are massive. For example, the failure to be licensed now carries a penalty of $100 and that is to be increased to $1000.

The penalty for failure, publicly, to display the words “licensed hawker” and the registration number on whatever vehicle or object is being used to carry around the items being hawked is increased from $20 to $200. The penalty for carrying fermented spirituous liquor is increased from $20 to $400. We wonder why these penalties have been increased to this extent.

The penalty for refusing to produce one’s licence is increased from $20 to $200. They are massive increases and the Opposition believes they should be fully justified by the Government. Perhaps when we get to the Committee stage, the Minister can provide some information to support the increases.
I am aware that there are councils, including councils in my province, which have been concerned for some time about the operations of hawks or operators who set up beside the kerb to sell flowers and other items in direct competition with members of the community who have businesses on which they pay rates and all the other charges associated with such businesses. I recognise and appreciate that such people should be protected. How were these figures assessed and why does the Government believe penalties of this size will resolve the problem?

The penalties contained in the Litter Act have been increased to four or five times their current level and the number of areas that can be controlled by the Litter Act have been increased. The Opposition welcomes this, although it asks the Government to consider extending this power even further.

We welcome the inclusion of foreshore reserves, which will now come under the Act. However, we are concerned that in the amendment the Government has not addressed the problem of litter on public use land as opposed to public places. Any member of the public who frequents the larger shopping centres would be aware of the litter problem that exists in the car parking areas and the other public use land within the perimeters of such shopping centres. They, however, are not public places within the definitions in the Act and we ask the Government to give some priority to coming to grips with the need for legislation to cover these areas.

Another problem relating to the Litter Act concerns on-the-spot fines. There is no point in having a power to impose these fines if one does not have the power to obtain the name and address of the person who has offended. I could regale the House for many hours with some of the names that the by-laws officers in South Melbourne have collected when they have issued infringement notices under the Litter Act in shopping centres, and in our streets and parks.

I would not be surprised if some honourable members found that their names have been used. Certainly in my area well-known names have been given. These are the sorts of things the Government should consider. There is no point in having a Litter Act that can be laughed at by members of the public who are infringing its provisions.

The Government accepted, in another place, amendments to the Bill in relation to the Pounds Act, which altered the way in which charges were set. The Opposition congratulates the Government for accepting those amendments.

The Bill makes minor amendments to the Weights and Measures Act, which the Opposition does not oppose. Another matter that I have already raised with the Minister relates to clause 37.

I do not intend to spend much time on debating the clause but I indicate that, during the Committee stage, I shall invite the Minister to move that progress be reported in the absence of a satisfactory explanation of the clause, which compels poundkeepers not to release cattle over weekends or outside normal office hours. Why cannot cattle be released outside office hours?

In conclusion, I again make the point that the Opposition asks the Government in future to consult more widely than it does at present when introducing measures that increase penalties or extend the powers of any authority or organisation.

Although the Opposition will not oppose the Bill, it will continue to express, when the opportunity arises, its belief that the Government does not consult widely or effectively enough.

The Hon. K. I. M. WRIGHT (North Western Province)—The National Party supports the Bill. It deals with reasonably straightforward matters on a wide variety of subjects. I have received no feedback from any of the councils in the province that I represent objecting to any of the matters raised in the Bill. Therefore, I do not propose to debate those matters at this stage.
However, I give notice to the Minister for Community Services that, should the Local Government (General Amendment) Bill surface again, that will be another question, and I shall have a considerable amount to say in that event.

The motion was agreed to.

The Bill was read a second time and committed.

Clause 1 was agreed to.

Clause 2

The Hon. C. J. HOGG (Minister for Community Services)—I thank Mr Macey and Mr Wright for their contributions to the debate. It is always with a great sense of relief, I suppose, that we reach this stage in the debate on a local government Bill.

I should respond to Mr Macey's criticisms about lack of consultation on some of the matters to do with the Bill. My own view is that a great deal of both formal and informal consultation takes place around every local government Bill, and this Bill has been no exception.

However, I note that Mr Macey mentioned some specific organisations with which there had been no consultation. I shall refer that matter and the names of those organisations to the Minister for Local Government in another place.

However, generally speaking, I believe an enormous amount of consultation takes place with local government. I had the pleasure last Friday of meeting with the General Purposes Committee of the Municipal Association of Victoria. That provided not only an opportunity for an ambit discussion of a number of community services matters, but also for discussion of more general local government matters. Certainly, no provisions in this Bill were raised as presenting difficulties for the association.

In response to Mr Macey's comments about clause 14, which makes amendments to the Hawkers and Pedlers Act, as I understand it the fines fixed by the Bill are in line with similar alterations to other local government legislation. The amount of the fine for a breach of the Act is obviously a matter for the courts to determine in each individual case, and the same view would apply with respect to clause 16.

It is more important to note that, where Mr Macey is asking for more attention to be given to extending the scope of the Litter Act, the Government has decided to do that. A new Litter Act is in the final stages of redrafting, and the introduction of a new Litter Act can be expected in the autumn session of 1987.

I imagine that measure will arouse enormous community interest, around which there will be much consultation. As Mr Macey mentioned earlier, certain provisions of the Litter Act create a great deal of controversy, interest and public debate when they are being aired.

Mr Macey also queried the reason for clause 37. The answer to that query is thus: the amendment, as I understand it, was suggested by the Municipal Association of Victoria, as it is the association's belief that the failure of the Pounds Act to specify times at which cattle may be released places unreasonable demands upon the poundkeeper.

A strict interpretation of the Act suggests that a poundkeeper can be required to release cattle at midnight or in the early hours of the morning. It is usually necessary for the poundkeeper to have the municipal offices open in order to deposit the fees and this, of course, means that another officer is called out to assist.

At present there is no provision to require the poundkeeper to determine that the person to whom he is releasing the cattle is the owner. The Act has, therefore, been amended to entitle the poundkeeper to require the person seeking the release of the cattle to provide satisfactory evidence of ownership. I trust that that is sufficient explanation for Mr Macey.
I thank all members of the Opposition for their very ready cooperation on this Bill.

The clause was agreed to, as were clauses 3 to 36.

Clause 37

The Hon. A. J. HUNT (South Eastern Province)—I agree with the issue raised by Mr Macey in relation to clause 37. Parts of the clause are obviously sensible and good, and the objective sought by the Municipal Association of Victoria with respect to the times at which release of cattle may be demanded are also good. However, the method of expression of that intention is bad.

What the Bill in fact does is to make it an offence for a poundkeeper to deliver cattle or other stock outside normal working hours. With respect, that is a nonsense. In any country town, farmers know the poundkeeper and the poundkeeper will often seek to accommodate them in every way possible.

Let us assume that an owner finds that his cattle or other stock are in the pound at 6 p.m. on a Friday and that he can find the poundkeeper. Of course, the owner wants to get them out and back, particularly if he has to milk his cows: he wants to do that as quickly as possible.

It is fair enough to protect the poundkeeper with a provision that prevents anybody from working outside normal working hours, and I believe that is what the Municipal Association of Victoria wants.

It is another thing to make it an offence for a poundkeeper to do so; but, if the clause is passed and a friendly poundkeeper delivers the cattle after working hours, he will be liable to a fine of $100 or a prison sentence.

I was in the process of writing an alternative clause along the lines that all words on lines 32 and 33 be deleted with a view to inserting in place thereof the words "that no poundkeeper may be required to release impounded cattle except during normal working hours." I shall stop short of formally moving the alternative clause. The words I have suggested are adequate; they meet the intention of the Municipal Association of Victoria, but an offence is not created. The proposal meets the real intention of the Bill but does not stop normal and sensible arrangements.

The Minister is nodding her head in agreement. Therefore, I move formally:

Clause 37, omit lines 32 and 33 and insert "No poundkeeper may be required to release impounded cattle except during normal working hours."

The Hon. C. J. HOGG (Minister for Community Services)—It has been drawn to my attention that it may be preferable to word the clause in the positive rather than the negative form.

Progress was reported.

The sitting was suspended at 6.23 p.m. until 8.4 p.m.

MARGARINE (AMENDMENT) BILL

This Bill was received from the Assembly and, on the motion of the Hon. E. H. WALKER (Minister for Agriculture and Rural Affairs), was read a first time.

LOCAL GOVERNMENT ACTS (MISCELLANEOUS AMENDMENTS) BILL

The House went into Committee for the further consideration of this Bill.

Discussion was resumed of clause 37 and of Mr Hunt's amendment:

Clause 37, omit lines 32 and 33 and insert "No poundkeeper may be required to release impounded cattle except during normal working hours."
The Hon. A. J. HUNT (South Eastern Province)—The Minister for Community Services indicated her approval for the principle of the amendment that I moved before the Committee rose. Immediately upon the suspension of the sitting for dinner a brief discussion took place with the Minister, who indicated that she would prefer it if the form of the amendment were put in a more positive way. Words were agreed to.

I seek leave of the Committee to withdraw the amendment.

By leave, the amendment was withdrawn.

The Hon. A. J. HUNT (South Eastern Province)—Therefore, I move:

Clause 37, line 32, after “only” insert “be required to”.

The provision would then read:

A poundkeeper may only be required to release impounded cattle during normal working hours.

That meets the principle I put earlier that it should not be made an offence for a poundkeeper to reach an agreement to do a favour.

In the country poundkeepers put themselves out to help the farmers whom, by and large, they know well. We do not want to discourage that activity and make it difficult. This small amendment overcomes that problem yet achieves the aim of the Minister and the Municipal Association of Victoria.

The Hon. C. J. HOGG (Minister for Community Services)—I am grateful to Mr Hunt for the wording of the amendment, which is entirely in keeping with the spirit of the Bill and with the requirements of the Municipal Association of Victoria. On behalf of the Government, I am happy to accept the amendment.

The amendment was agreed to, and the clause, as amended, was adopted, as were the remaining clauses and schedules.

The Bill was reported to the House with an amendment, and passed through its remaining stages.

LAND ACQUISITION AND COMPENSATION BILL

The Hon. J. H. KENNAN (Minister for Planning and Environment)—I move:

That this Bill be now read a second time.

OBJECTS OF BILL

The major objects of this Bill are:

1. to establish uniform practices to be adopted by acquiring authorities in the course of compulsory or negotiated acquisition of land;

2. to reform, consolidate and codify the law relating to compensation for interests in land;

3. to establish a system of land acquisition which is equitable to all landowners and which does not impose such burdens on Government so as to prevent proper planning and public sector activity;

4. to ensure certainty in the practices of land acquisition;

5. to encourage a cooperative rather than a confrontationalist relationship between Government and landowner; and

6. to establish a speedy system of resolution of disputed claims concerning acquisition of interests in land.
BACKGROUND TO THE BILL

At present, the law dealing with acquisition of and compensation for land acquired by statutory authorities and the Government is to be found in:

- various Acts establishing particular authorities, for example, the State Electricity Commission Act 1958, which generally set out the powers of each such body to acquire compulsorily an interest in land;

- the Lands Compensation Act 1958, which makes provision for various procedural matters concerned with acquisition and for the principles determining the assessment of compensation;

- part 3 of the Valuation of Land Act 1960, which sets out the relevant procedure for determining claims for compensation;

- a number of other Acts: that provide additional procedures, for example, the Local Government Act 1958, sections 512-515; that modify the principles for assessing compensation, for example, the State Electricity Commission Act 1958, section 23 (2); and that provide for the notification of acquisition and for the registration of the acquiring authority as registered proprietor, for example, the Transfer of Land Act 1958, sections 53 to 57; and

- the Crown prerogative to compulsorily acquire land.

The Land Compensation Act 1958, which is considered the cornerstone of the statutory machinery, had its origins in the Lands Clauses Consolidation Act 1845 enacted by the United Kingdom Parliament primarily to facilitate the acquisition of strips of land for railways, canals and roads and to provide compensation for such land. That Act was adopted virtually in toto by the Victorian Parliament when it enacted the Lands Compensation Statute 1869, the principal provisions of which have been re-enacted in 1890, 1915, 1928 and 1958.

The Australian Law Reform Commission in its report on Land Acquisition and Compensation (Report No. 14) identified five major changes in society since 1845 which have made the existing compensation legislation outmoded. These are:

- the introduction of statutory town planning. This has had a dramatic effect on attitudes towards the use of land and has also created certain complexities in ascertaining compensation;

- the greater frequency of blight. Blight occurs when land becomes unsaleable or devalued because of a belief that it will be required for or affected by some public project. Modern projects are bigger than in 1845 and public knowledge of Government projects is much better. Consequently, the problem of blight is greater;

- new attitudes to administrative accountability. There have been new reforms to ensure greater accountability in decision making;

- inflation. In today’s environment delay in processing claims can be costly; and

- the huge increase in home ownership.

The major criticisms of the existing Victorian legislation are:

- it is unfair, because the market value of the land acquired is to be assessed at the time of the notice to treat, which may be served many years before the land is actually acquired. In times of inflation this can have quite a serious effect on the landowner;

- it is unfair because an acquiring authority may withdraw a notice to treat at any time without paying compensation to the landowner for damages caused by service of that notice;
payments for solatium are based on the market value of the property acquired rather than the actual injury to the landowner;

legislation is verbose and unintelligible, such as section 6 of the Land Compensation Act 1958 which contains a sentence of 450 words! Other examples are sections 9 and 63 of the same Act; and

it is because of these matters that a push for reform of the existing law has occurred.

There have been many reviews of this area of law in Victoria in the past decade. For the purposes of the Bill, however, the following are the most important: report to the Minister for Planning on Land Acquisition and Compensation prepared by Stuart Morris—the Morris report; report to the Minister for Planning and Environment on the Morris report, prepared by the Land Acquisition Task Group; and report to the Minister for Planning and Environment on the Morris report, prepared by the Planning Blight Task Group.

The task groups were chaired by Mr Morris Milburn, of the Ministry for Planning and Environment, and consisted of a widely representative committee made up of senior public servants representing all relevant Government departments and authorities and members of the public, such as representatives of the Real Estate and Stock Institute and the Institute of Valuers. The Morris report as modified by the task group report formed the basis of the Bill. The Bill, which was drafted in 1984, was circulated for public comment, and a number of amendments was made to it as a result of a large number of submissions received.

MAJOR FEATURES OF BILL

UNIFORM ACQUISITION PROCEDURES

The Bill provides that, in general, compulsory acquisition of land by authorities be commenced by reservation of that land for public purposes under a planning instrument. This enables landowners to claim compensation for blight under the Town Planning Act in cases where the authorities do not proceed with the acquisition.

Once the land is reserved under the appropriate town planning instrument, the authority may give notice of intention to acquire an interest in the land. Such notice has a finite life of six months. An authority may at any time after service of a notice of intention to acquire an interest in land and before the notice has elapsed or been withdrawn and before the next step is taken, that is, the publication of a notice of acquisition in respect of the interest, acquire the interest by agreement with the owner of that interest.

The effect of the notice of intention to acquire is to serve as a warning to those who deal with the land that the authority is proposing to acquire that land or an interest in the land, and also to restrict the dealings with the interest or land which is the subject of the notice. Once a notice of intention to acquire has been served, the landowner may make only such improvements to the land as are consented to by the acquiring authority. The purpose of this provision is to ensure that the value of the land for the purposes of compensation is not increased by the landowner in an unreasonable manner.

In the event that the authority fails to negotiate an appropriate settlement with the owner of an interest in land, the authority may publish a notice of acquisition in the Government Gazette. Such a notice may be published only after the expiration of two months from the service of a notice of intention to acquire and before that notice has lapsed. The effect of the notice of acquisition is that the interest specified in that notice is transferred to the acquiring authority on the publication of the notice in a Government Gazette. This is also the date on which compensation is to be assessed by the mechanisms provided in the Act.

The authority may enter into possession of land acquired on a date agreed between the parties. In the case of land which is used by persons as a principal place of residence or business, the owners are guaranteed a rent-free period of occupation from the date of
acquisition for three months. In other cases, the authority may recover rent for periods of occupation where appropriate.

COMPENSATION FOR ACQUISITION

The Bill sets down uniform compensation procedures which include the following practices: the requirement of the acquiring authority to make an initial offer of compensation reflecting the market value of the land; requiring in general that the offer of compensation be made within fourteen days of acquisition; requiring that the offer made by the acquiring authority be accompanied by the certificate of valuation relied on by that authority; and providing that the offer of compensation be accompanied by a statement in a prescribed form setting out the principal rights and obligations of people whose interest in land has been acquired.

The general principles on which compensation is to be based are as follows: market value is to be assessed at the date of acquisition; there may be an allowance for the special value to the claimant; claims may be allowed for loss due to severance and disturbance; enhancement or depreciation in value of the interest of the claimant if other land adjoining or severed from the acquired land by reason of the acquisition may be taken into account; expenses reasonably incurred in connection with the acquisition may be allowed; and solatium is to be assessed independent of the market value and a maximum is to be prescribed from time to time.

It should be noted that in certain circumstances the claimant may be compensated for reinstatement costs. This represents a significant reform, particularly in the case of farmers who may find themselves unable to acquire an appropriate piece of land with the compensation payable on a market value basis, but who can point to an equivalent piece of land nearby which they intend to acquire, if able.

In addition, certain classes of dispossessed homeowners may be given loans to acquire properties. This is considered important in the case of people whose properties are at the lower end of the market, and who by reason of a mass acquisition of land are unable to acquire a similar property on the open market. In such circumstances, loans may be made to them on such conditions as are deemed appropriate to enable them to buy a property to replace the acquired property, and such loans are recoverable on the sale of that property or other such circumstances. Provision is also made for compensation in the case of abandoned acquisitions.

MISCELLANEOUS MATTERS

The Bill does not affect powers of authorities under existing legislation to enter land and carry out works, such as the provision of sewers and drains. Authorities will, however, need to comply with the procedures in the Bill when acquiring new interests in land, for example, if an authority wishes to acquire an easement.

In some cases the Bill amends existing legislation relating to the powers of authorities to acquire land, by deleting references to easements. This is because the definition of "Land" in the Interpretation of Legislation Act 1984 includes easements and it is no longer necessary to mention them specifically.

The Bill provides for powers of temporary entry and occupation of land. It also sets out the obligation of authorities when taking temporary possession of lands. In addition, it simplifies the provisions for determining costs on disputes by setting criteria for consideration by the board or the court rather than rigid formulae relying on comparison of amounts claimed and recovered.

LATROBE VALLEY

Although the Bill deals with the entire State, it is of particular significance to the Latrobe Valley. Earlier this year I released the revised statement of Planning Policy No. 9 which brought together a number of important planning provisions to restore security to the Latrobe Valley land market. This Bill will be an important complement to those measures.
CONCLUSION

The Bill has been widely circulated among the judiciary, affected Government bodies, valuers, land developers, associations of landowners and others likely to be affected by land acquisition practices of the Government and it has widespread support. It is the result of many years of careful consideration and consultation. I commend the Bill to the House.

On the motion of the Hon. R. I. Knowles, for the Hon. B. A. CHAMBERLAIN (Western Province), the debate was adjourned.

It was ordered that the debate be adjourned until the next day of meeting.

EMERGENCY MANAGEMENT (AMENDMENT) BILL

The debate (adjourned from October 29) on the motion of the Hon. J. E. Kimer (Minister for Conservation, Forests and Lands) for the second reading of this Bill was resumed.

The Hon. N. B. REID (Bendigo Province)—The Bill honours a commitment that was made by the Government on the last day of the autumn sessional period. As most honourable members will recall, the early hours of Friday, 9 May, were traumatic. Indeed, when Mr Crawford rose to speak, it almost caused an emergency that the Bill could have handled!

The amendments that were put forward at that time by the opposition parties in the other place were designed to be moved in this House. If those amendments had been successful, and I have no doubt that they would have been given the combined numbers of the opposition parties, those amendments could not have been ratified by the Legislative Assembly because it had completed its business for the autumn sessional period and was not to sit again.

The opposition parties had great sympathy for the difficulty faced by the Government in that the Emergency Management Act would have lapsed on 30 June under a sunset clause. If that had happened Victoria would not have had emergency management powers.

The opposition parties had consultations with the Government and were given an assurance, in the form of a written agreement, by the Minister for Police and Emergency Services that the opposition parties would have another opportunity to reconsider the amendments required to be made to the principal Act and that the Government would bring a Bill before the House during the spring sessional period. I commend the Government for its cooperation in that regard.

The opposition parties consulted with members of the Country Fire Authority and other emergency agencies on the amendments which have now been put forward in this measure. The Bill is a fine example of political parties adopting a cooperative stance on matters of major importance to Victoria, especially in the field of emergency management.

The opposition parties have had discussions with the Minister for Conservation, Forests and Lands, who has indicated that the Government will adopt all of the amendments put forward in the measure.

Clause 4 defines a casual emergency worker as a person, other than a registered emergency worker, being covered under the principal Act if he or she suffers an injury while working for an agency to which DISPLAN applies. If a bush fire occurs in a country area, nearly everyone assists in combating that emergency. Clause 4 will mean that such volunteers, even though they are not registered workers, will be covered by the Act.

Clause 5 repeals section 4 (3) of the principal Act.

The Hon. W. R. Baxter—it should not have been included in the first place!
The Hon. N. B. Reid—That is correct. That section states:

This Act does not authorise the taking of measures to bring an industrial dispute to an end or to control civil disorders not being civil disorders resulting from, and occurring during the continuance of, a state of disaster declared under section 23.

Clause 6 repeals the provision for the Co-ordinator in Chief to determine the procedures of the State Disasters Council.

Under clause 7, the Co-ordinator in Chief—the Minister for Police and Emergency Services—must consult with the State Disasters Council prior to arranging for the preparation and review of DISPLAN. The operative words in clause 7 are “must consult with the State Disasters Council”. That is an appropriate amendment because that council consists of the Co-ordinator in Chief, as chairman, and representatives of the Government agencies, that is, the responsible Ministers, and the non-Government agencies.

Clause 8 increases the powers of the chief officers of the agencies involved, namely, the Country Fire Authority, the Forests Commission, the Police Force, the Metropolitan Fire Brigade and, in some instances, the ambulance services. Under clause 8 the Minister will not exercise as much power as he had previously over those agencies. The clause devolves some of the powers to the chief officers of those agencies. It is important that all of the chief officers of those agencies understand that the Minister is prepared to listen to them.

In many instances the Government has not been prepared to listen to the inputs from the agencies. The Minister for Conservation, Forests and Lands, representing the Minister for Police and Emergency Services in this House, has been prepared to listen to the agencies, but if the Minister for Police and Emergency Services had offered more cooperation and understanding in the establishment of the then State Disasters Act, the House would have come to the correct conclusion a lot sooner in its handling of the Emergency Management Act.

A stand-off occurred between some of the agencies and the Minister for Police and Emergency Services, particularly regarding the Minister's stated aim to amalgamate some of the emergency services such as the Country Fire Authority and the Metropolitan Fire Brigades Board. That stand-off did not allow free discussion, consultation and cooperation between the agencies which would have enabled these provisions to be included in the Emergency Management (Amendment) Bill.

The Minister for Police and Emergency Services was not prepared to listen to the views of the opposition parties. The National Party and the Liberal Party had some excellent suggestions in the emergency management field.

Some concern has been expressed in the Liberal Party about strengthening the industrial powers of the Premier and the Minister for Police and Emergency Services, as Co-ordinator in Chief, over and above the powers they currently have under the Essential Services Act. I raise that matter because members of my party and other people have expressed concern at the extension of those powers.

Clause 14 relates to the regulations subject to disallowance by Parliament. The House has already heard about this matter during an earlier debate today.

Clause 14 states:

In section 39 of the Principal Act after “regulations” insert “, subject to the regulations being disallowed by Parliament”.

That clause is important because the regulations need to be scrutinised by Parliament and if the regulations are not performing their intended role, as specified in the Act, they should be disallowed by the Victorian Parliament.

The real father of the proposed legislation, which goes back to the State Disasters Act, emanates from a report of the Bushfire Review Committee on Bushfire Disaster Preparedness and Response in Victoria, Australia, following the Ash Wednesday Fires on
16 February 1983. I particularly mention the fine work done in the emergency management field by the three members of the committee who laid the foundation for the emergency management legislation. The chairman of the committee was Mr S. I. Miller, the Chief Commissioner of Police and Co-ordinator of the Victorian State Disaster Plan; Air Vice-Marshall W. Carter, an international disaster consultant and Director of the Australian Counter Disaster College, Macedon; and Mr R. G. Stephens, Principal Advisor, Public Service Board of Victoria. They were the people who started the long path towards achieving effective emergency management.

Although the report of the Bushfire Review Committee related only to the bushfire disaster following the Ash Wednesday fires, many of the principles that were spelt out in the report have been incorporated in the emergency management legislation by the Cain Labor Government. The contribution those people made has been extremely valuable.

Section 275 of the report states:

The State Disasters Act 1983 clearly refers to disasters, generally, and not to fire disasters in isolation.

In other words, the committee that reviewed the bushfires was already signalling that the recommendations it would make were not related purely to fire disasters, but that it was highly desirable that the same coordination structure should operate in the case of management of emergencies or disasters under both the State Disasters Act and the State Disaster Plan.

The people involved on that committee had great foresight in making those recommendations to the Government. It is a pity the Government did not respond quickly to the recommendations made on the effective emergency management so that all the agencies could have felt they had made a valuable input into the construction of emergency management legislation.

The Opposition supports the measures contained in the Bill and I pay tribute to all parties for their cooperation in having the Bill re-presented and enabling the Opposition and the National Party to make contributions to the emergency management debate. The Bill will need to be amended as circumstances change in the emergency management area because obviously the Government, the Opposition and the National Party may feel there are requirements that need to be incorporated in the principal Act so that emergencies are handled in a more efficient manner than has occurred in the past.

The Hon. W. R. BAXTER (North Eastern Province)—The House would not be debating this Bill if the other Chamber had organised its business more efficiently and had not treated the House with contempt in the autumn session of Parliament and packed up its bags and gone home, leaving the House in the invidious position of not being able to amend the Emergency Management Act without causing the Act’s demise because of the sunset clause, which meant it went out of existence on 30 June 1986 unless it was extended by legislation.

I am disappointed that the House, during the autumn session, went to such lengths, as outlined by Mr Reid, to ensure that that process did not occur. I am pleased that, at the time, the House was able to negotiate an agreement with the Government that it would pick up the amendments that the National Party and the Liberal Party proposed.

I had to obtain a written agreement from the Minister for Police and Emergency Services on my amendments. The Opposition did not have a written agreement and it is fortunate and commendable that the Government has taken up the amendments proposed by the Opposition, because there was no written agreement to do so such as existed in the case of National Party amendments.

Nevertheless, I have my concerns that the reservations I expressed in May about the definition of “emergency” have not been addressed in this Bill. I still believe the definition of “emergency” in the principal Act is far too broad and, under certain circumstances, could be used to declare a certain event an emergency when, in practical terms and with commonsense, it should not be so designated.
I do not believe that will happen often, but the scope is there and it is unwise and unprofitable for Parliament to be putting on the statute book legislation that could be misused for political purposes or for other reasons on occasion by a malevolent government. I am pleased that the provision dealing with industrial disputes has been repealed. I am also pleased that the Co-ordinator in Chief no longer will be dictating the operation of the State Disasters Council and that the council will be able to regulate its own procedures.

I am somewhat intrigued by the provision which seeks to amend the regulation-making powers. It seems perfectly proper that Parliament has the right to disallow regulations. In the event of an amendment being inserted, it will not address the problems I have raised in this House on many occasions; that Parliament ought not to be giving a virtual blank cheque to departments and Government Ministers to extend the scope and impact of Acts of Parliament by the use, in extremity, of the broad, general regulation-making power which now seems to be contained in many Bills presented to Parliament.

I am pleased the Government has moved quickly to honour the agreement that it reached with the National Party and the Opposition in the early hours of 9 May. Fortunately, there have been no floods this year, although it has been a relatively wet year in many parts of the State. One has only to consider that Lake Hume has increased in storage from 7 per cent in April to 99 per cent at present and Dartmouth dam has increased its volume of storage quite remarkably. Without those two storages there would have been a significant flood down the River Murray, if not a major flood. It is interesting to note that it is really a quirk of climatic conditions which often causes emergencies and disasters in this State, whether they be fire or flood.

The consequence of the excellent season Victoria has had is that next autumn there will be a tremendous volume of combustible material in a dry state and, particularly if autumn is late, Victoria could face serious bushfires. I know full well that fire brigades and municipalities, at least in my area and I trust throughout the State, are already preparing for that potential situation. One hopes that Victoria will never again experience an Ash Wednesday bushfire as occurred in 1983, but the potential is there, and it behoves members of Government, Government departments and individuals to take as many safeguards as possible to avoid such an event.

I cannot let this occasion pass without expressing to the House the consternation and disappointment that the remarks made by Mr Crawford in the early hours of 9 May caused throughout the State. I am glad Mr Crawford is present in the Chamber to hear me make these observations because they were raised with me again last Sunday. I remind the House that in the early hours of 9 May, recorded in the Hansard sitting of 8 May, when contesting some things I had said, Mr Crawford referred to the "platitudes" of members of the opposition parties. Such slights are like water off a duck's back to me personally, but Mr Crawford then went on to talk about the people whom I represent, particularly in the Porepunkah and Bright areas. He said:

The mentality of these people is that they have a little bit of dirt around them and they are the centre of that bit of dirt and the world revolves around it.

Mr Dunn contested that remark by a disorderly interjection.

The President—Order! I suggest that honourable members are all capable of reading the excerpt from Hansard.

The Hon. W. R. Baxter—I want to indicate how disappointed people in the country community of Victoria were that Mr Crawford was under the impression that people were protecting their farms when, in fact, the fires they were fighting on that occasion were on Crown land to some extent and in national parks. They were using their resources, time and manpower to protect the assets of this State. They find it difficult to understand that people who live in Melbourne do not grasp that basic fact.

I shall give the House an example of the voluntary effort that is so often exhibited in country communities. During the Ash Wednesday bushfires a Wodonga citizen, Mr Dick
Crowe, volunteered his services for the State Emergency Service. He was dispatched to Neerim South, which is in Gippsland, and spent considerable time there. Mr Crowe is in the catering business in his private life. He observed that there were difficulties in providing sustenance for volunteers fighting fires in that locality.

Sometime later in 1983 he formulated a plan that the Red Cross be provided with a mobile unit to assist in the catering. Due to his ability to convince some of his business associates that they ought to make a contribution to the provision of such a unit, he was able to acquire, through the generosity of Hemingway Leo and Pickett Pty Ltd, a Dodge van. Honourable members will be aware that that firm is in the cigarette wholesaling business and has travellers around the State who deliver to retailers. That company was generous in the provision of the van.

Mr Crowe was able to convince a panel beater to paint the van in Red Cross colours and a signwriter to adorn the van sufficiently with the right signwriting.

The Hon. G. R. Crawford—You were complaining that we had too many sandwiches.

The Hon. W. R. Baxter—I ask Mr Crawford not to tempt me. At a function in Wodonga on 22 November I was fortunate to be able to participate in a ceremony which presented that unit to the alpine region of the Red Cross, and a raffle is now being run to generate funds to equip that van with the necessary catering gear.

I am illustrating to the House the fact that this is an entirely voluntary fundraising effort where a valuable unit will be used not only in north-eastern Victoria but also throughout the State, wherever an emergency occurs, by the Red Cross in the provision of food. It is being provided at no cost to the taxpayer or the Government. It was an initiative taken by volunteers, mainly on the suggestion of one person who saw the need for it through his involvement in fighting bushfires on Ash Wednesday. I put it on the record because it is an indication of the attitude that country people have that things are achieved only by putting the shoulder to the wheel and getting on with raising funds and cash or whatever is necessary.

The Hon. N. B. Reid—There are many examples like that.

The Hon. W. R. Baxter—Yes. I say that for a number of reasons, one of which is to educate Mr Crawford, because I believe his remarks in the early hours of 9 May were sadly wide of the mark.

The motion was agreed to.

The Bill was read a second time.

The Hon. J. E. Kirner (Minister for Conservation, Forests and Lands)—By leave, I move:

That this Bill be now read a third time.

In so doing, I thank honourable members for their contributions and cooperation.

The motion was agreed to, and the Bill was read a third time.

INDUSTRIAL AND PROVIDENT SOCIETIES (AMENDMENT) BILL

The debate (adjourned from October 8) on the motion of the Hon. J. H. Kennan (Attorney-General) for the second reading of this Bill was resumed.

The Hon. B. A. Chamberlain (Western Province)—The Bill has three aims: firstly, to prevent the further registration of industrial and provident societies; secondly, to enable the inspection of a society by the Registrar of Co-operative Societies at the registrar's discretion; and, thirdly, to enable societies registered under the Act to migrate or be
registered either voluntarily or at the direction of the registrar under the provisions of the Co-operation Act 1981 or the Companies (Victoria) Code.

The Opposition will support the measure and will also support the amendments to be proposed by Mr Dunn, which I hope will be acceptable to the Government.

The Hon. J. H. Kennan—Yes.

The Hon. B. A. Chamberlain—Some 30 industrial and provident societies are currently registered in Victoria. The general aim of the Bill is to limit the range of incorporation alternatives available to groups in the community. Ultimately societies will either be registered under the Co-operation Act and the Companies (Victoria) Code or in appropriate cases they might be registered under similar Acts. There is not seen to be a long-term future for industrial and provident societies under the provisions of the Bill.

The Opposition circulated the Bill to interested parties. Apart from the issues that will be canvassed by Mr Dunn, the Opposition is happy to support the measure.

The Hon. B. P. Dunn (North Western Province)—The Bill is interesting. When it was first introduced into the House, I thought there was not a great deal to it. At that stage the National Party believed the Bill could be debated quickly and passed.

However, it is good lesson to all honourable members to reconsider their position and to check such measures in a political and Parliamentary sense. I decided to contact the 30 industrial and provident societies in Victoria. I told them by letter that the measure had been introduced by the Government and outlined the major effects on their societies. I then asked what was their view on the Bill.

A series of representations were made to me and a meeting was held between representatives of the industrial and provident societies and the Attorney-General, where the matter was further considered and discussed. Some amendments were then drawn up which better met the needs of those societies. Many interesting societies have been registered under the original Act, some of them still in existence and operating today but others are not. Some of these industrial and provident societies are large and represent many people, but other societies represent only a small number of people and hold small amounts of money.

In The Co-operative Way—Victoria’s Third Sector report, which was released in July this year, the various industrial and provident societies are listed on pages 147 and 148. The organisations included vary from the Victorian Oat Growers Pool and Marketing Co. Ltd with assets of more than $6 million to some small groups such as the Tyabb Co-operative Trading and Cool Stores Ltd, which has capital assets of $270 000 and the Victorian Master Butchers Ltd which has assets of $85 000. Other societies include the Euroa Co-operative Society Ltd, the Koroit and Tower Hill Co-operative Society Ltd and the Latvian Co-operative Society Ltd, which have all been incorporated under the Act.

The report recommends that some significant changes should occur to cooperatives in Victoria and that no further societies should be added to the Industrial and Provident Societies Act, which should be completely phased out. It is recommended that societies registered under the Act should be transferred to either the Co-operation Act or the Companies (Victoria) Code.

The National Party investigated how the societies viewed that possibility. The Bill intends that no more societies will be registered under the Act and that societies should voluntarily transfer or, in the words of the Bill, migrate to the Co-operation Act or the Companies (Victoria) Code. However, if the Government decides that that should occur, the Bill contains a provision that will make it mandatory for a society to transfer. The registrar will be able to compulsorily require the transfer of registration of the society.

At first glance, that might appear to be insignificant, but that decision might involve thousands of members of a society and extensive amounts of money, perhaps millions of dollars. Yet the Bill will allow the Registrar of Co-operative Societies to compulsorily
transfer any one of the 30 industrial and provident societies to the Co-operation Act or the Companies (Victoria) Code. No right of appeal will be available. The simple stroke of a pen will force a society into an action to which it might be opposed. I am surprised that that provision is included in the Bill.

On behalf of the National Party, I addressed that situation. I will move proposed amendments that will take into account the needs and rights of societies on the compulsory transfer issue and also their right of appeal, because the registrar could require a society to compulsorily transfer to the Co-operation Act or the Companies (Victoria) Code without any opportunity of fighting that decision.

The industrial and provident societies were extremely concerned about that position and put a number of views to me as the representative of the National Party.

The first view was that there had been inadequate consultation on the Bill. The repeal of the Act was foreshadowed a long time ago but the matter proceeded slowly from that point. The representatives of the industrial and provident societies to whom I spoke had not seen the Bill and were not aware of its implications.

The repeal of this Act was foreshadowed by the Government in its document on financial institutions in 1984. That was when it was first flagged to these organisations.

Therefore, being concerned about the lack of action and the lack of consultation that occurred prior to that announcement, the Co-operative Federation of Victoria organised a meeting, in March this year, of societies, which was addressed by the Registrar of Co-operative Societies, Mr Bill Kilpatrick. At that meeting, December 1987 was given as a target date for the repeal of the Act and the grounds given by the registrar at that meeting for the repeal of the Act were that the Act was archaic, that only 30 societies were registered and that the provisions of the Act were inadequate and could allow for misuse by unscrupulous operators.

At that same meeting, although there were some discussions regarding the need to repeal the legislation, it was generally accepted that that would eventuate and there was no great disagreement on that point.

Concern was basically centred on the process to be followed and the cost involved, particularly the cost to individual societies if societies had to transfer from the Industrial and Provident Societies Act to the Co-operation Act or the Companies (Victoria) Code. Some societies at that meeting expressed a lack of capacity within their own resources to tackle the issues and the cost that would apply to their members. Some of these societies are fairly small with small capital resources and a transfer would be costly. I have some figures that will show the sorts of costs that they may face.

At that stage the Bill was foreshadowed by the registrar's comments. He said that it sought urgent amendment to the existing Act and this shows from where the Bill emanated. The amendments were: firstly, to prevent further registrations under the Act, and the National Party can understand that; secondly, to establish powers of inspection to allow complaints to be investigated—and the National Party understands that also and there is no great opposition to that point—and, thirdly, it would allow societies voluntarily and "directed by the Registrar of Co-operative Societies" to transfer to other forms of incorporation.

I understand that the meeting concluded without any firm decisions being made on the basis that further consultations would take place, and I hope the Attorney-General is listening to this.

As a result, the societies went away thinking further consultations would take place before a Bill came before Parliament, but that did not occur. The next thing the societies heard about the proposal was when I contacted them to say that a Bill had been introduced into the House with a number of provisions, one of which involved not just voluntary transfer but a compulsory transfer at the direction of the registrar. The federation was
quite horrified and from the discussions I have had with the federation, it is clear that it believed societies should be open to scrutiny and public accountability—the societies have no fears about those provisions—but the federation did say that it was disappointed with the Government that there was not more consultation with it in the lead up to the Bill.

The draft Bill could have gone back to the organisation. We could have saved ourselves a lot of problems because, frankly, amendments have now had to be drawn up and the amendments will probably meet with the approval of all sides of the House. This could have been achieved earlier if the Minister had ensured that his homework was done properly beforehand. It need never have reached this stage.

The Hon. J. H. Kennan—You would have to admit it is unlikely, given my excellent consultation on most Bills.

The Hon. B. P. DUNN—I am a bit surprised with the Minister on this matter. He has not kept up to his usual standard.

The Hon. J. H. Kennan—It is the exception, but you have done very well.

The DEPUTY PRESIDENT (the Hon. G. A. Sgro)—Order! The honourable member will address the Chair.

The Hon. B. D. DUNN—Some time could have been saved here. I have the figures relating to costs that could be incurred by a society transferring to another Act. I will not mention the society, but it has been drawn up by one of them and the costs are listed. Firstly, they put legal and accounting fees at a cost of $30 000. Staff retraining is listed at $25 000, prospectus—$25 000, computer programs—$13 000, printing—$10 000, notification to members—$2000; totalling $105 000, which represents 10 per cent of the total funds invested in that particular society.

One might want to dispute those figures or cut them in half but the fact is that it is a substantial cost to the societies to transfer and, frankly, there is no compensation for them. Under the Bill, the registrar can direct them to compulsorily transfer to another Act and those are the sorts of costs that have been put forward to me.

The society concerned suggested that there should be some reimbursement of expenses incurred in the event of a transfer of incorporation. I gave consideration to that aspect but there is no way, when one reads the Bill, that that problem could be addressed; but I make the point that it is costly for these societies to transfer. This should be taken into account by the Minister and by the registrar in determining whether to force societies to transfer to another Act.

Although the point should be made, I do not think it can be addressed in the Bill, nor can it be addressed so far as Government compensation for those incurred costs is concerned.

The issue really rests on one particular clause and that relates to the aspect of compulsory transfer of registration. When one reads the Bill, the powers of the registrar really become evident. In clause 9, under proposed section 47c, it states:

"47c. (1) If the Registrar decides that it is in the public interest, or in the interests of the members or creditors of the society, the Registrar may by notice to a society—

(a) direct the society to apply to the National Companies and Securities Commission to become registered as a company under the Companies (Victoria) Code; or

(b) direct the society to apply to the registrar of co-operative societies to become registered as a co-operative society under the Co-operation Act 1981—

and the direction is subject to any conditions that are specified in the notice.

That is a wide power.

(2) If the Registrar is satisfied that the society has failed to comply with a direction within 60 days after the date of the notice, the Registrar may issue a certificate to wind up the society."

The registrar can compulsorily require them to transfer and if they do not do it within 60 days, he can wind up the society. There is no right of appeal, not even to the Minister. Therefore, a public servant could wind up the whole society without any right of appeal to anyone.

I shall propose two amendments in the Committee stage; one is to overcome that situation, and the second amendment relates to allowing them to transfer to the Friendly Societies Act.

Many of the societies to whom I spoke felt that it may be of benefit to transfer—they wanted to have the choice of being covered not only by the Companies (Victoria) Code or the Co-operation Act but also to be able to transfer to the Friendly Societies Act. I agree with that view and the National Party has drawn up a proposed amendment to take that into account. I hope the Government and the Opposition will support that at the appropriate time.

The Friendly Societies Act may well suit many of the industrial and provident societies better than the other two Acts to which they can transfer. It is ironic that both of these Bills are presently being considered by Parliament. The Friendly Societies Bill is being considered by the other place. The Bill has not yet been passed, and I believe we are putting the cart before the horse in passing this Bill before the the Friendly Societies Bill is passed. That Bill should proceed before the one currently being considered by this House. I am certain the Friendly Societies Bill will be passed, albeit with some amendments, which will allow the 30 societies currently under the Industrial and Provident Societies Act to transfer to the Friendly Societies Act. That proposed amendment has the support of the industrial and provident societies and it will improve the Bill.

The second proposed amendment deals with the right of appeal. The amendment picks up a clause dealing with the right of appeal in the Friendly Societies Bill that is before the other place. The proposed amendment states:

(2) A society that or person who is affected by a decision of the Registrar to issue a direction may request the Minister to review that decision.

That is a right of appeal to the Attorney-General. The proposed amendment continues:

(3) When reviewing the decision, the Minister must give the society or person an opportunity to appear before the Minister and be heard.

That is the second feature of the proposed amendment: a person or society has the right to appear before the Attorney-General.

The proposed amendment goes on to state:

(4) The Minister may confirm or vary the decision or revoke the notice.

(5) The society or person may apply to the Administrative Appeals Tribunal for a review of the confirmation, variation or reversal of the decision.

That is an extensive procedure and should provide a safeguard for societies and their members. I trust that when I propose the amendments in the Committee stage, it will be supported. It has the support of the industrial and provident societies to whom I have spoken. I do not wish to make any further comments.

The Hon. C. J. Kennedy—Good!

The Hon. B. P. DUNN—If Mr Kennedy listened to these issues he may learn something. Cooperative societies in Victoria are undergoing significant changes. They are the subject of a major Government review and valuable work is being done which the National Party will monitor closely. This Bill and the Friendly Societies Bill fit into the basket of problems with which the Government will deal. The National Party will watch with interest what
the Government does. With the acceptance of the amendments I shall propose, I indicate that the National Party will support the Bill.

The motion was agreed to.

The Bill was read a second time and committed.

Clauses 1 to 4 were agreed to.

Clause 5

The Hon. J. H. KENNAN (Attorney-General)—I move:

3. Clause 5, line 12, omit “this Act” and insert “section 5 of the Industrial and Provident Societies (Amendment) Act 1986”.

The amendment ensures that the limits on the power of the registrar to register industrial and provident societies as set out in the clause apply from the date on which the clause comes into operation. As drafted, the clause provided that the limits would have applied from the date the Act was proclaimed, and that was not intended.

The amendment was agreed to, and the clause, as amended, was adopted.

Clause 6

The Hon. J. H. KENNAN (Attorney-General)—I move:

4. Clause 6, line 24, after “be” insert “incorporated or”.


These amendments ensure that the registrar may use the powers of inspection of the books of a society as set out in the clause in assessing whether the society should be directed to incorporate under the Associations Incorporation Act or the Friendly Societies Act. As drafted, the registrar could only exercise powers of inspection in assessing whether a society should be directed to apply for incorporation as a company or as a cooperative society.

The amendments were agreed to, and the clause, as amended, was adopted, as were clauses 7 and 8.

Clause 9

The Hon. J. H. KENNAN (Attorney-General)—I move:

6. Clause 9, after line 17, insert—

 Voluntary incorporation under the Friendly Societies Act 1986.

"47b. A society that is registered under this Act may apply to be incorporated as a friendly society under the Friendly Societies Act 1958, and may be so incorporated if—

(a) the committee has passed a resolution determining to apply for that incorporation; and

(b) by the resolution the committee has determined under what name the society is to apply for incorporation; and

(c) by the resolution the committee has adopted rules for the proposed friendly society which—

(i) provide for the matters that are required by the Friendly Societies Act 1958 to be provided for in the rules of a friendly society; and

(ii) are signed by at least 3 members of the committee; and

(iii) do not impose on any member of the proposed friendly society any liability to contribute to the assets of that society that is different from the liability of the member as a member of the society."

The wording of the amendment is incorrect and I shall outline the corrections.
The ACTING CHAIRMAN (the Hon. M. J. Arnold)—Order! I ask the Attorney-General whether the correct version of the amendment is the same as the amendment to be proposed by Mr Dunn.

The Hon. J. H. KENNAN (Attorney-General)—Yes, it is. It would be better if Mr Dunn moved amendment No. 1 in his name.

By leave, the amendment was withdrawn.

The Hon. B. P. DUNN (North Western Province)—I move:

1. Clause 9, after line 17, insert—

Voluntary registration under the Friendly Societies Act 1958.

"47B. A society that is registered under this Act may apply to be registered as a friendly society under the Friendly Societies Act 1958, and may be so registered if—

(a) the committee has passed a resolution determining to apply for that registration; and

(b) by the resolution the committee has determined under what name the society is to apply for registration; and

(c) by the resolution the committee has adopted rules for the proposed friendly society which—

(i) provide for the matters that are required by the Friendly Societies Act 1958 to be provided for by the rules of a friendly society; and

(ii) are signed by at least 3 members of the committee; and

(iii) do not impose on any member of the proposed friendly society any liability to contribute to the assets of that society that is different from the liability of the member as a member of the society."

I outlined the amendment during the second-reading stage of the debate. It enables industrial and provident societies to transfer not only to the Co-operation Act and the Companies (Victoria) Code but also to the Friendly Societies Act. A number of societies have indicated that they want to move in that direction.

I thank the Attorney-General for accepting this provision. Although the Friendly Societies Bill is currently before the other House, we cannot refer to it here until it is passed by that House; we have to retain the description of the Friendly Societies Act 1958. I understand that would allow us to allow this provision to be picked up by the new Friendly Societies Bill when that Bill is passed by Parliament.

The Hon. J. H. Kennan—Yes.

The Hon. B. P. DUNN—I am happy to move that amendment. I think it will meet the requirements of the societies, and I thank the Minister for taking it on board.

The Hon. J. H. KENNAN (Attorney-General)—I am impressed by the way Mr Dunn has dealt with this Bill because of the heavy workload that Mr Baxter had in trying to cope with all the Bills that I deal with. Mr Dunn has done extraordinarily well with it, and I congratulate him on the work he has put into it. I suspect that the real power of the opposition parties is in the corner benches, and Mr Dunn is doing very well.

The amendment was agreed to.

The Hon. B. P. DUNN (North Western Province)—I move:

7. Clause 9, line 19, omit "47B (1)" and insert "47C".

The amendment was agreed to.

The amendment was agreed to.
The Hon. J. H. KENNAN (Attorney-General)—I move:
9. Clause 9, line 37, after “Registrar” insert “of Friendly Societies or the registrar of co-operative societies”.

The amendment was agreed to.

The Hon. B. P. DUNN (North Western Province)—I move:

The amendment was agreed to.

The Hon. J. H. KENNAN (Attorney-General)—I move:
11. Clause 9, page 4, line 7, omit “(3)” and insert “(2)”.
12. Clause 9, page 4, line 7, omit “in accordance with this section”.

The amendments were agreed to.

The Hon. J. H. KENNAN (Attorney-General)—I move:
13. Clause 9, page 4, line 8, omit “Registrar” and insert “registrar to whom the application is made”.

The amendment was agreed to.

The Hon. B. P. DUNN (North Western Province)—I move:
7. Clause 9, page 4, line 10, omit “under the Co-operation Act 1981” and insert “so registered”.

The amendment was agreed to.

The Hon. J. H. KENNAN (Attorney-General)—I move:
17. Clause 9, page 4, lines 17 and 18, omit “any appropriate registrar” and insert “the Registrar”.
18. Clause 9, page 4, line 21, omit “; and”.
19. Clause 9, page 4, line 22, omit paragraph (f) and insert—
“(3) When a certificate is issued under sub-section (2) (c), the provisions of this Act, other than sub-section (4), cease to apply to the society and the Registrar must, as soon as practicable, cancel the registration of the society under this Act.”.

The amendments were agreed to.

The Hon. B. P. DUNN (North Western Province)—I move:
9. Clause 9, page 4, line 23, omit “(4)” and insert “(3)”.

The amendment was agreed to.

The Hon. J. H. KENNAN (Attorney-General)—I move:
20. Clause 9, page 4, line 26, before “co-operative” insert “friendly society or”.
21. Clause 9, page 4, line 29, before “co-operative” insert “friendly society or”.
22. Clause 9, page 4, line 32, before “co-operative” insert “friendly society or”.
23. Clause 9, page 4, line 35, before “co-operative” insert “friendly society or”.
24. Clause 9, page 4, line 37, before “co-operative” insert “friendly society or”.
25. Clause 9, page 4, line 39, omit “47c” and insert “47e”.

The amendments were agreed to.

The Hon. J. H. KENNAN (Attorney-General)—I move:
“1981; or
(c) direct the society to apply to the Registrar of Incorporated Associations to become an incorporated association under the Associations Incorporation Act 1981; or
(d) direct the society to apply to the Registrar of Friendly Societies to become incorporated as a friendly society under the Friendly Societies Act 1958—".

The amendment was agreed to.

The Hon. B. P. DUNN (North Western Province)—I move:

16. Clause 9, page 5, after line 8 insert—

"(2) A society that or person who is affected by a decision of the Registrar to issue a direction may request the Minister to review that decision.

(3) When reviewing the decision, the Minister must give the society or person an opportunity to appear before the Minister and be heard.

(4) The Minister may confirm or vary the decision or revoke the notice.

(5) The society or person may apply to the Administrative Appeals Tribunal for a review of the confirmation, variation or reversal of the decision."

17. Clause 9, page 5, line 9, omit "(2)" and insert "(6)".

18. Clause 9, page 5, line 10, omit "within 60 days after the date of the notice," and insert—

(a) within 60 days after the date of the notice; or

(b) if the Minister has been requested to review the decision, within 60 days after notice of confirmation of that decision by the Minister has been given to the society; or

(c) if an application has been made to the Administrative Appeals Tribunal, within 60 days after notice of confirmation of that decision by the Tribunal have been given to the society—"

The Hon. J. H. KENNAN (Attorney-General)—I accept the amendments and thank Mr Dunn for bringing the matter forward.

The amendments were agreed to.

The Hon. J. H. KENNAN (Attorney-General)—I move:

27. Clause 9, page 5, line 13, omit "47D" and insert "47F".

28. Clause 9, page 5, line 14, omit "47E" and insert "47E".

The amendments were agreed to.

The Hon. J. H. KENNAN—I move:

29. Clause 9, page 5, lines 16 and 17, omit "or co-operative" and insert "co-operative society, incorporated association or friendly".

30. Clause 9, page 5, line 19, omit "or co-operative" and insert "co-operative society, incorporated association or friendly".

31. Clause 9, page 5, line 22, omit "or co-operative" and insert "co-operative society, incorporated association or friendly".

32. Clause 9, page 5, line 25, omit "or co-operative" and insert "co-operative society, incorporated association or friendly".

33. Clause 9, page 5, line 27, omit "or co-operative" and insert "co-operative society, incorporated association or friendly".

34. Clause 9, page 5, line 29, omit "47E" and insert "47G".

35. Clause 9, page 5, line 31, omit "47C" and insert "47E".

The amendments were agreed to, and the clause, as amended, was adopted.

Clause 10

The Hon. B. P. DUNN (North Western Province)—I move:

23. Clause 10, page 5, line 39, omit "47c (2)" and insert "47e (6)".

24. Clause 10, page 6, line 5, omit "47c (2)" and insert "47e (6)".

25. Clause 10, page 6, line 6, omit "47c (2)" and insert "47e (6)".
The amendments were agreed to, and the clause, as amended, was adopted, as was the
remaining clause.

New clause

The Hon. J. H. KENNAN (Attorney-General)—I move:

39. Insert the following new clause to follow clause 11:

Amendment to section 51 of the Co-operation Act 1981.

'AA. In section 51 (1) of the Co-operation Act 1981 omit “or the Industrial and Provident Societies Act
1958.”.'

The new clause was agreed to.

The Bill was reported to the House with amendments, and the report was adopted.

The Hon. J. H. KENNAN (Attorney-General)—I move:
That this Bill be now read a third time.

I thank Mr Dunn for the patience and care he took with the Bill.

The motion was agreed to, and the Bill was read a third time.

COURTS (FURTHER AMENDMENT) BILL

The House went into Committee for the further consideration of this Bill.

Discussion was resumed of clause 2.

The Hon. J. H. KENNAN (Attorney-General)—This afternoon I expressed my gratitude
to Mr Chamberlain and Mr Baxter for their general support of the Bill. I move:

1. Clause 2, line 4, omit “Section 9” and insert “Sections 6 (2) and 9”.

The amendment was agreed to, and the clause, as amended, was adopted, as was clause

3.

Clause 4

The Hon. J. H. KENNAN (Attorney-General)—I move:

2. Clause 4, line 16, omit “if” and insert “under which no monetary relief is sought or”.

3. Clause 4, lines 16 and 17, omit “or the value of the subject-matter”.


5. Clause 4, page 3, line 20, omit “(b)” and insert “(a)”.

6. Clause 4, page 3, line 23, omit “(c)” and insert “(b)”.

7. Clause 4, page 3, line 24, omit “(d)” and insert “(c)”.

8. Clause 4, page 3, line 26, omit “(e)” and insert “(d)”.

9. Clause 4, page 3, line 30, after “(b)” insert “if the magistrate so requires.”.

10. Clause 4, page 3, line 32, omit “a legal representative or any other person” and insert “an agent”.

11. Clause 4, page 3, lines 37–40, omit this sub-section and insert—

“720. (1) A magistrate may, in an arbitration, award costs to a party but if the arbitration relates to a
complaint under which monetary relief is sought and the magistrate awards a party less than $500, the
magistrate must not award costs (except under sub-section (2)) unless satisfied that special circumstances
make it desirable to do so.”.

12. Clause 4, page 4, lines 15 and 16, omit “hearing a complaint” and insert “to which a complaint is made”.

13. Clause 4, page 4, line 20, after “may” insert “, whether before or after commencing to hear the complaint,”.

Amendments Nos 2 and 3 ensure that where a complaint in the Magistrates Court claims
no monetary relief, the court must first refer the matter to arbitration unless it decides
Amendment No. 4 ensures that a magistrate conducting an arbitration must be guided by the general law rather than by the standards set out in the Bill in reaching a decision. Magistrates are of the view that the standards set out in the Bill, if more lenient, could make it more attractive for counsel in certain circumstances to argue that the matter should not be heard by arbitration. This could mean long and expensive jurisdictional arguments before a dispute is even heard. This could run counter to the Bill’s aim of establishing an efficient and inexpensive way of resolving disputes. This amendment removes the attraction of counsel taking these points by ensuring that the law a magistrate applies in arbitration is the same as the law applied to conventional proceedings.

Amendments Nos 5 to 8 amend the subsection numbers as a result of amendment No. 4.

Amendment No. 9 gives a magistrate the discretion to determine whether evidence in an arbitration will need to be on oath. Some magistrates are of the view that this could restrict them in the way they take evidence in an arbitration. It could, for instance, make it either very expensive or too difficult to take evidence over the telephone. This is often the case in the Small Claims Tribunal if a witness needs to be sworn. If evidence is not given on oath, a magistrate can always take that fact into account in assessing the weight to be given to that evidence. This amendment will also enable matters to be resolved more expeditiously and with less expense.

Amendment No. 10 ensures that a person who appears by representative, whether a legal practitioner or not, can be bound by that representative. There was some doubt expressed by the magistrates about whether the Bill, as drafted, allowed a person who was represented by a person other than a legal representative to be bound by the representative during the course of an arbitration. It was intended that the non-legal practitioner could bind a client. This amendment clarifies that intention. It is not intended to mean that a person cannot appear by a legal representative.

Amendment No. 11 ensures that the restrictions which apply to a magistrate awarding costs in an arbitration apply only where a party seeks monetary relief. Some concern was expressed in consultation about how this limit applied where a party does not seek monetary relief. This amendment makes it clear that in these situations an award of costs is a matter for the magistrate’s discretion.

Amendments Nos 12 and 13 ensure that a matter can be referred to a prehearing conference at any time after a complaint is issued. As drafted, the Bill implies that the conference can be held only after the hearing of the complaint is commenced. This is contrary to the purpose of the hearing, which is to try to settle the complaint or refine the issues in dispute before the hearing starts.

The Hon. B. A. Chamberlain (Western Province)—I raise with the Attorney-General the matter of amendment No. 10 and I ask: what is the reason for that amendment?

Proposed section 72B (4) states:

A party to an arbitration under this Part may appear in person or by a legal representative or any other person.

Instead of that this proposed section will now say:

... may appear in person or by an agent.

It is most unusual in the courts to refer to a legal representative as an agent. It implies that the lawyer who is representing that person is there in another capacity. I would not mind if it were “by a legal representative or an agent”, but I oppose the removal of the reference to legal representation.

The Hon. J. H. Kennan—I accept that.
The Hon. B. A. CHAMBERLAIN—The Attorney-General having said that, I should like him formally to move an amendment to that effect.

The Hon. J. H. KENNAN (Attorney-General)—With the consent of Mr Chamberlain and Mr Baxter, I seek leave to withdraw amendment No. 10 with a view to moving a reworded amendment.

By leave, the amendment was withdrawn.

The Hon. J. H. KENNAN (Attorney-General)—I move:

10. Clause 4, page 3, line 32, omit “any other person” and insert “an agent”.

I point out that some doubt was expressed by the magistrates about whether the Bill, as drafted, allowed a person who was represented by a person other than a legal representative to bind a client. It is intended that non-legal representatives can bind the client and it was thought to have been made clearer by inserting the words “an agent”, which would clearly imply an agent-principal relationship.

The amendments were agreed to, and the clause, as amended, was adopted.

Clause 5

The Hon. J. H. KENNAN (Attorney-General)—I move:

14. Clause 5, line 4, after “of” insert “arbitrations and”.

The amendment ensures that rules about the conduct and procedure of an arbitration can be made by magistrates.

The amendment was agreed to.

The Hon. B. A. CHAMBERLAIN (Western Province)—I raised with the Attorney-General by way of discussion during the second-reading debate the prospect of using some justices of the peace in the role of arbitrators. I ask whether the Attorney-General might give consideration to that issue while the Bill is between here and another place.

The Hon. J. H. KENNAN (Attorney-General)—I think generally, I have made my position fairly clear in relation to justices of the peace—and I am sorry to spoil the bipartisan atmosphere we have had around this Bill—but I suppose one of my complaints about justices of the peace concerns whether they are representative or whether they are in a specialist category. If there are some justices of the peace who have some qualifications in any manner, that is all right, but, of course, the great majority of justices of the peace are over the age of 70 years—some two-thirds are over 70 years of age; I think half of them are more than 75 years old; and a good percentage are over 80 years. That is not their fault.

The Hon. W. R. Baxter—But Sir Joh Bjelke-Petersen survives all right!

The Hon. J. H. KENNAN—It is amazing, is it not? I am not sure I would like him arbitrating any dispute. I do not see why justices of the peace have any special capacity to be arbitrators, I must say that it is an issue on which honourable members know my views.

I suppose it would be uncharitable of me not to consider what Mr Chamberlain has said, but I say it under the cover of my remarks and my known attitude on the issue.

The clause, as amended, was adopted.
Clause 6

The Hon. J. H. KENNAN (Attorney-General)—I move:

15. Clause 6, after line 28, insert—

"(2) After section 37 (2) of the County Court Act 1958 insert—

“(3) If a verdict is returned for or a judgment is given for an amount greater than the amount sought to be recovered in the action by the claimant—

(a) the Court must find and record the amount of the verdict or judgment; and

(b) the claimant may recover the full amount of the verdict or judgment or, if the full amount is liable to be reduced in accordance with Part V of the Wrongs Act 1958, the amount to which the full amount is so liable to be reduced, even if that full amount or reduced amount is greater than the amount sought to be recovered.”.

This amendment seeks to revive the provisions of section 37A of the County Court Act 1958, to which I referred earlier. It ensures that, despite the provisions of the Courts Amendment Act 1986, the County Court still has the power to enter judgment in excess of its jurisdictional limit. Can I say for the purpose of the record—and the record may be important in some future court case in this area—that it was never our intention—it certainly was never my intention and I do not believe it was the Parliament's intention—when we passed the Courts Amendment Act 1986 to do away with the rule that the County Court could enter a judgment for an amount greater than the jurisdictional limit. However, the point was taken—and it was taken unsuccessfully, as I indicated earlier—before a judge of the County Court and that case is now on appeal.

In moving this amendment, together with the amendment I have moved to clause 2, we have sought to put the matter beyond any doubt or argument and we have done so in a way that will be retrospective to the operation of the Courts Amendment Act 1986, so that any cases in the pipeline can be caught up.

I indicate to the Committee that I have had consultations with judges of the County Court on this matter and I have received representations from the bar to this effect. There is a strong feeling both in the County Court and at the bar that this matter does need to be clarified in express terms. It may be that we could have taken a chance and waited for the court case on appeal to be decided but, as we are dealing with the issue, it is no doubt desirable to put it beyond doubt.

The Hon. B. A. CHAMBERLAIN (Western Province)—I agree with the proposition, but I wonder whether the Attorney-General has put his mind to the particular case that is subject to appeal. Retrospectivity is all very well in this place and I understand the intention of the previous change was generally accepted. However, let us assume those parties have undergone certain expense on the basis that they have an arguable case. It seems a bit rough at this stage to change the rules retrospectively. The Attorney-General might like to comment on that.

Generally, in relation to this proposition, we have not had the chance to look at this in great detail. I agree with the proposition as enunciated by the Attorney-General, but I hope that while the Bill is between here and another place the Attorney-General could specifically refer this amendment to the two arms of the profession to get their comments. If, in fact, a substantive objection comes up, I hope he at least communicates it informally to Mr Baxter and myself so that we can consider what action might be taken in another place, although obviously that is a little irrelevant.

I agree with the general proposition that the Attorney-General has put forward with the one caveat to which I referred. I understood the honourable gentleman intended to make it retrospective by changing clause 2. Does he have another amendment?

The Hon. J. H. KENNAN (Attorney-General)—I have done it by amending clause 2. It means that this section in the Act becomes operative on the date of the Courts Amendment
Act 1986. It is a shorthand way of doing it. I did not grasp it myself until it was explained to me several times.

I thank Mr Chamberlain for his comments. Mr Chamberlain having made those comments, I suppose the Hansard report of this debate will be used in any future appeal in relation to what was our intention six months ago.

In relation to the case in the pipeline, the fact of the matter is that the judge upheld the viewpoint that Mr Chamberlain and I have just expressed about what our intention was. The case has not yet come on for appeal. It may be that some parties have incurred certain costs. If they want to make application to me for an ex gratia payment, I shall consider that—I will not make any promises.

I suppose one will always have people arguing this sort of point. I certainly would not want to create a precedent by saying that every time Parliament did this, and they wanted to run off and argue it, and if we clarified it absolutely by legislation, those people could then come to us for costs.

Certainly, I shall undertake to formally advise the two branches of the profession about this amendment. The point that Mr Chamberlain particularly made was that the profession be expressly consulted about the retrospective aspect of the provision. I shall undertake to do that, and shall report to Mr Baxter and Mr Chamberlain on any feedback I receive from the profession.

We all agreed that we never intended to change that pre-existing rule anyway. There is no case that has been decided inconsistently with our intention. I do not believe any injustice has been done, and I find it hard to accept any argument against retrospectivity, in the sense that we are underlining what we always meant.

The amendment was agreed to, and the clause, as amended, was adopted, as were the remaining clauses.

The Bill was reported to the House with amendments, and the report was adopted.

The Hon. J. H. KENNAN (Attorney-General)—I move:

That this Bill be now read a third time.

I again thank Mr Chamberlain and Mr Baxter for their contributions in this matter.

The motion was agreed to, and the Bill was read a third time.

**PAY-ROLL TAX (AMENDMENT) BILL (No. 2)**

This Bill was received from the Assembly and, on the motion of the Hon. E. H. Walker (Minister for Agriculture and Rural Affairs), for the Hon. D. R. WHITE (Minister for Health), was read a first time.

For the Hon. D. R. WHITE (Minister for Health), the Hon. E. H. Walker (Minister for Agriculture and Rural Affairs)—I move:

That this Bill be now read a second time.

The Bill implements two initiatives announced in the Budget at a cost of $3.7 million in 1986-87 and $9 million in a full year.

The measures are designed to provide further assistance to small businesses in Victoria, to prevent larger firms moving into higher payroll tax brackets because of increases in average weekly earnings only, and to facilitate employment throughout the Victorian economy. The adjustments, to operate from 1 January 1987, are in line with the Government's commitment to keep payroll tax under review and to make such adjustments as are necessary and feasible.
Firstly, in line with the Government’s policy of assistance to small business, the Bill increases the basic exemption level from $230,000 to $250,000—an increase of 8.7 per cent, well in excess of the estimated growth in average weekly earnings of around 6 per cent in 1987. This will benefit 4,600 employers with payrolls within the range of $230,000 and $568,300.

Secondly, the Bill increases the threshold at which the 6 per cent payroll tax rate begins to phase in from $1.2 million to $1.3 million, an increase of 8.3 per cent. This concession will provide additional assistance to some 100 larger employers with payrolls of between $1.2 million and $1.3 million. I commend the Bill to the House.

On the motion of the Hon. B. A. Chamberlain, for the Hon. J. V. C. Guest (Monash Province), the debate was adjourned.

It was ordered that the debate be adjourned until the next day of meeting.

ADJOURNMENT

Noise from Hampton Hotel—Portland and District Hospital—St Monica’s School, Kangaroo Flat—Leet Corporation Pty Ltd—Classification of child and maternal health sisters—Delay in lump sum superannuation payment—Railways stabling yard at Nunawading—Clearance of electricity lines—Prince Henry’s Hospital

The Hon. E. H. Walker (Minister for Agriculture and Rural Affairs)—I move:

That the House do now adjourn.

The Hon. G. P. Connard (Higinbotham Province)—I seek the advice of the Attorney-General on an incident that occurred in my province at the Hampton Hotel, which changed hands some eighteen months ago. There is an acute need in that hotel for some mechanism for reducing noise pollution, which has now become offensive to the community.

I should like to explain to the Attorney-General the events that have occurred. People in the community—I am not talking about only one or two or half a dozen people, but about 50 to 100 people, if not more—have now been grossly offended by the noise allowed by the new management of the hotel; the noise has become obnoxious to them.

They took the matter to the local council, which requested the Environment Protection Authority and other authorities to police the matter. They also took the matter to the local police, which have, in turn, laid charges against the licensee of the hotel. The licensee is a lady but, apparently, her husband manages the hotel. I am advised that her husband has had previous convictions and that he is ignoring the complaints made by my constituents in that area.

The local council has taken the matter to court, together with evidence provided to it by the local police and the Environment Protection Authority. However, because of the skill of very highly-paid barristers, the cases concerned have been delayed and have continued to be delayed over the past twelve months.

It appears that there will be no hearings until early next year. The council is being completely frustrated. It respects the wishes of, understands the concerns of and supports local residents on this issue but it has been frustrated by the legal mechanisms by which highly-skilled barristers are delaying proceedings.

The council has both corresponded with and spoken to me about this matter and has asked me to speak to the Attorney-General about it. I support the local council on this issue.

What advice can the Attorney-General give to me to convey to both local government and the Environment Protection Authority so they can attempt to solve this matter rapidly, especially when the renewal of the licensing of the hotel is due? The matter equally
concerns the Liquor Control Commission which has also been frustrated by this mishmash of three legal procedures.

Finance is acute in this matter because of the skill of the highly-paid barristers; something must be done rapidly by the three authorities involved, the Police Force, local government and the Liquor Control Commission. I seek advice from the Attorney-General that I can pass on to each of the authorities to help implement the cause of justice for that community.

The Hon. B. A. CHAMBERLAIN (Western Province)—The matter I direct to the attention of the Minister for Health concerns the Portland and District Hospital. My colleague, Mr Hallam, will raise an associated matter. The problems faced by the hospital predate the particular problems that are affecting all State hospitals at present. Generally, they relate to the disadvantageous staffing levels, which the staff believe are leading to grave dangers in patient care, and associated problems with the physical facilities, which are exacerbating the staffing problems.

The problems have existed for a long period. Recently the Minister visited the hospital, and I pay tribute to the honourable gentleman for the interest he has shown in a number of problems faced by hospitals in western Victoria. The problems have been exacerbated by the rapid development of Portland associated with the Portland aluminium smelter.

Earlier this year an assessment of the staffing needs of the Portland and District Hospital was undertaken by Miss C. Wilkinson of the regional office. Despite many requests during the intervening six months, the hospital cannot obtain access to that report.

The following are a few of the problems faced by the hospital: it receives no funding for its evening supervisors; theatre staff are used for 38-hour relief work each week; and many non-nursing duties are still being performed by nurses because they have no alternative.

The hospital nursing budget is being overspent because the hospital is trying to make up for its deficiency in numbers. In speaking to the staff, as Mr Hallam, the honourable member for Portland in another place and I have done, real concern has been expressed that a major tragedy will occur and that they will not be able to cover it.

Is the Minister for Health aware of the problems and, more importantly, what action can he take to overcome the problems in the short term before a major tragedy occurs at the hospital?

The Hon. R. M. HALLAM (Western Province)—I shall take the case outlined by Mr Chamberlain a little further. The meeting to which Mr Chamberlain referred was also attended by senior management of the Portland and District Hospital and the majority, if not the entire, senior nursing staff. One of the papers that had been prepared for that meeting dealt especially with the general ward.

That ward has 30 acute adult beds and 6 children's beds. The charge sister provided me with the following figures and pointed out that between the hours of 22.45 and 7.15 the general ward is under the control of only two registered and two State-enrolled nurses. The point was made that the areas of work that were covered included the children's ward, the high dependency unit and the balance of medical and surgical patients including orthopaedic patients.

The problems faced by the hospital are exacerbated by the fact that no night switchboard operator is on duty and, therefore, the duty sister is required to monitor the switchboard as well. On top of that the same staff are required to relieve in other wards.

As a particular example, the charge sister instanced the night of 6 October during which the workload was 3 children and 22 adults. Of the 22 adults, 3 were on heart monitors, so extremely ill patients were involved. These problems are not new. They have been surfacing since the inception of the Portland aluminium smelter and are not directly related to the current nurses' dispute. They were well in evidence before that time.

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Will the Minister review the entire issue of nursing staff levels at the Portland and District Hospital?

The Hon. N. B. REID (Bendigo Province)—I direct a matter to the attention of the Leader of the House as the representative in this place of the Minister for Education. I have received correspondence from St Monica's School at Kangaroo Flat near Bendigo about the appointment of school community development officers in the Loddon-Campaspe region.

St Monica's School is one of the applicants for a school community development officer and was successful in obtaining a half-time officer on the condition that the Kangaroo Flat/Goulburn Square network, to which the school belongs, raises half of the salary of the school community development officer. Already 4·5 positions have been allocated to the Loddon-Campaspe area and St Monica's School has been allocated only a half-time position.

The school must now raise the additional funds or seek assistance from local government or other agencies to provide approximately $15 000 a year for the next five years to make up the salary of the half-time community development officer to full-time.

The school has sought my support. Will the Minister take up the matter with the Minister for Education in another place in an attempt to have the half-time position increased to a full-time position, or to have the position given as a part-time position without the condition of the school having to raise additional finance, or make the position available for two-and-a-half years instead of five years, which would be the same financial commitment from the Minister for Education?

The matter is becoming urgent because the regional board of education has been given the responsibility of the appointment of the community development officers.

The Hon. F. S. GRIMWADE (Central Highlands Province)—The matter I raise with the Minister for Agriculture and Rural Affairs concerns a one-man, or one-man and his wife industry at Broadford. Mr Leet runs a small fertiliser manufacturing business called Leet Corporation Pty Ltd.

Mr Leet told me of the problems that confront a small manufacturer of fertiliser through the operation of the Fertilisers Act. In essence he must register the fertiliser that he produces. If he does so on the normal basis, it costs $117.50 and it must be registered every two years.

That is fine if one stocks only one or two types of fertiliser, but he specialises in fertiliser for specific locations, such as for one's lemon tree, one's camelia bush or one's potatoes. He is able to register special prescription fertilisers for specific purposes but he has to notify the laboratory each time he does that along with providing a fee of $5. This leads to a great mass of paperwork for him and it makes it difficult in a one-man operation.

He tells me that there are other ways that he may be able to be exempted. There are certain exceptions within the Act for classes of fertiliser, such as urea or other chemicals that do not vary, so it could be possible to be exempted that way or, alternatively, it could be on a quantity basis as in South Australia where, if the packaged fertiliser weighs less than 5 kilograms, it is considered to be garden or household fertiliser and it is not required to be registered in the way that it is done in Victoria.

I am told that there is to be a meeting of Ministers of agriculture throughout Australia, and they will be looking at the application of fertiliser Acts and it may well be that uniformity could be introduced throughout the States and the exemption that I suggest, on a weight basis, could be introduced to enable this man to provide a useful service to many people who want fertiliser for specific applications.

Therefore, I ask the Minister to look into this matter to ascertain whether it is possible for these exemptions to be brought forward to assist this man.
The Hon. R. I. KNOWLES (Ballarat Province)—I direct the attention of the Minister for Community Services to concern expressed to me by the special interest group of the Royal Australian Nursing Federation regarding the classification of child and maternal health sisters in the State. Previously, the classification has always been given recognition of the fact that people occupying these positions have undertaken quite extensive training and that they operate without supervision.

Under the proposed new structure, it is likely that they are to be classified to the same level as single certificated nurses who might work in a community health centre. My understanding is that, previously, child and maternal health sisters have been classified at a 4A level, and it is now suggested that they be classified at a 3B level. I further understand that the Municipal Association of Victoria is advising municipalities to employ them at the 3B level, although that is not being respected by all municipalities throughout the State. In a number of areas they are continuing to be employed at a 4A classification.

It is fairly important for the future of this valuable service that there is some recognition of the training that has been undertaken by these people so that a situation is not reached where single certificated nurses or sisters will receive the same salary level because they work in a community health centre.

I further understand that some officers of Community Services Victoria have been advising municipalities that the 3B classification is the appropriate one. When that was brought to the department's attention, those officers then went back to the municipalities and advised them to ignore the previous advice and put forward that the department is not expressing any point of view.

I find that rather surprising, given that the department provides significant funding towards the employment of those staff and I seek from the Minister the departmental view on the appropriate classification of these people, given that there has previously been a requirement that people occupying these positions have undertaken further study to equip them to fulfil these positions, given that these people, in the majority of cases, operate without supervision and given that the department is meeting a significant component of that cost.

Does the department intend to fund infant welfare centres based on the cost of the staff at a 4A classification or a 3B classification? It is an issue that is creating a great deal of concern among those who work in this valuable and important service. That is recognised by the Government. It has provided additional funds for this service in the Budget currently before Parliament and it would seem to be unfortunate at best that the Government or the department is adopting a neutral stance on this important issue.

The Hon. K. I. M. WRIGHT (North Western Province)—I refer the Minister for Health representing the Treasurer to a matter of State superannuation. It refers to a constituent of mine, Mr Ken Harrison of 228 Walnut Avenue, Mildura. He retired on 15 September 1986 at the age of 60 years and as retirees are required to do the paperwork two months prior to retiring, he completed the necessary forms and forwarded them to the State Superannuation Board on 17 June, which gave the board just under three months' notice.

The day before he retired, he rang the board as he had received no acknowledgement of his letter or the forms. He was informed that there would be a delay of up to six weeks in paying him the lump sum and that the board would not be paying any interest on these moneys.

He has calculated that from his lump sum payment of $136 000 invested at 16 per cent, which could easily be secured today, he has lost a total of $2500 that he would otherwise have been paid.

I ask the Minister whether the Government will consider an ex gratia payment or some other kind of payment to my constituent to compensate him for the loss of earning power with respect to his superannuation.
The Hon. ROSEMARY VARTY (Nunawading Province)—I direct a matter to the Minister for Planning and Environment. He will be aware of the proposal to establish a stabling yard for trains at Nunawading. He will also be aware that the area proposed is either currently zoned light industrial or is in the process of being zoned light industrial and, as a consequence, on a number of properties mainly zoned residential, the owners are suffering considerable hardship. In addition, some of the properties that have been rezoned have been given unconditional building permits by the City of Nunawading to proceed with the building of commercial showrooms or factories.

Can the Minister give some indication of how quickly those hardship cases will be dealt with because, in one particular commercial development, the three blocks of land involved have been amalgamated for the construction of a fairly large commercial property. If it goes ahead, it will mean that the department will have to reimburse the owner for that construction.

Is it the Minister’s intention that that should happen, which would, of course, increase the cost of the development of that site; or is it the Minister’s intention to deal with those hardship cases promptly so that the owners of those properties are reimbursed reasonably quickly?

The Hon. D. M. EVANS (North Eastern Province)—I direct a matter to the Minister for Health, as the representative of the Minister for Industry, Technology and Resources. I refer to a declaration on 21 October 1986 of the Shire of Beechworth as an urban area for the purposes of the State Electricity Commission (Clearance of Lines) Act 1983.

The Shire of Beechworth was notified by Mr MacSporran, the Acting Secretary of the State Electricity Commission, that:

The commission expects that over that period you will progressively take more responsibility for tree clearing where you have not already been carrying out this activity, so that you are in a position to assume total responsibility three years from now.

The letter also states that the decision was taken following earlier discussions between the State Electricity Commission and the Shire of Beechworth.

Can the Minister inform the House in due course when those discussions took place and with what degree of depth because I understand from a councillor from the Shire of Beechworth that very little, if any, discussion took place.

I also have in my possession a letter dated 24 June 1986 from the Minister for Industry, Technology and Resources that states:

... the Government has firmly resolved that the above Act...

—that is, the State Electricity Commission (Clearance of Lines) Act 1983—

... is an essential element in its overall program of minimising the fire risk in Victoria. The present impasse must be overcome with a fair division of the responsibilities emanating from the legislation...

Can the Minister resolve the difference between “a fair division of responsibilities” as expressed by the Acting Secretary of the State Electricity Commission that the council would, within a period of three years, take over total responsibility?

In the Minister’s letter of 24 June it is indicated that full consultation would occur in relation to the potential declaration of urban areas. I raise this matter because the issue of clearing State Electricity Commission lines and trees close to them is a most intricate matter requiring special skills and experience. It is also an extremely expensive operation and a number of municipalities in the province I represent and throughout Victoria find themselves under substantial financial pressure as a result of declarations.

I might mention that the council areas declared for the purposes of that Act on 21 October by an Order in Council are: Beechworth, Cobram, Euroa, Myrtleford, Numurkah, Rochester and Rodney. No doubt the Shire of Rodney also refers to Tatura. These are generally relatively small towns and municipalities.
It is my clear understanding that when introduced into Parliament the measure was intended to meet a responsibility by much larger municipalities and that the clear intention when the measure was passed has not been carried on to the present. I ask the Minister, on behalf of the municipalities I have mentioned, why the intention of the legislators is not being carried forward and why, without consultation, those municipalities are being asked after a short time to assume total responsibility for this major additional expenditure.

The Hon. REG MACEY (Monash Province)—I raise a matter with the Minister for Health who would be aware of the continuing concern in the province I represent about the future of Prince Henry’s Hospital. That concern is expressed especially in the cities of South Melbourne, Port Melbourne, St Kilda and Prahran.

A rumour that has been circulating of late asserts that the Government is now interested in converting Prince Henry’s Hospital into a preventive medicine hospital. I have found the source of that rumour in an article in the Emerald Hill, Sandridge and St Kilda Times dated 6 November 1986 where it is asserted that the Minister for Health has indicated his support for such a proposition. The article states:

Cr Dahan—

—the Mayor of South Melbourne—

... said he had asked Mr White if the Government had considered changing the use of the hospital to a preventive medicine hospital, as this could be done without selling the land.

The Hon. D. R. White—Is Cr Dahan in the South Melbourne Community Chest?

The Hon. REG MACEY—He is its president and his wife, until recently, worked for the community chest.

The article continues:

He said Mr White had assured him that the Government’s policy was to lease, rather than sell the land. He had also invited the council to come up with a plan for a preventive medicine hospital.

I ask the Minister whether that is the Government’s policy and, if so, whether he can give a justification for it and indicate what benefits to the community would emerge from such a proposition. If it is not the Government’s intention, would the Minister issue a clear rebuttal of the mayor’s assertion?

As I indicated earlier, the future of the hospital is of enormous concern to the province I represent and I ask the Minister to treat this matter as one with serious consequences to the whole of Melbourne.

The Hon. E. H. WALKER (Minister for Agriculture and Rural Affairs)—Mr Reid brought a matter to my attention relating to St Monica’s School in Kangaroo Flat. He has handed me a letter which is an elaboration of the detail he put before the House. It relates to a school community development officer and the manner in which such an officer is paid. The school, through the officer, is seeking support for alternative methods of funding to make it easier for the school to sustain the service of a school community development officer. I shall take that matter to my colleague, the Minister for Education, for resolution at the earliest opportunity.

Mr Grimwade brings a matter to my attention about which he has spoken to me previously relating to a fertiliser manufacturer at Broadford. On the information he has handed to me, there appears to be some anomalies that deserve direct attention, especially as it is desirable to encourage manufacturers of this kind rather than discourage them. If regulation is making it difficult for these manufacturers, it should be reviewed as soon as possible. I agree to do that.

Mr Grimwade has indicated that some opportunity may exist for certain exemptions. That may be a matter that can be handled by the Australian Agricultural Council at its next meeting of Ministers. However, I shall consider the matter directly and offer him an answer perhaps by the time this House meets next week.
The Hon. D. R. WHITE (Minister for Health)—Mr Chamberlain and Mr Hallam raised the need for additional resources at the Portland and District Hospital as a result of, among other things, increased population arising from employment at the aluminium smelter. As I have indicated to the House on previous occasions, I am aware of the circumstances at Portland but I am also aware that in terms of the number of acute beds per head of population, on balance there are sufficient resources in the region and, in order to meet the needs of Portland and also Geelong, resources in the region will need to be redeployed. That matter needs close examination and I shall take it up with the regional director.

Mr Wright asked for a matter to be directed to the Treasurer regarding a Mr K. Harrison, aged 60 years, of Mildura and his superannuation entitlement. I shall take up that matter with the Treasurer.

Mr Evans raised a matter about the clearance of electricity lines specifically at Beechworth, but he also mentioned other matters. While I look forward to taking up the matter with the Minister for Industry, Technology and Resources in another place, I invite Mr Evans to specifically contact Mr Peter MacSporran at the State Electricity Commission and have a discussion with him about the issues that he has raised. Mr MacSporran is a sufficiently senior officer at the commission for Mr Evans to deal with. I invite the honourable member to have discussions with Mr MacSporran on some of the broader issues as well as the specific issues because it will be to his advantage to do so.

Mr Macey raised the matter of the sale of the Prince Henry’s Hospital site. The Cabinet position is to sell that site, but it has not yet been sold. The terms and conditions under which the site may become subject to sale have not yet been determined. That does not preclude the possibility of a leasing arrangement with some other part of the public sector, but that has yet to be determined. I shall inform the House accordingly if and when the Government has moved towards the full sale process.

The Hon. J. H. KENNAN (Attorney-General)—Mr Connard asked me for advice on a matter and I shall look into it. Mrs Varty asked me about some rezonings at Nunawading. I am not familiar with the particular case she raises but I shall look into it.

The Hon. C. J. HOGG (Minister for Community Services)—In reply to Mr Knowles, some time ago I met with representatives of the special interest group of the Royal Australian Nursing Federation on a number of concerns it had including the question of categorisation under the new award. A confused situation has prevailed, vis-à-vis the Royal Australian Nursing Federation and local government, possibly because the duties of the child and maternal health sisters vary from municipality to municipality.

The matter must be resolved between the Royal Australian Nursing Federation and the employer, which in this case is the Municipal Association of Victoria.

The motion was agreed to.

The House adjourned at 10.33 p.m.
MILDURA COLLEGE LANDS

(Question No. 139)

The Hon. K. I. M. WRIGHT (North Western Province) asked the Minister for Agriculture and Rural Affairs, for the Minister for Education:

With respect to Mildura College lands—

(a) How many allotments are leased in Mildura City and Mildura Shire?

(b) How many allotments are unleased?

(c) Which allotments are leased to Government departments, and at what rental?

(d) What is the total rental received for each of the past three financial years?

The Hon. E. H. WALKER (Minister for Agriculture and Rural Affairs)—The answer supplied by the Minister for Education is:

Answers to this question in four (4) parts are—

(a) 165 leases.

(b) 1.

(c) 15/30/D 33 Chaffey Drive (PWD)—$360
   6/36/D 76 Chaffey Drive (PWD)—$360
   16/35/D 73 Chaffey Drive (RTA)—$360
   11/78/D Sharland Park (MCC)—$2000
   19/40/D 32 Lime Avenue (MCC)—$4000
   23/56/D 89 Langtree Avenue (MCC/CFA)—$825
   5/54/D 94 Deakin Avenue (MCC)—$500
   30/55/D 103 Deakin Avenue (MCC)—$2250
   13/52/D 110 Orange Avenue (SWB)—$500
   27/44/D 57 Leamon Avenue (MCC)—$36
   6/75/D Part Trotting Track (MCC)—$2800
   9/84/D 13th Street (MOH)—$34 200
   12/82/D Park (MCC)—$4000
   3/86/9/E Etiwanda Avenue (MSC)—$1550
   Pt. 7/18/D Eighth Street (MCC)—$1020
   2/60/D Ninth Street (MOE)—$2200
   Pt. 5/63/D 201 Tenth Street 3983 Mildura West PS (CFL)—$1050
   Pt. 5/63/D Tenth Street (RWSC)—$335
   3/83/D Twelfth Street 2915 Mildura PS (MOE)—$2500
   11 and 12/24/D Deakin Avenue HS Mildura (MOE)—$10 000
   13-19/29/E Benetook Avenue Sunraysia TAFE (MOE)—$10 000
   Pt. 9/84/D Sunraysia Avenue W. A. Christie Day Training Centre (MOE)—$1300

(d) Total rental received for each of the past three financial years, in respect to Mildura College lands, is as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1983-84</td>
<td>51 544</td>
</tr>
<tr>
<td>1984-85</td>
<td>98 219</td>
</tr>
<tr>
<td>1985-86</td>
<td>169 320</td>
</tr>
</tbody>
</table>

Explanation:

PWD—Public Works Department
RTA—Road Traffic Authority
MCC—Mildura City Council
CFA—Country Fire Authority
SWB—Sunraysia Water Board
FINANCIAL ALLOCATIONS TO SCHOOLS
(Question No. 140)

The Hon. K. I. M. WRIGHT (North Western Province) asked the Minister for Agriculture and Rural Affairs, for the Minister for Education:

What financial allocations have been made to Mildura High School, Mildura Technical School and Irymple Technical School, respectively, in each of the past three years?

The Hon. E. H. WALKER (Minister for Agriculture and Rural Affairs)—The answer supplied by the Minister for Education is:

<table>
<thead>
<tr>
<th>Type of Grant</th>
<th>Irymple Technical School $</th>
<th>Mildura High School $</th>
<th>Mildura Technical School $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mildura College Lands Trust</td>
<td>21 000</td>
<td>62 000</td>
<td>28 414</td>
</tr>
<tr>
<td>Technical Schools—</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recurrent Grants</td>
<td>258 500</td>
<td>299 537</td>
<td>NA</td>
</tr>
<tr>
<td>Direct Grant</td>
<td>16 533</td>
<td>17 078</td>
<td>86 586</td>
</tr>
<tr>
<td>Education Allowances</td>
<td>28 296</td>
<td>29 371</td>
<td>73 330</td>
</tr>
<tr>
<td>Maintenance Grant</td>
<td>—</td>
<td>5 413</td>
<td>—</td>
</tr>
<tr>
<td>Conveyance Allowance</td>
<td>150</td>
<td>167</td>
<td>650</td>
</tr>
<tr>
<td>Supplementary Grants Program</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Participation and Equity Program</td>
<td>5 850</td>
<td>5 620</td>
<td>—</td>
</tr>
<tr>
<td>State Special Equipment Grant</td>
<td>5 400</td>
<td>9 230</td>
<td>—</td>
</tr>
<tr>
<td>Manual Training Grant</td>
<td>—</td>
<td>600</td>
<td>1 127</td>
</tr>
<tr>
<td>Professional Development Program</td>
<td>—</td>
<td>375</td>
<td>150</td>
</tr>
<tr>
<td>Computer Education Program</td>
<td>5 500</td>
<td>5 000</td>
<td>—</td>
</tr>
<tr>
<td>Joint Community Program</td>
<td>12 000</td>
<td>18 000</td>
<td>—</td>
</tr>
<tr>
<td>Director's Discretionary Grant</td>
<td>—</td>
<td>1 000</td>
<td>—</td>
</tr>
<tr>
<td>Interest Subsidy</td>
<td>—</td>
<td>—</td>
<td>7 115</td>
</tr>
<tr>
<td>Teacher Aide Grant</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Aboriginal Aide Grant</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>School Improvement Plan</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>TOTAL</td>
<td>353 229</td>
<td>452 791</td>
<td>196 845</td>
</tr>
</tbody>
</table>

Information concerning 1983–84 is not available in a readily accessible form.
Wednesday, 12 November 1986

The PRESIDENT (the Hon. R. A. Mackenzie) took the chair at 11.3 a.m. and read the prayer.

QUESTIONS WITHOUT NOTICE

NURSES’ DISPUTE

The Hon. M. A. BIRRELL (East Yarra Province)—My question is directed to the Minister for Health. Of the 14,750 public hospital beds in Victoria, how many are unavailable for use today?

The Hon. D. R. WHITE (Minister for Health)—The Government is monitoring the situation in our public hospitals on an hourly basis. The information that we have sought from each hospital is to determine which hospitals are subject to a strike in accordance with the Royal Australian Nursing Federation profile and which hospitals are subject to a walkout.

We also seek from the hospitals, in accordance with an agreement with the Victorian Hospitals Association Ltd, a range of information that enables us to determine what the needs of the hospitals might be.

We have not produced the type of information that Mr Birrell is seeking, but I am able to say that every public hospital in this State is open and will remain open.

The Hon. M. A. Birrell—But you do not know how many beds are closed!

The Hon. D. R. WHITE—In the high dependency areas, staff are being provided by the RANF during the course of this dispute. In addition, volunteers are being and have been made available to assist; and, in certain circumstances, it is already becoming quite apparent that, where the need arises, nurses have come off the picket line to assist.

The resident medical officers have provided an outstanding service during the past few days and will continue to provide assistance, particularly in high dependency areas. Relatives have been encouraged to attend the hospitals to assist in providing personal care, such as washing and feeding, where appropriate, and this has also been of assistance.

A number of people have been discharged. It is important for honourable members to know and understand that in extremely difficult circumstances patient care is being provided and today the situation is manageable. More volunteers will be needed tomorrow and, if industrial activity persists, they will be needed again on Friday; but we are coping.

VIDEOS PROMOTING INCEST

The Hon. B. P. DUNN (North Western Province)—I preface my question to the Attorney-General by saying that the community generally is alarmed at the extent of incest and domestic violence which occurs throughout the State and which has been reported recently. Is the Attorney-General aware that it is possible to purchase videos in Victoria which are advertised in public magazines and newspapers and which actually contain material promoting incest?

Is he also aware that one such group, Golden International, is advertising in the People magazine with a section advertising video films on incest and spanking? This relates especially to incest and domestic violence.
If the Attorney-General is aware of this practice, is it legal for such material to be advertised and available for purchase; and what action will the Government take to ensure it cannot be advertised or made available to the community in this State?

The Hon. J. H. KENNAN (Attorney-General)—I am not as familiar with video material as Mr Dunn apparently is.

The Hon. M. A. Birrell—This is a serious question.

The Hon. J. H. KENNAN—It is a serious answer. If Mr Dunn would like to give me the details of his complaints in writing, I shall draw them to the attention of the Commonwealth authorities.

The House would be aware that various steps have been taken on a national basis on video classifications. Victoria, together with other States, banned X-rated videos. If Mr Dunn is concerned about the present classification of videos, he should direct his concerns to my attention and I shall take them up with the Commonwealth authorities.

TELODRIN POISONING

The Hon. D. E. HENSHAW (Geelong Province)—Is the Minister for Agriculture and Rural Affairs aware of a report in today's Sun and in a recent edition of the Geelong Advertiser about telodrin poisoning on farms in the Heytesbury district dating back as far as 1963? If so, can he advise the House on this matter?

The Hon. E. H. WALKER (Minister for Agriculture and Rural Affairs)—I am aware of the reports, to which Mr Henshaw has referred, in the 30 October edition of the Geelong Advertiser and today's Sun. I seek the indulgence of the House to make a reasonably lengthy statement on the matter.

The Hon. M. A. Birrell—Make a Ministerial statement!

The Hon. E. H. WALKER—No, I shall make a reasonably lengthy response to the question. This issue is important and I want to make clear to honourable members what has happened.

The Hon. B. A. Chamberlain—We will let you make a statement after question time.

The Hon. E. H. WALKER—If Mr Chamberlain is not interested in the issue of claims about human poisoning in the Heytesbury area—

The Hon. M. A. Birrell—It's an abuse of question time.

The PRESIDENT—Order! If the answer is lengthy, the Opposition has indicated that it will grant leave to the Leader of the Government to make a statement. The issue is important and perhaps the Minister would like to make a statement after question time.

The Hon. E. H. WALKER—It is not particularly lengthy, Mr President; however, if you would prefer that I make a statement following question time, I shall be happy to do so.

KINDERGARTEN FUNDING

The Hon. R. I. KNOWLES (Ballarat Province)—My question to the Minister for Community Services refers to Government changes for funding kindergartens next year. The Government has specified that only eligible four-year-old children attending those sessions will be funded, but special needs children will be given some priority.

My question is: does a child in the special needs category take priority over a four-year-old child who will attend primary school in 1988?

The Hon. C. J. HOGG (Minister for Community Services)—The figures for all kindergartens across the State are currently being compiled. Numbers have been sent to
Community Services Victoria; determinations have been made; an appeal process has been used and, at this moment, appeals are being upheld or dismissed.

In broad, the answer to Mr Knowles's question would be, "No", a four-year-old child has priority for a kindergarten place over and above a special needs child. However, that is a gross oversimplification of the way the process is occurring.

Community Services Victoria is endeavouring, through transferring sessions where necessary from one kindergarten to another, to make certain that children who are in high special needs categories have an opportunity of two years of preschool. Community Services Victoria is trying to fulfil its commitments to four-year-old children.

When one considers that there are more than 60,000 children needing places in kindergartens next year, one realises that it is a difficult process and one that will need a lot of balancing and fine tuning over the next few weeks. The answer I give is, of necessity, a broad one.

**PROSTITUTION**

The Hon. W. R. BAXTER (North Eastern Province)—I ask the Attorney-General: as to the announcement by the Government that it proposes to accept all bar one of the recommendations of Professor Neave dealing with the regulation of prostitution and that the exception was to be the legalisation of street soliciting in certain localities, is it not a fact that Professor Neave also recommended that towns with a population of 20,000 or fewer be able as of right to make brothels a prohibited use? Is it true that the Government has not picked up that recommendation entirely? Will the Attorney-General confirm whether that is so and what the Government proposes with regard to smaller towns?

The Hon. J. H. KENNAN (Attorney-General)—I thank Mr Baxter for the question, which is of his usual high standard; I am sure he was putting it forward only as an example of the misunderstandings of other people! If Mr Baxter read carefully what Professor Neave stated about this issue, he would know that she said that towns with a population of fewer than 20,000 should generally be permitted to prohibit. She did not say there should be an inflexible rule that if a town or municipality fell within the definition of a population of 20,000 or under it should generally be able to prohibit. That is where the misunderstanding has arisen.

The Government has checked that with Professor Neave and it was her intention that it be a general criterion but that it not be inflexible. It is on that basis that the Government has proceeded. In respect of municipalities that have populations of fewer than 20,000, the Government will take that into account as one of the important criteria in determining whether those municipalities should be able to prohibit. That means, for instance, that a municipality with a small population may prohibit as of right. Last week, I gave permission for a municipality with a population of 3000 or 4000 to prohibit as of right.

The recommendation means that in a community with a population of 19,000 where massage parlours have been operating and where there may be other grounds, the other grounds may override. A town with a population of 22,000 or 25,000 that has good grounds for prohibition may be able to prohibit. It is an important factor and, generally, towns with a population of fewer than 20,000 will be able to prohibit, but it is not inflexible. That is in accordance with the words Professor Neave used in her report and it is in accordance with the discussions the Government has since had with her about this issue.

**POVERTY IN WESTERN PORT REGION**

The Hon. M. J. SANDON (Chelsea Province)—Is the Minister for Community Services aware of the recent report by the Brotherhood of St Laurence indicating significant increases in poverty in the Western Port region?
The Hon. C. J. HOGG (Minister for Community Services)—I thank Mr Sandon for his question and the interest that he continues to show in questions of poverty, particularly in the Western Port region but also throughout the State. He has constantly drawn to my attention articles in newspapers and strategies that the Government might consider adopting. Both he and Mrs Lyster from time to time have drawn my attention to examples of high unemployment rates and problems with housing and youth accommodation, particularly in Western Port.

I make the following points: since obtaining office, this Government has demonstrated its concern at the rising levels of poverty among the Victorian community, particularly among families with children. The Government has dramatically increased expenditure on State concessions for low-income people. That has increased from $190 million in 1981–82 to approximately $352 million in 1986–87. The Government has also increased its equity and effectiveness by targeting aid to specially disadvantaged groups. I believe this is a most significant Government achievement.

The Government has continued to advocate increases in the levels of pensions and benefits provided by the Commonwealth, particularly for sole parent families, large families, families in private rental housing, and young homeless people. The Government has advocated increases in levels of emergency relief for distribution in the neediest areas by the non-Government sector.

Prior to the last election, the Government announced the establishment of a poverty action program designed to help low-income families to tackle poverty themselves, to raise community awareness of poverty, to develop projects which aim to change attitudes and structures, and to enable low-income people to achieve their rights to economic and political equality.

In the 1986–87 Budget, the Government provided an extra $500,000 for the poverty action program, bringing the program's 1986–87 budget to $950,000. An additional $250,000 is to be allocated to presently funded projects through to the end of June 1987. Funded organisations have been apprised of that arrangement.

Specific to Mr Sandon's question, I should like to mention two activities in the Western Port region. The Westernport Regional Consultative Council has received a grant of $19,440 from 1 July to 31 December this year for the purpose of establishing self-help groups in rural municipalities, increasing community awareness of poverty and to research the viability of establishing an energy action project for low-income people, which members of the Government party believe is essential.

The Community Links Action and Resource Centre for Low Income People has received a grant of $9490 from 1 July to 31 December this year for the purpose of establishing programs associated with advocacy and skills development for low-income people.

The problem, as Mr Sandon has outlined, is undoubtedly there. The Government is making serious and strenuous, if sometimes modest, attempts to address it.

NUNAWADING ZONING SCHEME

The Hon. A. J. HUNT (South Eastern Province)—I know that the Minister for Planning and Environment is aware of special residential (Nunawading) zone No. 5 which, in general terms, in the area affected by it, seeks to retain the predominance of detached housing and to discourage other forms of land use, to limit the percentage of site that may be covered by buildings, to give recognition to the special landscape significance of the area, to encourage the planting and maintenance of native trees, and to minimise their destruction and damage.

Is the honourable gentleman aware that this zone was established by agreement between the council and the honourable gentleman's predecessor in office in respect of a comparatively limited area on the basis that the effects of the new controls would be closely monitored over an agreed period?
Why has he now determined to place on exhibition a planning scheme amendment very substantially extending the area of this zoning almost a year before the end of the agreed monitoring period, before evaluating the results so far of the controls in the more limited area, and without any prior consultation whatsoever with the council affected? Will the Minister agree to see the council about the matter without delay?

The Hon. J. H. KENNAN (Attorney-General)—Mr Hunt would be aware that the original panel recommended that the planning scheme affecting the other streets go on exhibition. That is what I am doing, and the council and any other person will have the opportunity of putting their views to me during the period of exhibition. That is the purpose of the public exhibition.

DEPARTMENT OF CONSERVATION, FORESTS AND LANDS

The Hon. D. M. EVANS (North Eastern Province)—I refer to a question I asked the Minister for Conservation, Forests and Lands on 21 October on whether a major restructuring was occurring within the Department of Conservation, Forests and Lands. I accept the Minister's indication on that occasion that it is not a major restructuring, but I refer to an internal memorandum dated 13 October 1986 which lists 46 recommendations resulting from a Public Service Board inquiry, of which 42 have been agreed to.

It is clear from one of those recommendations, which has been agreed to by the Minister and the Director-General for Conservation, Forests and Lands, that urgent work be undertaken to design a new internal structure for the Public Land Management and Forests Division. Is that urgent work now being undertaken and can the Minister indicate how and in what manner the delivery of services from this important division of the department may change as a result of that internal review?

The Hon. J. E. KIRNER (Minister for Conservation, Forests and Lands)—I thank Mr Evans for his question and for his agreement that the Government is streamlining the department, which is a process that was started at the commencement of the integrated structure.

It is correct that a document has been forwarded to all staff members—so it is not really an internal memorandum—which lists 46 recommendations and the department's response to those recommendations. Within that set of recommendations there is a recommendation that there be an improved structure for the Public Land Management and Forests Division.

In terms of implementing the recommendations that I have accepted from the Public Service Board report, I have established a steering committee comprised of myself, the director-general, the deputy director-general, my advisers and a departmental representative who is a member of the Victorian Public Service Association. We are working through those recommendations and publishing our decisions as they are made, and I will be perfectly happy to share those decisions with the Opposition.

We have asked the directors of each division who are affected by the streamlining to come up with a statement about their structures and the staffing within those structures, and that includes the Public Land Management and Forests Division. I expect to have those statements by today and to discuss them with the steering committee next Wednesday.

In terms of public land management and forests, as ecology is to be transferred from the old Fisheries and Wildlife Service to the new Public Land Management and Forests Division, it is essential to restructure the data base for forests and public land management. At the same time it is also important to have a clearer responsibility for public land as some of the corporate responsibilities come within public land management. It is also important to ensure that the forests section of the new division is structured to implement the timber industry strategy. I shall be pleased to give honourable members the details when those recommendations are finalised.
DUCK HUNTING SEASON

The Hon. G. A. SGRO (Melbourne North Province)—Can the Minister for Conservation, Forests and Lands inform the House what proposals are planned for next duck hunting season and what measures will be taken to improve the management of duck hunting?

The Hon. J. E. KIRNER (Minister for Conservation, Forests and Lands)—Following the last duck hunting season I asked the Department of Conservation, Forests and Lands to undertake a thorough review of all aspects of the management of the duck hunting season, particularly to improve arrangements for the dates, hours and management and to implement some hunter education programs.

I have had a committee or working group working on those issues whose membership covers the broad spectrum of interest in duck hunting, from the Sporting Shooters Association of Australia (Vic.), the Victorian Farmers Federation and the Australian Conservation Foundation.

The Hon. D. M. Evans—What about the ducks?

The Hon. J. E. KIRNER—The ducks are well represented by Mr Laurie Levy, although not on that committee. The two matters that have emerged are concern for the number of protected species shot and the need for improved hunter education.

I intend to address both of these issues in the 1987 season, firstly, by a declaration of the season from Saturday, 14 March, to Sunday, 31 May 1987. I am issuing, for public comment, a proposed change of starting time from dawn to 10 a.m. A problem exists with the dawn opening with the booze and blast syndrome of the less responsible, not the more responsible, duck hunters. I am interested in receiving public comment on those proposals.

It is my view that, as duck hunting is an accepted sport, my responsibility as Minister is to make proper management arrangements and ensure that protected species are not harmed. The management regulations that I make have to take those two areas into account.

The Hon. R. M. Hallam interjected.

The Hon. J. E. KIRNER—I take up Mr Hallam’s interjection, “That is hopeless”. The greatest number of protected species of ducks were killed in the very areas that the honourable member represents. I should have thought Mr Hallam would have concern for the freckled duck population, as he has, in fact, for the hunting population.

These matters do not relate necessarily just to ducks. If honourable members had read the Sun this morning they would know that in the opening of the hunting season in New York five persons were killed, and one was the mother of a hunter who thought he was shooting at a deer.

In an effort to further protect protected species I intend to have a more comprehensive survey undertaken early next year on colonies of breeding birds, not only protected species, but other water birds as well. My regional staff will be involved, together with bird organisations and independent observers. The department will continue to place increased emphasis on enforcement activities. Honourable members would be aware that the department has improved enforcement activities by more than 100 per cent in the past season and will continue to improve that area.

The Department of Conservation, Forests and Lands, in cooperation with South Australia, is producing an educational video for use by field and game agencies, as well as other groups. A water fowl identification film, a multilingual pamphlet and an improved hunting guide are also being produced.

The department has been approached, as honourable members would be aware, by conservation organisations, particularly the Australian Conservation Foundation, to have
a mandatory test following a mandatory course. The group working on those issues has not finalised its recommendations as yet, although I hope to have the recommendations available for discussion next year, but not their implementation. Nevertheless, for the first time in Australia, the next hunting season will have volunteer pilot test strips to enable hunters to test their ability to identify game species.

A telephone information service will also be provided. Its message will deal with the regulations and duck distribution in the broad sense.

The PRESIDENT—Order! I suggest that if the Minister has more to say on this matter she could make a Ministerial statement.

The Hon. J. E. KIRNER—I was just about to conclude by saying that I am expecting the final report of the group that is working on these proposals by the end of the year, and that report will be available for public discussion next year.

SPOT AUDITS OF DEPARTMENT OF CONSERVATION, FORESTS AND LANDS

The Hon. N. B. REID (Bendigo Province)—I direct a question to the Minister for Conservation, Forests and Lands. It will be interesting to note whether her answer will be as comprehensive as the one she has just given! Further to my question yesterday regarding the removal of the Director-General and the Director of Finance of the Department of Conservation, Forests and Lands, I ask the Minister: have the spot audits carried out by the Treasurer in her department uncovered areas of serious financial maladministration? If that is correct, will the Minister provide the House with details of each of the spot audits carried out by the Treasurer during her term as Minister?

The Hon. J. E. KIRNER (Minister for Conservation, Forests and Lands)—I am not aware of any spot audits carried out by the Treasurer in my department that would provide examples of financial maladministration.

MINISTERIAL STATEMENT

Telodrin poison

The Hon. E. H. WALKER (Minister for Agriculture and Rural Affairs)—As I indicated during question time, I wish to make a Ministerial statement on newspaper reports of telodrin poisoning at Heytesbury.

The Geelong Advertiser of 30 October and today’s Sun have published articles describing an episode involving the agricultural chemical, telodrin, in the Heytesbury district in 1963 where, following use of the product for control of underground grass caterpillars, cows, dogs and cats were poisoned and died, and there are those who suspected there was some effect on humans. The articles, however, implied that insufficient control of pesticides is being exercised.

The product telodrin had been tested toxicologically prior to its introduction in accordance with the requirements of the day, but the battery of tests failed to include one which would show the high secretion of this toxic material into the colostrum milk of animals, or the persistence on land under adverse weather conditions with a consequent accumulation in grazing animals. In hindsight, it is clear that requirements, now routine, should have been imposed, both by the company and the Government of the day.

In February to April 1963, telodrin was applied to 90 farms in the Heytesbury area. Effects on stock were detected in June and July and, shortly thereafter, all farms were quarantined with milk removed from human consumption. The milk was purchased from the farms by the company responsible for the chemical, which arranged for it to be processed into casein and soap.
Milk from the cows was analysed fortnightly at the State laboratories in Melbourne and by the company's laboratories in England and, as the level of pesticide in milk from each farm fell to a level acceptable to the National Health and Medical Research Council, the farms were allowed to deliver milk for human consumption.

As a matter of interest, milk from cows on one of the properties, and soil, were tested some ten years later and telodrin was not detected. At the time, the chemical telodrin was immediately removed from the market and has effectively been banned in Australia ever since.

This episode was one of the factors that prompted the Victorian inquiry into the use of pesticides in 1965 and had a substantial influence on the appointment of a pesticides coordinator for the Commonwealth and the setting up of the current Standing Committee on Agriculture by the Australian Agricultural Council and the National Health and Medical Research Council's system of evaluating and clearing new agricultural chemicals. The current package of toxicological and other requirements would prevent a chemical such as telodrin ever reaching the market.

The Geelong article draws many parallels between telodrin and chemicals currently used, such as dieldrin. They are of a similar class, although dieldrin is significantly less toxic, which is rather remarkable. However, chemicals such as dieldrin have been prohibited from use under conditions where they will be consumed by livestock because the product would accumulate in fat and be excreted in milk.

Under the direction of the Standing Committee on Agriculture, organochlorine pesticides are progressively being phased out of agricultural use, although they will be necessary for termite control for an indefinite future period. A further review of the agricultural uses is taking place in Victoria and further restrictions can be expected in the near future.

In addition, I indicate that, in the light of the claims made in the press, I have taken action to have a further report prepared. I shall be approaching the Minister for Health and the Environment Protection Authority to assist my department in the preparation of the report.

**PAPER**

The following paper, pursuant to the direction of an Act of Parliament, was laid on the table by the Clerk:

Estate Agents Board—Report and accounts for the year 1985-86.

On the motion of the Hon. R. I. KNOWLES (Ballarat Province), it was ordered that the report be taken into consideration on the next day of meeting.

**CHILD ABUSE**

The debates (adjourned from October 29) were resumed on the motions of the Hon. R. I. Knowles:

That this House condemns the Government for its failure to adequately address the tragic problem of child abuse in Victoria and calls on the Government immediately to ensure that—

1. Community Services Victoria accepts its responsibility—
   (a) in the identification and assessment of child abuse; and
   (b) in establishing a central registry of cases and the introduction of mandatory reporting by professionals of suspected cases.

2. Health Department Victoria provides more treatment services for the victims and, in particular, funding for the planned Child and Adolescent Sexual Assault Unit at the Royal Children's Hospital.

and

That the Council take note of the Ministerial statement on child maltreatment services.
The Hon. K. I. M. WRIGHT (North Western Province)—On behalf of the National Party, I commend Mr Knowles for moving the motion and also other honourable members who have spoken on it, such as Mr Birrell, Mrs Varty and the Minister for Community Services.

The motion refers to the lack of Government action in addressing problems of child abuse and calls for Government action regarding identification, reporting, registration and assessment of victims and the extension of treatment services.

At the outset, I warmly commend those currently involved in this important work—and that includes the police, Community Services Victoria, the Ministry of Education, Health Department Victoria and voluntary agencies. I agree with the general direction of the motion, although I hope Mr Knowles is not suggesting there should be any lessening of police work in this field.

The Hon. R. I. Knowles—Not at all.

The Hon. K. I. M. WRIGHT—I believe the dual-track system is the way to go. I am not saying, either, that I agree completely with the notion that there is a complete lack of Government action. I believe the Government is not doing enough, that it could be doing more and perhaps it could direct its efforts in a different direction.

The Hon. R. I. Knowles—that is what the motion says—it refers to lack of Government action.

The Hon. K. I. M. WRIGHT—Yes, Mr Knowles is right. Child abuse is certainly a tragic social problem throughout our community. Child abuse—sexual, physical and emotional—is also a major social problem in country Victoria.

The figures to which I shall refer do not fully reveal the magnitude of the problem. In the major regional centres of Bendigo and Mildura in the province that I represent, police and welfare organisations simply do not have the staff to cope adequately and child abuse is a particular problem.

I have had numerous discussions over the past week or so with people who are involved in this work with children and affected families, especially with the Police Force and Community Services Victoria. I should like particularly to thank Sergeant Vicki Brown of the Community Policing Squad and her colleagues at the William Street headquarters of the Police Force.

They are obviously a caring group of people who are interested not only in the criminal aspect of the problem and in taking the offenders involved to court but also in the human element and the way families are affected.

The Minister for Community Services will be interested in the fact that the women’s section of the National Party in Bendigo organised a seminar several months ago on the sexual abuse of children. The key speaker was Mrs Rosemary Sinclair, the wife of the Australian National Party Leader, Ian Sinclair. She is a former Miss Australia and is also a well-known and dedicated worker in children’s welfare agencies.

Excellent addresses were given at that seminar by Sergeant David Cairns of the Bendigo Community Policing Squad, Sister Lyn Taylor of the Bendigo and Northern District Base Hospital Sexual Assault Unit and Sister Denise Mayne of the Eaglehawk Community Health Centre.

I have given those and other dedicated people copies of the debate of 29 October and, from recent discussions with them, it is obvious that the problem is just as widespread in provincial areas, such as Mildura, Bendigo, Swan Hill and Kerang, as it is in city areas.

The Hon. C. J. Hogg—Which is why we are extending the protective services program.

The Hon. R. I. Knowles—that is all very well but it is only open during working hours.
The Hon. K. I. M. WRIGHT— I will cover those areas in more detail later because I want to qualify the response made to the interjection by the Minister.

Accurate figures are difficult to obtain, but up to one in four girls under fifteen years of age and one in eleven boys have probably been subjected to unwanted sexual experience. This child sexual assault has a lasting effect on children and results in feelings of guilt, and can lead to drug addiction and sometimes suicide. It must be a matter of concern to the Minister and the Government that teenage suicide is increasing at an alarming rate.

The Community Policing Squad in Bendigo has a strength of five, comprising Sergeant David Cairns and four senior constables, or constables. The area that they cover includes Kerang, St Arnaud, Castlemaine and Heathcote. The Community Policing Squad in Bendigo has a casebook of welfare-related cases of children—I emphasize that not all are cases of sexual or physical abuse, some are emotional abuse—that shows an alarming increase in the number of cases. Only some of these cases are reported.

In 1983, 154 cases were reported. In 1984, the figure was 498. In 1985, 425 and, in 1986, 516 to 5 November. The figures do not include the less serious cases that have been referred to the Salvation Army, St Vincent de Paul's Children's Home, St Paul's Court and community health centres.

The staffing of the Community Policing Squad at Bendigo is woefully inadequate. There has been no increase in staff despite requests, lengthy written reports and relevant figures provided and it is necessary for the Minister to do something in this regard because the squad is operating in a complementary fashion to her own department.

It is interesting to examine some of the overtime figures for similar units, such as the one in Ballarat, which had logged 40 hours of overtime in the first eight months of 1986. Geelong, which has double the strength of the Bendigo squad in terms of staff, had logged 20 hours of overtime, but the Bendigo squad had logged 386 hours of overtime; that is, eighteen times the overtime rate worked in Geelong. Surely it would be preferable to appoint additional staff at Bendigo rather than have excessive overtime.

It must be kept in mind that in Bendigo and these other areas, any case that is capable of being deferred until the next day for attention during ordinary working hours is deferred.

Experts say that child sexual abuse should be investigated within 24 hours but, unfortunately, this is not always possible because of staffing and geographic problems. I call on the Government to immediately appoint two more police officers to the Bendigo Community Policing Squad. The problem is exacerbated by the stress under which these officers are working and as one constable is presently on two weeks' sick leave, the already inadequate staffing level has been further affected.

As a general rule, it seems to be accepted that 90 per cent of the victims of child sexual abuse are female and 90 per cent of the offenders are male. In Bendigo and Mildura, child sexual abuse occurs not only in the socioeconomically deprived groups, although it would have to be acknowledged that more stresses and strains are suffered by these families than those in the lower socioeconomic group.

The Hon. R. I. Knowles—But that has an impact on physical abuse, not sexual abuse.

The Hon. K. I. M. WRIGHT—That is so. Child abusers come from all professional groups. They have come from banking backgrounds, from the Police Force, medical and teaching backgrounds and most other professional occupations.

Physical abuse of children has been manifested by multiple broken bones and extensive bruising; but in a debate of this nature, I do not want to go into all of the details. All of the Bendigo and Mildura agencies emphasise that doctors should be compelled to report cases of child abuse. Sergeant Cairns of the Bendigo Community Policing Squad informs me that over the years he has received only three reports of child abuse from local doctors. He has been in the job for six years and only three cases of child abuse have been reported by doctors. This is one of his greatest bugbears and of his department.
The National Party strongly agrees that there must be mandatory reporting of all cases of child abuse by doctors, church groups and welfare agencies. Recently, there was the case of a young girl who was expecting a child. There was concern for the unborn child but the doctor in no way would discuss the matter with the welfare agencies involved.

The Attorney-General and the Minister for Community Services should examine section 23 of the Evidence Act. Evidence given in court by a child under fourteen years requires corroboration. This creates difficulties with cases of sexual abuse. Obviously, child sex offenders are cunning and they make sure that there are no witnesses.

In some States of the United States of America, evidence by children under the age of fourteen years is admitted and the court makes up its own mind on the weight of the evidence presented by that child.

I am informed that in the States adopting this procedure, less than half of 1 per cent of children’s evidence has been proved unreliable. Therefore, over 99 per cent of the uncorroborated evidence presented by children has been found to be substantiated. I ask the Government to examine this aspect as a matter of urgency.

The Government should act to remove the procedure of presenting unsworn statements in court by child sex offenders. This is a cause of great distress for victims of these atrocious crimes and for their families. One can appreciate that it is difficult for an inexperienced child to stand up in court under cross-examination and also have to counter the unsworn statements that can be made in the court by the offender.

Mr Knowles called for a registry of cases. Most police and welfare people to whom I spoke in the Bendigo and Mildura areas referred to this need. There is a register of cases compiled by the police and, contrary to what may have been said by the Minister or anyone else, I understand that that register is available to officers of her department and other people involved.

It appears that not all cases are placed in that central register simply because of the problems of staffing and the fact that the staff is not able to attend to the copious paperwork that is required to keep this system operating.

An aspect of this reporting is that a lot of families of offenders are mobile and they simply move to another area when the heat is on. An offence may be committed at Shepparton and may not be entered on the register. The family of the offender may move to Horsham or elsewhere where the authorities have no knowledge of the prior offence in Shepparton. Information about that would be helpful to the authorities when considering the case. It has also been found in places such as Bendigo and Mildura that three different agencies can be dealing with the same offender without realising it.

A State computer which records all cases is essential. Cases would be referred by community services or by the police and all parties would have reference to that computer.

It is important that families should not be embarrassed, caused difficulties or made suspicious of the motives of social workers, but their possible nebulous rights are surely not as important as the prevention of child sexual abuse.

I hasten to add that access to information on a central register would be strictly confined to authorised senior workers. Names and addresses would be recorded as would substantiated and unsubstantiated cases. Naturally, unfounded charges would not be recorded.

Another legal point is that sexual molestation of a child by a de facto is termed “sexual abuse” and not “incest”. That point should be examined by the Attorney-General and other authorities.
I have already said that the cross-examination of a child victim of a sexual assault is a traumatic experience for that child. Often the offender is present during that cross-examination and usually that offender is an adult that is already known to the victim who is expected to describe the offence in detail.

I suggest to the House that the first interview with a child victim should be video recorded and, if that interview was conducted correctly, that recording could be used in future court cases. That would obviate the need for the child to recreate an horrific experience.

Welfare workers and the police have suggested to me that I should ask honourable members how they would feel about recounting details of a sexual happening that may have occurred six months ago, because that is what is asked of child victims. I ask honourable members whether they could even recall details of something that happened at that earlier stage.

The rights of the accused and of the victim need to be carefully weighed. Agencies inform me that gaol is not a sufficient remedy for an offender, that treatment programs should be available. Apparently little in the way of treatment programs exist at present.

The Hon. R. I. Knowles—The offender must first acknowledge he has committed the crime and must be prepared to accept the treatment.

The Hon. C. J. Hogg—The offender must be prepared to cooperate in the treatment; otherwise it will not work.

The Hon. K. I. M. Wright—That would naturally follow, yes. If there were no cooperation, the exercise would be pointless. However, gaol is not sufficient. In fact, it would have a counter effect.

Keeping that in mind, courts must be able to order treatment. The feeling is that courts and judges are now more keenly aware of the sexual abuse problem, and more people are being convicted of sexual offences.

An overall child management board has been suggested that would have responsibility over all departments. I shall refer to that matter at a later stage.

It has been indicated that all agencies are not completely happy with Community Services Victoria. This may be because the service has been in the field for only a year or so and possibly some staff are still being trained and not used to the actual work involved. Another problem is that agencies are open from 9.00 a.m. to 5.00 p.m., five days a week whereas the community policing squads are available for 24 hours a day, seven days a week. I know the problem that exists with overtime and limitations on staffing; I shall refer to that later.

In the Kerang–Swan Hill area, I understand that the establishment is short of ten members of staff; so I can envisage the problems that agencies face.

I was most impressed with the people I spoke to at Mildura who showed their dedication and concern for children. That includes Senior Constable Julie Weir of the Mildura Police, Margaret Blake of the Mallee Family Care and Carol Roberts from the Early Childhood Development Program. Obviously a need exists for a sexual assault unit and a Community Policing Squad at Mildura. Other centres, such as Shepparton, Horsham, Wangaratta, Sale and Bairnsdale, no doubt have the same need.

I have been informed that the Royal Children’s Hospital and the Queen Victoria Medical Centre are unable to take referrals from country areas because of a full load of cases from the metropolitan area.

The Hon. R. I. Knowles—Those hospitals cannot cope now.
The Hon. K. I. M. WRIGHT—That is right. One must keep in mind that for every child assaulted by a stranger, five children are assaulted by members of their immediate family. That is a statistic that must be of concern to all honourable members.

Margaret Blake of the Mallee Family Care has conducted research into the last 100 convictions for sexual abuse of children in Victoria. She said that those convictions extended over the past six years. Four convictions were from the Mildura district and that figure would probably be in line with the population of Mildura as compared with the rest of the State. However, on Bendigo Community Policing Squad figures, there would probably be more than 100 cases of child abuse of all kinds in Sunraysia each year.

I commend the protective behaviour program sponsored by BP Australia although it is in its infancy and has received some criticism from other agencies.

Ideally, there should be cooperation between the Ministry of Education, Community Services Victoria, Health Department Victoria and the Police Force. I am sure some cooperation already exists. However, more importantly, the officers and people working in these departments should be trained together.

Copies of the child maltreatment kit are available. Sister Mayne of the Eaglehawk Community Health Centre has informed me that these kits that have just been released are comprehensive and worthwhile. However, the Community Policing Squad has the opposite view. Trainers in this program go to schools to inform children how they can best protect themselves. It is regrettable that police officers have been asked to withdraw from administration of this program. Those police were spending some police time and some of their own time on this program but they have been asked to withdraw. Coral Roberts of the Early Childhood Development Program in Mildura reports cases from wide socioeconomic backgrounds. I have already mentioned this to the House. She has given me the figures of mental and physical abuse cases seen by psychologists and nurses in the Mildura district in October. Psychologists saw eleven children in the zero to thirteen year age group and nurses saw seventeen children in the zero to six year age group.

Regrettably, Mildura has no facilities for dealing with thirteen to eighteen-year-olds such as those that are available for the zero to thirteen year age group. This position should be examined.

Child protection agencies point out the difficulty in recruiting people to the country and that inexperienced new graduates burn out quickly because of the trauma of the work and the workload; so there is often a lack of continuity of officers working in those departments, and that includes the Minister's own department.

The Hon. C. J. Hogg—Agreed. What is the answer to that recruitment question?

The Hon. K. I. M. WRIGHT—That is difficult. The Minister has already made her response. You are the Minister and you are in government. I hope you consider what other honourable members and I have to say.

The Hon. C. J. Hogg—I certainly do. I am inviting you to extend your comments and give us some more hints.

The Hon. K. I. M. WRIGHT—I have a lot more to say yet. The staffing situation at Swan Hill and Kerang is not good. We have one policewoman at Swan Hill. Keeping in mind that calls are received on a 24-hour basis, the position is difficult.

Sergeant Cairns informed me that he had three or four cases at Kerang that needed investigation. This was some days after those cases had been reported, but he was working in another area at the time and could not go to Kerang. It seems high to me, but I also understand that ten positions are unfilled in Community Services Victoria in the Swan Hill–Kerang area.

I commend Rosemary Sinclair for her efforts as spokesperson for the books It's O.K. to say No. No doubt the Minister and other honourable members are aware of these books.
One is a colouring-in book for children aged three to eight years; the other is an activity book for children aged six to ten years. Perhaps they have been utilised more in New South Wales than in Victoria. They are the first books introduced into Australia to teach children sensible ways to avoid child abuse from strangers, people who are known to them or members of their immediate families.

Rosemary Sinclair has selflessly offered considerable time to this work and has spoken all over Australia. I have heard her on two occasions at Bendigo and Horsham, and her address has been excellent.

I now refer to the debate of 29 October 1986. My response was affected by the discussions that I have had with people in other agencies. In fact, I had the debate photocopied and sent copies to about twelve people, and those to whom I spoke commended all honourable members for their contributions.

In his comments Mr Knowles referred to 4425 contacts by Community Services Victoria in 1985-86, but it has been put to me that Mr Knowles’s figures may well include a large number of revisits of people.

The Hon. C. J. Hogg—Recidivists.

The Hon. K. I. M. WRIGHT—Yes.

The Hon. R. I. Knowles—Those are statistics from the department.

The Hon. K. I. M. WRIGHT—I realise that. Mr Knowles points out that the extent of child maltreatment in this State is not known. The police tell me that they have a cumbersome reporting system and the numbers often do not go in, so that the extent of child maltreatment is, as Mr Knowles has said, certainly not known. The police often concentrate on the more serious reports.

The protection services unit was set up in Bendigo only two years ago. During that time the protection services unit had one case referred to it whereas the Community Policing Squad handled 80 cases.

In his speech Mr Knowles referred to the child maltreatment kit. This kit has apparently been more successful in New South Wales than in Victoria. The Community Policing Squad sees little benefit in Victoria. That squad continually visits the various agencies to inform them of the services that are available. I am informed from police sources that the distribution is extremely uneven and that the child maltreatment kit is still not available to teachers within the Ministry of Education. The child protection service receives daily requests from teachers and others for the child maltreatment kit.

Mr Knowles also referred to the dual-track system for child protection. The police believe this has good and bad points. They feel that the cooperation between Community Services Victoria, other agencies and themselves was already good. They feel that there are different training methods and different fields of expertise.

Mr Knowles also stated—and the police take him to task to some extent for this—that the police consider child maltreatment from the point of view of the victim. The police claim that they have a strong welfare approach and consider the family involvement. They claim that 80 per cent of the cases they manage are handled without recourse to the courts; so that in fact shows that the police have family interests at heart.

The Hon. C. J. Hogg—No one denied that.

The Hon. K. I. M. WRIGHT—In speaking about the dual-track system, Mr Knowles went on to say that no one accepts the ultimate responsibility. This can be challenged.

The Hon. R. I. Knowles—You are the only one who will challenge it.

The Hon. K. I. M. WRIGHT—Some police sources say that this is rubbish.

The Hon. R. I. Knowles—who challenges it?
The Hon. K. I. M. WRIGHT—The initial responsibility is with the agency to which it is reported, whether it be Community Services Victoria or the Community Policing Squad.

The Hon. R. I. Knowles—What happens where cases fall between the two?

The Hon. K. I. M. WRIGHT—I shall follow it through later.

There should be a dual-track program. Community Services Victoria cannot accept sole responsibility. It cannot control the Community Policing Squad.

The Hon. R. I. Knowles—I am not suggesting that it should.

The Hon. K. I. M. WRIGHT—If there is a complaint against the police for any error or omission by a member of the public, this can be dealt with by the courts, the Police Complaints Authority or the Ombudsman, and there are probably others. And, of course, Community Services Victoria does not have the same expertise in investigation.

The Hon. R. I. Knowles—What do their child protection units do?

The Hon. K. I. M. WRIGHT—Mr Knowles has had his go.

The Hon. R. I. Knowles—I am going to have another go, too!

The Hon. K. I. M. WRIGHT—At page 12 of the daily Hansard report of his speech, Mr Knowles refers to talking to people operating in the field who constantly have cases of suspected child maltreatment brought to their attention in respect of which people were told, “Sorry, our case loads are full; we cannot help you.” He then went on to say that 40 per cent of cases cannot be followed through.

Apparently under the rules of operating, Community Services Victoria is required to refer these cases to the Community Policing Squad and, therefore, 40 per cent of the 4425 cases would have been contacts to the Community Policing Squad as well. In fact, fewer than 10 per cent of the reports the squad receives come from Community Services Victoria.

Mr Knowles commented about what should be done to correct the situation. He said that Community Services Victoria must accept the ultimate responsibility for child protection. The police are suggesting that an outside body should be responsible; perhaps something like the Department of the Premier and Cabinet. The responses to the Carney report include a report by the police department entitled Child Welfare Practice and Legislative Review, which contains a chart illustrating the functional structure of a child protection board.

The Hon. J. E. Kirner interjected.

The Hon. K. I. M. WRIGHT—I suggest that the Minister for Conservation, Forests and Lands concentrate on overcoming the enormous problems that exist in her department at the present.

Mr Deputy President, I have discussed the chart with Mr President and he has approved its suitability for incorporation in Hansard. Therefore, I seek leave to incorporate the chart.
The Hon. K. I. M. Wright—I do not necessarily agree completely with the functional structure outlined in the chart. However, it provides a basis for the structure of a child protection board.

I completely agree with the remarks made by Mr Birrell with respect to The Medical Journal of Australia which stated that it was impossible to obtain complete figures and that the community does not know how bad is the problem. I consider that to be a fair comment.

Mr Birrell also comments, to use his own words, on “the excellent discussion paper on child sexual assault by Lesley Hewitt”. I have a copy of the Hewitt report and I shall refer to it later. The Opposition expressed concern that the Government had decided not to fund a child sexual assault unit at the Royal Children’s Hospital. All the people with whom I have discussed the matter share that concern.

Mr Birrell also said that the sexual assault facilities which were set up at the Queen Victoria Medical Centre to deal with adult women were now dealing with child sexual assault cases because no other centre does so. The same situation occurs at the Bendigo sexual assault unit.

The debates were interrupted.

DISTINGUISHED VISITOR

The Deputy President (the Hon. G. A. Sgro)—Order! I wish to inform honourable members that we have visiting Parliament the Honourable Gaetano Novello, President of the Council of the Province of Abruzzo in Italy. I welcome him and hope that his stay in Melbourne will be enjoyable.

CHILD ABUSE

The debates on the motions of the Hon. R. I. Knowles:

That this House condemns the Government for its failure to adequately address the tragic problem of child abuse in Victoria and calls on the Government immediately to ensure that—

1. Community Services Victoria accepts its responsibility—
   (a) in the identification and assessment of child abuse; and
   (b) in establishing a central registry of cases and the introduction of mandatory reporting by professionals of suspected cases.

2. Health Department Victoria provides more treatment services for the victims and, in particular, funding for the planned Child and Adolescent Sexual Assault Unit at the Royal Children’s Hospital,

and

That the Council take note of the Ministerial statement on child maltreatment services.

were continued.

The Hon. K. I. M. Wright (North Western Province)—I am pleased to welcome the visitor in the Parliamentary gallery because in Mildura on Monday night I was able to participate in functions and honour Italian week.

Mr Birrell also referred to an article that appeared in the official publication of the Victoria Police Force Police Life of October 1986 entitled “Our Child Abuse Laws”. The article stated:

If I was a child molester I'd live in Victoria.

Further on the article quoted a policeman as saying:

I can't believe the inadequate laws here in Victoria.
This is manifestly true at this time. Reference was also made to the fact that there is no provision for the passing on of information between Community Services Victoria and the police. The police are concerned that they cannot give access without the approval of the family. Community Services Victoria has been told likewise. This is a ridiculous state of affairs. Apparently Community Services Victoria would prefer not to do court work because it makes the dealings of social workers with the families more difficult.

I now refer to the remarks made in the debate by the Minister for Community Services. I have already made reference to the fact that it is only a year since protective services became the responsibility of Community Services Victoria. The Minister did not make it clear that she was speaking about the time since Community Services Victoria picked up its responsibility in respect of those services; other agencies are still continuing work that they had been doing in the area. The Minister referred in the debate to the policy of the protective services unit and gave the impression that the department was reluctant to intervene in cases. However, the Minister stated that the department:

is not reluctant to intervene.

As I said earlier, there is a feeling abroad that the officers of the department are reluctant to intervene in the more difficult cases.

The Hewitt report strongly recommended mandatory reporting of cases of child abuse. It is generally considered abroad that the Minister's argument against mandatory reporting is unconvincing. How can there be an erosion of community responsibility when mandatory reporting clearly enunciates who has responsibility to pass on cases?

Mandatory reporting would require input from Community Services Victoria, and the Community Policing Squad. The records should be interchangeable between senior officers of those departments.

The Minister for Community Services also said that she hopes to develop a 24-hour welfare-based system. However, the Minister went on to explain that a need will exist for many more resources than the service currently has and that there will be a need for a thorough program design. I shall look forward to receiving information about that in due course.

I commend Mrs Varty for her remarks in the debate. Obviously she has a great deal of sympathy and empathy in this area. I read her remarks with a great deal of interest. Mrs Varty spoke about the removal of a child from an “at risk” situation. Mrs Varty is reported in Hansard as having said:

We did not hear anything about the possibility of removing an offender from that situation.

I wonder whether the answer might be, more correctly, to remove the offender from the family rather than removing the child.

The Hon. R. I. Knowles—I think that is what Mrs Varty is arguing.

The Hon. K. I. M. Wright—I would be inclined to agree that that is an aspect that the Minister and the department should examine.

I now refer to the Hewitt report, which I read with interest. In most of its recommendations the report supports the comments I have made in the debate this morning.

To sum up the attitude of the National Party, it acknowledges and appreciates that this is a great problem in our community. A Community Policing Squad should be set up in both Bendigo and Mildura. In addition there should be an increase in staff at Bendigo of at least two police officers to work in the Community Policing Squad.

The shortfall of ten officers of Community Services Victoria at Kerang and Swan Hill should be made up. It is woefully inadequate to have just one policewoman available for both Swan Hill and Kerang on a 24-hour basis.
A point that has just come to mind is that it seems to be generally accepted that women police officers are the people who should be automatically called in in cases of sexual child abuse. I wonder how that fits in with the policy of equal opportunity. However, I do believe the families and children involved would generally feel more comfortable talking to a woman police officer or social worker.

With respect to mandatory reporting of child abuse, I believe it is absolutely essential that doctors and everybody else involved must report child abuse, both sexual and physical. I also believe there should be a central record of all substantiated cases of child abuse and that there should be input from both Community Services Victoria and from community policing squads so that there is a full and adequate record of all cases.

The Hon. D. R. WHITE (Minister for Health)—I should like to take the opportunity of making a brief statement during the course of the debate. Many health service practitioners are involved in the recognition and referral of children who are maltreated and in the ongoing support of “at risk” families. In addition specialised services are provided at several major public hospitals.

The Queen Victoria Medical Centre Sexual Assault Clinic operates a 24-hour service, providing medical care and counselling. The number of child sexual abuse cases, including incest, have increased steadily since the clinic’s inception; 234 cases being seen during the eighteen months between December 1984 and May 1986.

During the past financial year, a full-year grant of $69 500 was provided towards the appointment of two additional social workers and a part-time secretary to cope with this increased workload. As well as providing direct care and support, the clinic also provides consultative advice to people dealing with child sexual abuse.

In the country, sexual assault services associated with the public hospitals in Ballarat, Bendigo, Geelong and Warrnambool also provide emergency treatment for children who have been sexually assaulted and ongoing support for them and their families.

The Royal Children’s Hospital operates a 24-hour child abuse service providing crisis and follow-up care to cases of child maltreatment. The clinic works in close association with the police and Community Services Victoria child maltreatment services.

When the Queen Victoria Medical Centre moves to Clayton, the sexual assault unit will move with it, to provide a regional service for the south-eastern metropolitan region.

In January 1986, $14 000 was provided to the Royal Children’s Hospital to appoint a social worker to develop protocols for a new child sexual assault unit to replace the service now provided by the Queen Victoria Medical Centre for the central metropolitan area. It is expected that a final submission from the Royal Children’s Hospital will be considered shortly by the Interdepartmental Rape Study Committee.

Meanwhile, Health Department Victoria is examining options for funding the new centre by reviewing expenditure in other areas in the public hospital field.

The Hon. M. A. Birrell—Public hospitals! Why don’t you cut district health councils and use those funds for the kids?

The Hon. D. R. WHITE—Health Department Victoria has recently provided approximately $20 000 for the preparation and distribution of a manual to all Victorian medical practitioners and Health Department Victoria staff.

The Hon. R. I. Knowles—Is that all?

The Hon. G. P. CONNARD (Higinbotham Province)—I rise to support the motions moved by Mr Knowles on this very important subject. It seems that the debate has, up to now, been a good, productive debate in the sense of making people more aware of important societal issues that are emerging.
Initially, I should like to make comment about some of the societal issues that we can see emerging which perhaps are resulting in child abuse. One can look back in an historical sense and those of us who have read Dickens will well and truly know of the instances in that society of the abuse of children physically and through working conditions about which he has written. It would be interesting to know whether child abuse has been increasing in recent times or whether it has been traditional throughout the whole history of our society. Has child abuse been hidden? I believe it probably has been hidden. A series of events has led up to the problem becoming recognised and, indeed, it is a matter of shame to find that children have been abused physically, sexually or intellectually.

It is only in recent days that we have been aware of this problem in the working class, the middle class and the upper class—right across the whole structure of society—and the figures indicate that we should be postulating on why the people who are probably most fragile in our society are being physically or sexually abused.

I should like to comment on the remarks made by the Minister for Community Services. We are very much as one, except in the instance of mandatory reporting, and, as the Minister has said, my party has changed its mind on that over recent years. I do not believe there would be any differences between the three parties on the view that our concern is the protection of children but there are different means of going about it.

In his remarks Mr Birrell commented on an article in Police Life of October 1986 in which child abuse expert Detective Sergeant Richard Tyler of the San Bernardino County Sheriff’s Department is quoted. Sergeant Tyler was the founding head of that unit and he strongly comes down in favour of mandatory reporting. That article stated:

"I can’t believe the inadequate laws here in Victoria," Sergeant Tyler told Police Life. "They make it almost impossible to control the child abuse problem.

Sergeant Tyler said 1000 cases of child abuse had been reported in Texas in 1971 but since mandatory reporting was enforced, this figure grew to 31 000 in 1976.

Early statistics show California had 4000 reports in 1968 compared to 40 000 in 1972; Florida 10 000 cases in 1968 and 30 000 in 1972 and in Michigan, 721 in 1968 and 30 000 in 1972.

It is obvious that the incidence of child abuse did not explode but because of mandatory reporting the community became informed of the real number of cases and consequently recognised that it was an important issue and that it should be detected by Government authorities, hospitals, the Police Force and others.

If one is able to detect child abuse and collect the data, the problems will be able to be identified in a much clearer way than is being done by today’s methods. On balance—not only because of this article—the Liberal Party has opted for mandatory reporting because it believes the solution to child abuse is to more accurately know the statistics and to make the community aware that the problem exists and is serious.

Many honourable members would have had personal experience of child abuse cases being raised with them but they have never been counted. If mandatory reporting were introduced, the actual number of child abuse cases could be identified and all Victorians would be better informed.

It is strange that the Minister stated that Victoria is one of only two Australian States that does not need mandatory reporting. I was not persuaded by her arguments when she replied to Mr Knowles.

I am attracted to comments made by Professor Robert Adler and Professor Peter Phelan of the department of paediatrics of the University of Melbourne where, in a letter to the editor of the Age of 8 November, they said:

Victoria has also decided against the establishment of a central register of confirmed cases which is the only way to ensure continuity of protection for children at risk.
It is a cause for grave concern that the voices of "hospitals, police and many child protection social workers who see the worst effects of child abuse at first hand" are not heeded when it comes to mandatory notification. All 50 States of the United States have introduced mandatory notification.

I cite those two distinguished Melbourne professors to further substantiate my argument. The Liberal Party, as did the Minister, agonised over this problem and its solution, and come to the conclusion that mandatory notification be introduced in Victoria and it is just as important that a register should be established to record child abuse cases.

I note Mr Wright's remarks that the Police Force has a register but that involves only cases referred to it and does not comprise all cases referred to hospitals and medical practitioners. That register is not a record that can detect frequent child molesters which, from a policing and medical viewpoint, would be a significant fact in being able to detect and punish them.

I have read some articles in newspapers where people have stated they were falsely accused of child abuse. A letter to the editor of the *Age* on 15 October by a woman, whose name has been withheld, claims that she has been accused of child molestation, that she is innocent and that it has all been a ghastly nightmare. I can understand her concern, but she and people in her position are adults and should be able to handle their own affairs.

Parliament requires a model so that it can protect children from a number of abuses. Although I am sympathetic to that lady, I also believe Parliament must be resolute in its attempt to come to grips with the problem.

In the same newspaper, Valerie Colyer quotes figures of notifications of child abuse to the child protective services unit of Community Services Victoria and states:

From 1 October 1985 to 30 May 1986, the child protective services unit of the Department of Community Services received more than 4000 notifications of child abuse, including 900 of physical abuse, 800 sexual abuse, 1700 neglect and 500 emotional abuse. About 1300 of these were dismissed and 200 resulted in court actions.

Those statistics are fine, but I am interested in what happened to the 1300 cases that were dismissed. There might not have been an ability to take up those cases in law but I am certain that in many of those 1300 cases there would have been a valid argument for some form of intervention or advice to ensure that the rights of children were protected.

The community is failing in its ability in law to take sufficient punitive action to permanently correct the many cases of child abuse. Perhaps the Attorney-General should read the concerns expressed by honourable members in this debate and amend the laws by putting in place regulations to prevent people from further abusing children.

Honourable members will recall that in 1978 the then State Liberal Government gave an intervention role to the Police Force and to the Children's Protection Society, which met with considerable community opposition at that time. However, in hindsight the society did a remarkably good job. One of my constituents, Shirley Campbell, headed that organisation for some time and it achieved good results for many years. However, in 1985, despite its excellent work, the Children's Protection Society's role was reduced to one of public education, research and a small amount of case work.

Community Services Victoria was allocated a child protection services budget of $2 million, which was $4 million less than Professor Carney recommended. The department has been attempting to come to grips with providing child protection services, for which it has not been responsible very long.

The Minister would know that I play a role in the southern regional consultative council. In that role I have learnt that the southern region does not have enough workers employed in the area of child maltreatment. Also the workload and the burnout experienced by workers is acute. The department has not been able to attract suitably qualified people—I am not necessarily talking about academic qualifications—who are able to withstand the emotional pressures. Therefore, the staff are unable to handle the particular type of work that is involved, which, in the words of the classics, "ain't easy".
I accept the difficulties faced by the Minister for Community Services in providing properly qualified workers. Perhaps additional training could be provided in academic courses that focus specifically on child abuse. The students now undergoing such a course may not be adequately trained in this area.

It is easy for society to slough off its problems and to assume that the Government will look after everything. This attitude is adopted by the community in many areas, not only in the area of child abuse. Often people do not perceive the difficulty faced by the department in providing adequately qualified workers and the necessary resources to cope with this emotional and traumatic area. Essentially young and inexperienced people are trying to handle this type of work.

The regional director in the southern region, Gerry Pearce, whom I commend to the Minister, is very efficient, competent, and extremely sympathetic.

The Hon. C. J. Hogg—He certainly is.

The Hon. G. P. CONNARD—He shares the concerns expressed by the Minister and me. He is sadly at risk of not being able to deliver sufficient services and to employ people who are appropriately trained.

In 1986 more and more demands are being placed on the community to provide services and on the Government to provide the necessary backup. This is a result of today's work climate with more women being employed.

I do not believe the community will be able to give the necessary input required by the department. For example, it is difficult to establish the necessary voluntary committees of management to provide skills in the area of the intellectually disabled. The number of volunteers is decreasing because of the attitude in today's world of, "let the Government rather than the community provide the services". I should like the Minister for Community Services to stress to officers in her department the importance of volunteers in providing community groups and community committees of management.

I commend to her the services of the Southern Volunteers Action Resource, which is not funded adequately. Tools such as this resource involve volunteers not only in the area of child maltreatment but also in the wider spectrum of community services.

Mr Wright's remarks were extremely interesting and during his contribution the Minister, by way of interjection, asked him whether he had any solution. The debate today will probably not provide any magical solution to any of the problems. I beg of the Minister to consider the matters that have been raised. I know her mind has not been fixed on mandatory reporting of child abuse and that she is interested in the debate, but members of the Opposition believe mandatory reporting would be an important tool in providing information about child maltreatment and also in making people aware of it.

There are no accurate figures on child abuse and even the department's figures, which I quoted a moment ago, do not take account of the cruelty cases of which the doctors, teachers and school principals are aware.

Of the reports received by the department, approximately 90 per cent are from doctors, social workers, infant welfare sisters, community health sisters, teachers and principals of schools, student services, psychiatrists, psychologists, school medical services, family day care centres and police.

When complaints are made they are not recorded in a central register but are handled as best they can be handled. Victoria has two sets of authorised interveners, Community Services Victoria and the Police Force.

The Minister stated three priorities: priority No. 1 is where there is a severe threat to the life of the child or of serious long-term damage to the child's health. These cases must be responded to within 24 hours; priority No. 2 involves severe neglect or the possibility of severe neglect, and those cases must be responded to within 48 hours; and priority No.
3 is the less severe cases that may involve aspects of neglect and emotional abuse. They must be responded to within five days.

I regret that priorities have been given because all cases should be treated as top priority. I understand that the reason why the Minister has outlined them is that the department has staffing problems.

Priority No. 1 would involve admissions to hospitals and would involve the services of a doctor. Therefore, there is a natural flow of events that will take care of itself. Priority No. 2 involves neglect of children and priority No. 3 is concerned with certain aspects of neglect. Honourable members would be aware that priority No. 3 cases would, in many instances, not be picked up because of the lack of time and staff.

The figures from which I quoted earlier showed that the majority of reported cases do not involve sexual abuse, which cases require medical intervention, but physical abuse, which cases do not necessarily require medical attention. In these cases the intervention is usually through family counsellors, or the police when a charge is laid because of gross neglect, beating or whatever.

The Minister for Community Services referred to a dual-track system. In my view, three tracks should be involved: the Police Force, Community Services Victoria and the hospital and health services. There should be a reporting mechanism through the hospital and medical services and the primary care services. Many instances of child abuse, especially physical beatings, come to the attention of local medical practitioners and primary health providers, but they are never reported and, therefore, are never followed up.

Local medical practitioners have suggested to me that they are hesitant to report some cases of physical abuse of a child because of the social status of the parents. They are reluctant to involve the police, but the departments should be involved in that type of case, irrespective of the background of the parents. A dual-track system is not enough; there should be a three-track system and the necessity exists for the three tracks to be integrated.

As the Minister for Health reported to the House earlier, the quality of care in Victorian hospitals has traditionally been extremely high, especially with the treatment of sexual and physical abuse of children. One can only applaud the work of the Royal Children's Hospital in that area. Although social welfare officers are employed by hospitals, when a child leaves a hospital, he or she is no longer the responsibility of the hospital and should be the responsibility of Community Services Victoria. The Minister would be aware that many children leave hospitals and return to their homes and nothing is done after that. I am aware of three cases in which the custodial parent has committed the same offence because there has not been a competent follow through from Community Services Victoria. The Minister must institute some system by which these cases come to the attention of Community Services Victoria. I am disappointed with the reply by the Minister for Health to Mr Birrell when the Minister suggested yet another committee instead of genuine practical action.

I am indicating to the House some of the thoughts I have had on this matter, and they may assist the Minister in making decisions in future. Mandatory reporting is important, and there must be integration between the Police Force, Community Services Victoria, hospitals and doctors. I strongly suggest the establishment of a register by Community Services Victoria so that repeated offenders can be noted. I also suggest that the Minister establishes a relationship with educational institutions.

The Minister for Community Services should delineate appropriate career structures for staff of Community Services Victoria. Health Department Victoria has had problems in delineating nursing career structures. I hesitate to forecast, but unless career structures are implemented within Community Services Victoria, in a few years that department could face the same problems currently facing Health Department Victoria.
The Minister is aware that many of her social workers are paid for 20 hours work a week when they are actually working 35 hours or 40 hours a week. Through family counselling and other services, the community is getting the free use of labour from young people, and that is totally abhorrent. Problems will be created if the Minister does not address the issues of appropriate payment and proper conditions for her staff.

I encourage Community Services Victoria to have a close working relationship with the Police Force. Some members of the Police Force are ignorant on this issue, and Mr Wright noted that it was mainly policewomen who deal with these problems. I claim that many suitable policemen could be used in the community servicing function dealing with child abuse. I make my suggestions in a constructive way, and I know that the Minister will take note of them.

The sitting was suspended at 12.57 p.m. until 2.5 p.m.

The Hon. M. A. Lyster (Chelsea Province)—It is important to note the quality of debate taking place on this sensitive issue. Like the Minister for Community Services, I am pleased that the debate has been reasoned and balanced. Indeed, I hope these very sensitive discussions will present an example to the whole community.

It is an issue that could not have been debated a decade ago. It is a new area for the community to be discussing publicly, and opinions are still being formed. Evidence is being gathered and experience gained, and it behoves everyone to tread carefully before making definitive statements in an area in which people are still learning.

I shall comment briefly on some matters raised by members of the opposition parties. Mr Knowles spoke about the distribution of the recently published child maltreatment kit that was distributed throughout the community by Community Services Victoria. I am pleased that Mr Knowles found the kit useful, as I did and as did many community groups in the province that I represent to which I distributed copies. They regarded it as a very useful tool in assisting them to form their opinions and in providing them with the proper references to the appropriate services.

As many as 19 000 booklets have been distributed and a reprinting is being organised, mainly because there is interest from the Ministry of Education, and negotiations are being undertaken with the Ministry for its assistance with the further distribution of the booklets.

Mr Knowles, or it may have been Mr Birrell, stated that some health agencies were not aware of the existence of the kit. As the Minister has said, she will certainly investigate that matter and take appropriate action to ensure that agencies have access to the information.

There has been interest in my area from neighbourhood centres and community groups. That has come about because of their knowledge of the need, and also because of knowledge of the debate. In many ways that is a preferable system of providing information than simply having information distributed to every possible source. As members of Parliament particularly are aware, information received by that process can be “filed” and may never see the light of day.

Agencies that are seeking the information contained in the child maltreatment kit will make use of it. Already, they are requesting more copies of the booklet. This is an excellent indication of the quality of the booklet and the heightening community interest in the subject. It is part of the scenario in the community where awareness is increasing interest, and everyone concerned is united in seeking whatever information and assistance that they can obtain to address this very complex problem.

Mr Knowles also referred to the dual-track system for child protection, which covers Community Services Victoria and the Police Force.

Mr Knowles expressed concern about the possibility of conflict arising between the philosophies of those two different departments, their different modes of operation and
training. The Police Force is a seven-day a week, 24-hours a day service, whereas Community Services Victoria, at the moment and of necessity, is a 9 a.m. to 5 p.m., five-day a week service. However, I was surprised at his suggestion that this has brought about a feeling of suspicion and mistrust between the departments, perhaps because to my knowledge, in the Western Port region at least, there is certainly no concern. If that is the case in other regions, I would hope and expect that that will be addressed in manners that I shall discuss later.

The Western Port region has the highest number of contacts relating to child abuse in the State. This was unexpected. The region has a much higher record of notifications than Community Services Victoria expected and it has produced incredible pressures in the Western Port region—pressures that are shared by other parts of the State but which this region suffers from immensely. It has been one area of major concern in my province, especially in the Western Port region since Community Services Victoria assumed responsibility for this area of activity. However, in one way it is testimony to the attitude of the Government that education is an important part of the reporting process as it exists at the moment.

Perhaps I could inform honourable members of something that happened in the Western Port area that may partly explain the high level of notification. Mr Wright referred specifically to the protective behaviour program. However, the Western Port region has operated an unique program over the past twelve months. Through the hard work of Senior Sergeant Peter Wilson of the Community Policing Squad—the group of police most involved in child protection—and Ms Margot Guest who works from the Frankston campus, Chisholm Institute of Technology, together with the Ministry of Education, but working only three days a week for fifteen weeks, they have introduced a protective behaviour program into 160 schools and kindergartens in police region “Z” which extends from Mentone to Portsea.

As well as educating teachers they have also had close contact and, indeed, have serviced personnel from many non-school agencies including persons involved in the Early Childhood Development Program; the Frankston Hospital; infant welfare centres; the Bayside Youth Hostel; the Frankston City Council; community health centres; family aide services and so on—there is a lengthy list. The information on protective behaviour and child protection is permeating that section of the community from Mentone to Portsea.

Awareness of the problem has, therefore, been significantly raised in this area and the discussion that is ensuing in meetings of school councils, among the staff of schools and among the staff of these non-school agencies has contributed tremendously to the knowledge, information and general education of people in the Western Port region in this difficult area of child abuse.

It is pleasing to note the parental support that has been given to the program that covers a difficult and sensitive area. Those people who have been responsible for organising the protective behaviour program are to be most definitely commended. I am pleased that the Minister for Community Services has accepted my invitation to take a closer look at the protective behaviour program because it fits in with the thinking of her department on educational programs and creating a supportive community.

The debate is taking place just prior to the presentation of a report that is the result of consultations carried out over the past few months by Ms Leslie Hewitt. The report will soon be with the Minister and there will be an integrated Government response to it. I say "integrated" because it is not by its nature solely a community services issue. There are specific issues that the Attorney-General will need to address, and some of those were mentioned by Mr Wright: I refer to the taking of evidence; uncorroborated evidence generally; sentencing options for offenders; the treatment of those offenders and the question of videotaping initial interviews. All of those matters will be part of a Government response to the Hewitt report. Perhaps the option of establishing a child protection board that Mr Wright also mentioned will be examined as a result of the report.
I am sorry that Mr Wright did not speak further on the chart that was incorporated in Hansard depicting the functional structure of a child protection board. The chart was part of the police response to the Carney report, and I certainly would have appreciated the opportunity of hearing more about how the police envisaged a child protection board would work. I would appreciate, as I believe the Minister would, too, the opportunity of talking to Mr Wright further about how this concept would work.

Members of the Opposition have expressed concern about record keeping. I am sure they are not suggesting that records are not kept, but perhaps it is important to give an assurance that records are kept of all active and substantiated notifications.

There were concerns about the need to interchange documents between the Police Force and Community Services Victoria. The Minister referred to the development of a number of protocols between different Government departments. This is one area where there is ongoing work directed towards developing appropriate measures which will ensure that, where necessary, there is an exchange of documents between Community Services Victoria and the Police Force. As Mr Knowles said, this already happens in some regions.

The relationship between the Police Force and Community Services Victoria is excellent in some regions. In other regions there are problems which must be addressed. That is happening and it is hoped that in time there will be an ongoing exchange of information between Community Services Victoria and the Community Policing Squad.

The Minister referred to the broad network of support, prevention and education which is the goal of protection services in Community Services Victoria. It is not, however, merely a community services function. Indeed, so much of Government policy is directed at creating a supportive community which exhibits an emphasis on prevention and education that it is possible for the parameters to become blurred, and that is where one does have difficulties in role delineation and ultimate responsibility.

The aim of creating a supportive society, even if it leads to some confusion in roles, is still a worthwhile aim. The term "social justice" is used a great deal.

The Hon. R. I. Knowles—Sometimes ad nauseam!

The Hon. M. A. Lyster—Surely Mr Knowles does not mean that! I am disappointed to hear the honourable member speak of social justice in that way. I do not believe we can ever hear too much of social justice. I do not believe any Government can do too much in that area and, certainly, with the broad aim of creating a caring community, it is something Governments and, indeed, political parties should be speaking about "ad nauseam", if you wish, but I prefer to say consistently and loudly.

The Government is concerned that ultimate responsibility should be clearly delineated. That is a definite concern of Community Services Victoria in the area of child protection. A large number of groups are involved. The Minister for Community Services and I referred to the protocols that are being established between Government agencies. A strong active non-Government sector is also involved in child protection; a non-Government sector without whose assistance the services would be severely impoverished.

In working towards the exchange of information, the clarification of responsibilities with those agencies is extremely important if the Government is to gain a clear view of the problem and, therefore, of the actions that are required. In that context, the involvement of Community Services Victoria in the child protection area is fairly recent. There has been a tripling of resources for that area. The first twelve months of operation have been a period of finding out just where the problems are and where the Government should best be using the limited resources.

I am glad the services to country areas in particular have been greatly extended. As Mr Wright would be aware, the new services in the Murray and Loddon-Campaspe regions and the Glenelg area in Portland will commence in the near future and will provide
considerable relief and support for the groups, particularly the community policing squads in those areas that have been carrying so much of the burden without other assistance. 

Mr Wright also mentioned the difficulty of recruitment. It is a difficulty that is exacerbated in rural areas and, like the Minister, I am disappointed that Mr Wright was not able to provide some assistance, because it is a major problem. The Government acknowledges that it is a problem and if Mr Wright has any ideas on overcoming rural recruitment problems—as with nursing shortages—the Government would be glad to hear of them. It is a real problem, not just in retention but in the filling of vacancies as well. The Government welcomes any advice that can be given.

Two speakers also suggested that departmental officers were reluctant to intervene. I was surprised by those comments because I have heard that, if anything, Community Services Victoria officers tend to be too interventionist. I am interested to find out what is being said in the different areas around the State because it is a claim that confuses me.

I move now to the question of mandatory reporting, which is a major part of Mr Knowles’s motion. Mr Connard and Mr Birrell both referred to the importance of gathering statistics as part of the argument for mandatory reporting. As a general rule, I regard the gathering of statistics, a proper evaluation of the status quo, having the data so one knows exactly the size of the problem, as paramount for any Government service.

However, in this case the Government is dealing with something that has additional layers—layers that it does not address in other areas, such as when examining school enrolments, the number of children staying at school, or the number of people occupying beds and so on. The complexity of this problem means that far more is involved in the concept of mandatory reporting than simply gathering statistics. Therefore, I cannot accept that as a valid argument in this context. I believe there are other ways in which the Government can undertake a proper assessment of the magnitude of the problem. It can ensure that appropriate resources are made available in a proper and planned way in order to address the problem.

The method that is currently adopted by Community Services Victoria is on balance heightening the sensitivity of the community to this matter and, indeed, is a positive approach.

The Hon. K. I. M. Wright—You let an offender go through the whole family in different towns!

The Hon. C. J. Hogg—That is not what Mrs Lyster is saying.

The Hon. M. A. LYSTEr—No. It is important that honourable members are aware of the difference between contacts, notifications and consultation, because in that process they will see the way that different contacts are handled by the department. The largest number, 6288, are child contacts that are made with protective services. Those contacts are then divided into two groups. They may be of two types, consultations or notifications. A consultation means that a person in the community, perhaps a professional—indeed the record for professional notification is significantly high in Victoria—notifies the authorities. The request for assistance or advice comes from a person in the community, perhaps a social worker. It may be somebody not working in the area of protective services at all. It may be any person interested in assisting the situation who believes there is a need for protection of a child. In many cases, advice can be given to that person which will allow him or her to go back to the child, or to the family and provide the support, the advice, the caring, or whatever action is required. This is a most commendable approach. It ensures that shared responsibility is felt by all groups within the community; that the Government is ensuring the best use of all available resources and encouraging the notion of a supportive community. It involves those voluntary agencies to which I referred earlier, and their contribution is beyond measure.

Those are the consultations. It is possible that it is not appropriate for a person in the community to handle a significant number of those cases alone. In that situation,
Community Services Victoria, through the Protective Services Unit, takes the notification. Of the 6288 contacts, 1931 children came into the category of notification, which means that a child protective services officer takes responsibility for the case. The monitoring and management of the case becomes the responsibility of Community Services Victoria and the case is appropriately followed through by the department. That occurred in 1931 of the 6288 original contacts.

It is also worth noting that on last year's figures, of those 1931 notifications, 300 actually resulted in a lodgement at court for hearing of the case. The reason I mentioned those figures and drew the delineation between consultation, which draws on the wider community and on the resources that are available — and that encourages a supportive community — and the notification to Community Services Victoria is that if the State institutes mandatory reporting it will eliminate that area of consultation. All cases would become notified cases and would be specifically the responsibility of Community Services Victoria to monitor.

The Hon. R. I. Knowles — Obviously not.

The Hon. M. A. Lyster — Mr Knowles obviously does not accept that, but he has the right of reply, so I shall be interested to hear his comment on how he envisages mandatory reporting would work.

The words “mandatory reporting” have different meanings to different people and, if nothing else, perhaps during the course of the debate in the House and debate in the community it may become clear that we are all talking about the same thing. If Mr Knowles has difficulty with the description I just gave of the result of mandatory reporting, I shall be pleased to hear about it because the differences that we and the community imagines may not exist.

I have already referred to a full year’s figures for contacts. It is important to follow that up with a comment on cases that were substantiated, because I strongly believe the substantive nature of notifications is the major issue at point and why I have difficulty with the notion of mandatory reporting.

A rather high percentage, 63.2 per cent, of notifications were substantiated in Victoria. It is important to contrast that percentage with those of New South Wales and South Australia where mandatory reporting is accepted. In New South Wales, only 29.3 per cent of notified cases were substantiated, and in South Australia even fewer, 26.3 per cent, of notifications were substantiated.

The Hon. D. M. Evans — What were the relative numbers in each State that were reported? Were there many more in South Australia than in New South Wales? It is a significant point.

The Hon. M. A. Lyster — I agree that relative data is important. I have those figures and I shall be pleased to discuss them with Mr Evans.

Another interesting feature of the Victorian data is that significant professional groups are better represented in regard to making a notification in Victoria than in New South Wales.

I shall refer, firstly, to the percentage of references and notifications that come from general practitioners. In New South Wales, 1.7 per cent of notifications are sourced from general practitioners. In Victoria, a higher percentage, 2.5 per cent, of notifications come from general practitioners. It is not just the general practitioner who is well represented in Victoria — it is the whole spectrum of medical services. In Victoria, 18 per cent of notifications come from the medical system in general. In New South Wales, only 12.2 per cent of notifications come from the general medical system.

Putting those figures together, it can be seen that the New South Wales figures indicate over the years a decreasing proportion of notifications coming from professionals and an increasing number from the general public. Together with that trend, there is also a
decrease in the proportion of notifications that are substantiated. Putting those figures together again increases my concern about the implications of putting in place a system of mandatory reporting mainly because, as I said a few minutes earlier, the substantive nature of notification is the key issue in this area.

I agree that the concern about the roles of the police and Community Services Victoria should be clarified, and I believe discussions are taking place. Action is being taken to ensure that role delineation is established. I agree that a 24-hour service by Community Services Victoria should be the Government's long-term—or better still, short-term—aim, but being realistic that is the Government's target.

The Hon. K. I. M. Wright—An on-call basis would be practical, rather than people sitting at a desk for 24 hours.

The Hon. C. J. Hogg—That is correct.

The Hon. M. A. Lyster—The department has had twelve months of settling down and twelve months of transition. We have all gained considerably in our knowledge and experience of this difficult area of child abuse during that time. It is now possible to address the problems that must be highlighted in this debate and also the debate that is being carried on in the community.

Before I conclude I should like to share some comments that were made in the Legal Service Bulletin of April 1986 by Mr Paul Wilson, who is Assistant Director of the Australian Institute of Criminology. I shall quote from Mr Wilson, not in any way wishing to give any reprimand to those in the community who are advocating the introduction of mandatory reporting.

I am extremely pleased that the debate is out in the open. I encourage that and as I said initially, the example this House has set to the community in the way in which the debate is being carried out is the way in which this serious problem should be addressed. It is extremely complex and it is a significant social problem. We all agree that it must be addressed in the best way by society, Parliament and the Government. However, it has the potential of becoming a sensational and inflammatory debate. I certainly hope that will not occur. In his article, Mr Wilson uses the following words:

In an effort to rectify the neglect of children subject to sexual assault, campaigns, some of an hysterical nature, have swept across this country just as they have in other Anglo-Saxon jurisdictions. The danger is that, whereas in the past we failed to detect sexual abuse when it was present, we now detect it when it does not exist.

He also states:

In recent times, the crusade against child sexual assault has often taken the form of a contemporary witch-hunt with attempts by crusaders to turn a complex social problem into a simple morality play.

This is not a simple question of morality; it is not a simple problem of any dimension. As I have just said, it is a complex social problem, one that is worthy of reasoned debate, of compassion and of the very best effort from every person involved.

I believe that is the spirit in which Community Services Victoria is addressing the problem, and I support the Minister in her actions in this area.

The Hon. R. I. Knowles (Ballarat Province)—I should like to join other honourable members in making the observation that this has been one of the better debates that this House has had. All speakers have obviously been prepared well for their contributions to the debate, which have been reasoned and logical. They were certainly made in the context in which we wished the debate to occur, and there has been an attempt to avoid the sensationalism to which Mrs Lyster has just referred.

Despite that, obviously, differing views have been expressed. Of course, if there were not differing views, we would not even be having the debate. I shall briefly go through the points of the motion, respond to some of the comments that have been made, and reiterate why the Opposition has adopted the stance that it has on this issue.
In the first instance, the Opposition argued that, in fact, the present approach is inadequate in the identification and assessment of the child abuse that is occurring in this State today. It is inadequate not only in that way but also in the capacity of the community to provide treatment for the victims of child abuse and, where appropriate, for the offenders.

I reiterate the comment that has been made by most speakers: child abuse is a serious social problem. Not only is it a tragedy for the child who is abused but also—as the American experience reveals—there is evidence to suggest that victims of child abuse become adult offenders. I quoted from the American experience that 80 per cent of all prostitutes were, in fact, victims of child abuse; that 75 per cent of all prisoners were the subject of child abuse; and that almost 90 per cent of those convicted of child molesting were themselves victims of child abuse.

We as a community have a vested interest in trying to break that cycle. The only way in which we will be able to break that cycle is by some form of intervention—and there is no argument that that intervention ought not to occur.

What the motions and the debate are about is what form that intervention should take, what should be the parameters within which that intervention takes place, and what additional resources are required to ensure that the intervention that does take place is appropriate.

I stick by the claim I made in introducing the motions, and I believe the Minister acknowledged in her response that Community Services Victoria does not have the resources to meet its statutory responsibility in this area. I acknowledge that the Government has provided additional support for a range of programs to develop a supportive community; there is no argument about that.

I acknowledge that the Government has increased resources and established more child protection units. However, the fact remains that those units operate from 9 a.m. to 5 p.m. seven days a week, and we rely on the police to provide a 24-hour, seven-day-a-week service.

I wish to clarify the point that Mr Wright made: I am not being critical of the police, nor am I suggesting that there will not be an ongoing role for the police to play; there always will be. What I was arguing was that we need some form of accountability. A dual-track system does not provide that accountability because one agency blames the other.

Community Services Victoria does not operate a 24-hour, seven-day-a-week service. I claimed that almost 40 per cent of the notifications to that department could not be handled by it because of lack of resources. The Minister conceded that the figure was about 25 per cent. I am informed that my original claim was closer to the mark.

However, the reality is that at least one in four cases of suspected child abuse reported to Community Services Victoria cannot be investigated by that department; I believe my claim that there is inadequate response by the Government to this issue still stands.

The Hon. C. J. Hogg—It is an inadequate capacity in some areas rather than an inadequate response.

The Hon. R. I. Knowles—I am quite happy to support the Minister if that will assist her in arguing a case with the Department of Management and Budget—although I have to say that I believe there are some areas within her department where resources would be better transferred to this area.

The Opposition argued for the establishment of a central registry of cases and the introduction of mandatory reporting. I should like to deal with those in two parts; although they are parallel they are two separate issues.

The Minister said that she was not persuaded that there was a need for a central registry, but she then went on to explain that, at present, Community Services Victoria keeps the files of all established cases in Melbourne; that a summary of all notifications that go to
her department is kept in the regional offices or regional units; and that the department is working with the police to establish a protocol so that it can gain access to that information.

Is not that what a central registry is about? Should not we, in fact, be putting it up front? Should not we have some debate as to how that central registry is to be established? I should have thought that very serious questions of civil liberties were involved. Should not a family be informed that its name is on this registry? Should not they have the right of appeal? That is what occurs in other countries where there is a central registry—it is done up front. This is the first time that I have heard that the department was, in fact, maintaining a registry of files.

The Hon. C. J. Hogg—You might simply call it "keeping files".

The Hon. R. I. Knowles—In that case why is the Minister's department working with the police to establish protocols to enable it to have access to that information? That is precisely what I argued for when proposing the central registry concept but, at least, let us be open and up front and argue through those issues and determine what checks and balances ought to apply to the names and information that will be kept in that registry.

The Opposition's claims have been acknowledged by the Government. The Government is already keeping a registry of names and information but that ought to be done in public and we ought to be stimulating debate about the parameters that will apply to the keeping of that registry.

On the question of mandatory reporting, I have made it plain, as have my colleagues, that that is not a panacea for child abuse in the State. In fact, the Liberal Party had long had the policy of not supporting mandatory reporting. The policy has been reviewed in recent times and the party has now come to the decision that, on balance, mandatory reporting should be supported; not because it will solve the problem but because it will provide an additional weapon in terms of identification and assessment of where child abuse has occurred.

Mandatory reporting has long been supported by the police and many of the professionals who work in the field. It operates, in some form, in all States—except Victoria, Western Australia—and the United States of America. It is restricted to a group of professionals who have some responsibility in caring for children.

Mrs Lyster made the point that the New South Wales experience suggests that general practitioners are less likely to report under mandatory reporting than they will under the current arrangements, and she quoted figures at length to establish that point.

My understanding is that mandatory reporting does not have a great impact on medical practitioners. It has its impact among the other professional groups such as kindergarten teachers, school teachers and people working in infant welfare centres. It encourages them to take up the issue.

I quoted the experience of Jill Nicholson from the Royal Children's Hospital, who only recently addressed about 100 child-care workers engaged in the early childhood development programs in the southern suburbs. Of those 100 workers, who have a professional responsibility to children, when questioned about the approach they would take in a case of suspected child abuse, fewer than one-third indicated that they would report it to the authorities; that is the experience of the Royal Children's Hospital.

Many children who are taken to that hospital with serious head injuries have been abused on earlier occasions but that abuse has never been identified and reported.

If we are ever to do something to help the families and to break the cycle and provide supportive services, those earlier cries for help must be recognised, and mandatory reporting is one area that will help in that early identification.

The other issue that I raised, and to which no response has been given, is that where there has been a case of a child dying as a result of child abuse, there must be a public
independent inquiry, separate from police and coronial inquiries, not for the purpose of conducting a witch-hunt but simply to examine the supportive network for that family. Lessons can be learned and if approaches are changed, gains can be made in reducing the effects of this tragic problem.

I quoted the experience in a part of England where the death rate from child abuse was approximately 38 children a year. By instituting a system of public independent inquiry to examine the role of the supporting agencies and by learning lessons from the failures in the past, the English authorities reduced the number of deaths to two. That proposition has been argued by Professor Peter Voss on many occasions and it is one which the Liberal Party embraces; not for the reason of trying to establish scapegoats but to attempt to learn from those experiences so our agencies can better meet their responsibilities.

The second part of the motion called for the provision of funding for the Child and Adolescent Sexual Assault Unit at the Royal Children's Hospital. If I am critical of one contribution in this debate, then surely it has to be that of the Minister for Health. It was absolutely appalling that the Minister's contribution on this serious subject, as acknowledged by speakers from both sides of the House, amounted to him reading a one-page statement that simply said that the Government would examine options for funding.

I understand that Health Department Victoria has appointed another coordinator to examine existing services and to examine, yet again, the various proposals. Lesley Hewitt did that in her report. We do not need to spend another $20 000 on another coordinator to go over the same ground. Decisions are needed. Accurate information is not available but the evidence shows that approximately 500 children are sexually assaulted in Victoria every year. The facilities for treating those children and providing some hope to repair the damage of the experience they have suffered are available at the Queen Victoria Medical Centre. The maximum number of children with whom it can cope is about 250, so another 250 children are being left with no specialist facilities to help them. That is an appalling indictment on the Government; and yet today the Minister said, "We are going to examine it to see whether we can provide some funds." For how long will that continue? It has been going on for twelve months now.

Lesley Hewitt identified where the weakness was and identified what needed to be done. The Government provided some initial support to enable the Royal Children's Hospital to establish its planned unit. That has been done; but these people are looking for further support from the Government; and what do they get? A one-page statement read by the Minister for Health, indicating that there is going to be another inquiry.

It would be better to save the money rather than waste it on the appointment of the coordinator. It would have been much better for the Minister to have said that the Government would not waste more funds on another inquiry. The Minister's contribution to this debate has been appalling and demonstrates his lack of commitment.

Mrs Lyster spoke about social justice and became very upset when I said it was merely rhetoric. I ask where the justice is for those 250 sexually abused children in Victoria. The Labor Party likes to talk about social justice ad nauseam. The Liberal Party does not talk about social justice ad nauseam, nor about rhetoric; it talks about action being taken to provide services and facilities.

The Minister for Health should be ashamed of himself. He cannot even run a health system at the moment, despite his claims of special relationships with the trade union movement.

The only thing that has been provided is the allocation of funds for another inquiry to examine the need for facilities. That has already been done. I am disappointed that the Government's response to the second part of the motion did not come within a bull's roar of its response to the first part of the motion where the Government at least took seriously the areas of differences.
At least the Minister for Community Services acknowledged that it was a difficult, important and sensitive area and expressed her concern that her department had not been able to do more. She disagreed with some of the proposals put forward by the Opposition but she did not rule them out. She acknowledged that mandatory reporting is an option but said that she will await the report from the Victorian Council of Social Service. She did not rule out the concept of a central registry. In fact, she informed the House that one is almost in place.

The Minister for Community Services acknowledged the need for more allocation of resources to the dedicated people who work in this difficult and complex area. What a contrast to the attitude taken by the Minister for Health! The contribution made by the Minister for Health can also be contrasted to the contribution made by Mr Birrell, who adequately demonstrated the need for urgent Government action in this area to at least give some social justice to the poor, innocent victims of child sexual abuse.

We stand by the comments that we have made in arguing this case. We intend to pursue a number of the issues raised. With the exception of the Minister for Health, I reiterate my compliments to the sensitive, well thought through contributions that honourable members have made.

Even if the first motion is implemented, it will not eliminate the problem of child abuse in Victoria. However, our proposals will go some additional way towards addressing this tragic social issue that faces Victoria in 1986. It is regretted that it will be with us for some years to come. I commend the motions to the House.

The PRESIDENT—Order! The concurrent debate having concluded, I shall now put the questions separately.

In relation to the first motion moved by Mr Knowles, the question is:

That this House condemns the Government for its failure to adequately address the tragic problem of child abuse in Victoria and calls on the Government immediately to ensure that:

1. The Department of Community Services Victoria accepts its responsibility—
   (a) in the identification and assessment of child abuse; and
   (b) in establishing a central registry of cases and the introduction of mandatory reporting by professionals of suspected cases.

2. The Health Department of Victoria provides more treatment services for the victims and, in particular, for the planned Child and Adolescent Sexual Assault Unit at the Royal Children’s Hospital.

The motion was agreed to.

The PRESIDENT—Order! The further question arising from the debate is the second motion moved by Mr Knowles:

That the Council take note of the Ministerial statement on child maltreatment services.

The motion was agreed to.

WATER (MISCELLANEOUS AMENDMENTS) BILL

This Bill was returned from the Assembly with a message relating to amendments. It was ordered that the message be taken into consideration later this day.

MARINE AND COASTAL PARKS

The Hon. R. I. KNOWLES (Ballarat Province)—I move:

That the Order in Council tabled in this House on Tuesday, 29 April 1986 pursuant to section 19f of the National Parks Act 1975 which—(a) declared Wilsons Promontory Marine Reserve, Wilsons Promontory Marine Park, Shallow Inlet Marine and Coastal Park, Corner Inlet Marine and Coastal Park and Nooramunga Marine and Coastal Park managed by the Director of National Parks pursuant to section 19a of the Act were areas of
land to which certain provisions of the Act and certain regulations thereunder applied as though the land contained in those parks and that reserve was a park; (b) amended Schedule Four to the Act to add land contained in those parks and that reserve to that schedule; and (c) specified the provisions of the Act and regulations which were to be applied to the land contained in those parks and that reserve—be revoked.

The motion embodies an important principle for Parliament and the Victorian community. That principle is that, where a matter of significance is being undertaken by the Government that requires some legislative framework, it should be handled by primary legislation and not by secondary legislation. In other words, it should be done through Parliament and not by the back door.

In the Government Gazette of 23 April 1986, an Order in Council proclaimed the Wilsons Promontory Marine Reserve, Wilsons Promontory Marine Park, Shallow Inlet Marine and Coastal Park, Corner Inlet Marine and Coastal Park and Nooramunga Marine and Coastal Park. The order was made under section 19F of the National Parks Act.

I shall briefly go over the history of this development. The first time this development was proposed, so far as I can establish, was in the Final Report of the Land Conservation Council for South Gippsland District No. 2 which suggested that protection of this area was needed. I am advised by those who believe they will be adversely affected by the Government’s action that they had no idea that the Land Conservation Council was examining the proposal.

Even those who knew that the matter was being canvassed did not believe it would adversely affect either their commercial livelihood or their recreational pursuits.

In fact, the Land Conservation Council, in its final report, recommended that the possibility of including certain offshore areas in the system of marine parks should be further considered.

In fact, the council said that that consideration would need to involve in detailed discussion and consultation those likely to be affected. I understand that genuine concern was expressed at many public meetings in the area.

The Hon. A. J. Hunt—Even by Mr Murphy.

The Hon. R. I. KNOWLES—Even by Mr Murphy, who has shown interest in this subject. I understand that the Government’s response was to be very soothing; to say that extremist claims were being made and that there was no proposal completely to ban fishing in these areas. In fact, the assurance was given that further consultation would take place.

I am advised that there was never any suggestion that the Government would use section 19F of the National Parks Act to proclaim these areas. It was always envisaged that legislation would be passed. Many of those who were concerned believed that process would allow them an opportunity of canvassing the issue, making their views known to members of Parliament and arguing their case.

Not so, Mr Deputy President! The Government used section 19F of the National Parks Act, a section that was introduced to allow small parcels of land managed by a public authority to be managed as if the land in question had been part of the national park. I understand that it was necessary to invoke the Interpretation of Legislation Act to allow this section to be used.

The Hon. A. J. Hunt—It was never meant for this.

The Hon. R. I. KNOWLES—Quite. It was never intended to be used in this way, but it has been used to ensure that land under water is deemed the same as any other land. So the National Parks Act was amended to provide a better administrative arrangement for small parcels of land managed by public authorities to be incorporated in a national park.

The Hon. D. M. Evans—A bit like local government.
The Hon. J. E. Kirner—No. To be incorporated in the national park schedule; not in the national park.

The Hon. R. I. KNOWLES—It deems it to be part of the national park.

The Hon. J. E. Kirner—No.

The Hon. R. I. KNOWLES—It still provides a reservation, a status for that area that it previously did not have.

The Hon. J. E. Kirner—Yes.

The Hon. R. I. KNOWLES—I shall concentrate briefly on the Wilsons Promontory Marine Reserve, and it is important that honourable members understand that there is a difference between a marine reserve and a marine park. No exploitation is permitted in a marine reserve whereas uses such as recreational fishing are allowed in a marine park; in fact, some restricted commercial fishing may be allowed. In a marine reserve all of those activities are prohibited.

The Minister’s proclamation by that Order in Council to which I have referred declares approximately 40 kilometres of the southern coastline of Wilsons Promontory from Tidal River to Sealers Cove, together with the islands, to be a marine reserve in which all fishing, both recreational and commercial, is totally banned and the balance of the Wilsons Promontory coastline to be a marine park where restrictions on fishing will apply. That means that a person who happens to throw in a line on that 40 kilometres of coastline will be breaking the law.

I should have thought that that clearly established it as a significant issue, one worthy of debate by way of legislation, if in fact the available research demonstrates that that area needs some form of protection; and I think that is at least arguable by many people. I am not indicating that the Opposition says there is no need for protection. The Opposition believes the issue ought to be discussed and debated. I have examined much of the material that I have been able to find on the issue and I happily acknowledge the validity of the point of view that says some protection is needed. That is disputed by many people who have strong grounds for their points of view, but that is not a new issue. We go through that same issue every time we discuss a Bill to establish a new national park.

What is different about a marine reserve? I should have thought that would be a most interesting and challenging debate in which honourable members could canvass the issues involved and examine the available evidence.

The commercial and recreational fishermen and the Boating Association of Victoria have expressed extreme concern and anger about this backdoor proclamation, having been promised on many occasions that no decisions would be made without widespread consultation.

The Hon. J. E. Kirner—Which there was.

The Hon. R. I. KNOWLES—I point out to the Minister that those groups argue strongly that the limited consultation that occurred was fairly meaningless because no consideration appeared to be given to their concerns. Those groups are concerned that this declaration is an extreme overkill and that there is an almost total lack of scientific research to support the declaration.

The Hon. J. E. Kirner—Oh, come on Rob!

The Hon. R. I. KNOWLES—The Minister may say, “Oh, come on,” but if she had introduced a Bill that spelt out precisely what she proposed to do——

The Hon. J. E. Kirner—It does.

The Hon. R. I. KNOWLES—The Minister has not introduced a Bill. That is the very subject of this debate.
The Hon. J. E. Kirner—You are talking about whether there is scientific evidence. Is there or isn’t there?

The Hon. R. I. KNOWLES—I have already acknowledged that I understand that there is a view—

The Hon. J. E. Kirner—Let us hear your party’s view about whether it is an important reserve or not. Let us hear that for the debate.

The Hon. R. I. KNOWLES—if the Minister were patient she might hear that, but the point of the motion is that we are establishing the principle that matters of this significance ought to be handled by way of legislation and not by the backdoor method of using section 19F of the National Parks Act.

The Hon. D. M. Evans—Exactly right.

The Hon. R. I. KNOWLES—if the Minister is able to get away with using this mechanism, she can declare any area of Crown land in this State a national park.

The Hon. J. E. Kirner—that is not correct and you know it!

The Hon. R. I. KNOWLES—it is true.

The Hon. J. E. Kirner—National parks are in Schedules Two and Three, and you know that.

The DEPUTY PRESIDENT (the Hon. G. A. Sgro)—Order! I ask honourable members to speak one at a time.

The Hon. R. I. KNOWLES—There is concern among those who perceive themselves to be adversely affected by this declaration. They do not believe genuine consultation has been undertaken by the Government with respect to their views and that a Government response has been made to the concerns they have expressed.

The Opposition has argued that the matter has been handled appallingly by the Government. If proposed legislation had been introduced the concerns that have been expressed might never have been totally resolved. However, at least they would have had the opportunity of having their points of view exposed to debate and scrutiny in this place. I suspect that the Minister is going to say, “When the Liberals were in government, they set a precedent by declaring, through Order in Council, the Harold Holt Marine Reserve at Port Phillip Heads”.

I wish to make it clear that there are three distinct differences. Firstly, the Harold Holt Marine Reserve was introduced under section 97A of the Fisheries Act which refers specifically to marine parks and marine reserves, and is managed by the new Fisheries Division and not the new National Parks and Wildlife Division. The Fisheries Division is the appropriate body to manage marine parks or reserves.

Secondly, the only restriction in the Harold Holt Marine Reserve in all but Mud Island, Annulus and Swan Bay is on dredging, netting and fishing with multiple hooks. In the Wilsons Promontory Marine Reserve fishing is totally prohibited.

Thirdly, the Harold Holt Marine Reserve declaration concerned a relatively small area of the coastline. Again, that is in contrast to what the Government proposes. The Minister has already answered questions in this House about the status and future of 133 sites around the Victorian coastline.

If the Minister is able to use this procedure for the establishment of reserves, all those people who are concerned about the proclamation in those areas have every reason to be fearful that a similar exercise will be undertaken in those areas.

The Opposition believes the Government is to be severely criticised for the approach it has adopted. It could have amended the National Parks Act rather than making these proclamations by the back door. The Government should have introduced proposed
legislation outlining the reasons why the areas were being reserved and the restrictions that were to be placed on people using the waters so that a proper Parliamentary debate could take place. It is absolutely critical that Parliament continue to assert its right to examine issues and make the Executive accountable to Parliament.

The Hon. J. E. Kirner—On all Crown land? Every bit is to come through?

The Hon. R. I. KNOWLES—I have not argued that. I have argued that significant issues ought to be addressed by way of legislation. That is the only issue. If the Government had adopted that course today's debate would not have had to take place. For those reasons I trust the Government will accept the motion and recognise that it approached the matter in the wrong way. I hope the Government will adopt the procedure I have outlined and introduce proposed legislation if it believes these areas are of essential significance for the State.

The Hon. D. M. EVANS (North Eastern Province)—Mr Knowles has made a number of salient points especially with respect to the methodology that has been adopted in the declaring of very restrictive management procedures over certain areas of public land in Victoria.

The Hon. E. H. Walker—You are a great parks supporter.

The Hon. D. M. EVANS—I have always been so. The National Party has consistently and continually expressed concern in this House, in debate and by way of questions, motions and raising matters on the motion for the adjournment of the sitting, that issues of major concern with regard to the management of public land should be decided by Parliament with full debate in Parliament.

It is very easy to go through an unobtrusive form of supposed public consultation and to say that the public has been consulted. At the same time the Government used a smokescreen method to ensure that the public did not take too much notice.

It is clear from the case made by Mr Knowles, and by a number of people in the fishing industry, that that is exactly the procedure that has been adopted by the Government. That is the issue that is of concern to the National Party.

Honourable members will recall my concern on behalf of the National Party in respect of the alpine national park. The Bill, which was supposedly an urgent Bill, remained on the Notice Paper for six months. The Bill was finally rejected by the House with reasoned and correct argument by the two opposition parties.

The Hon. M. J. Arnold—And by using the numbers.

The Hon. D. M. EVANS—The numbers were simply there because the logic was not behind the Government's case. The voters in the Nunawading Province made a very good judgment on that issue. Democracy is all about numbers. One needs a logical argument in order to achieve something. Despite the interjections and assistance I am receiving from honourable members—and I appreciate the assistance from my colleagues—the remarks have no relevance to the motion before the House.

Mr Knowles has correctly identified the position that this is a "try on". It is the first of a number of occasions where the Government has "tried on" this particular method, not of declaring a national park or a State park according to legislation, but of bringing in management requirements and disciplines that would be enforced if the area were a State park. It is, if honourable members like, what was termed a few months ago as a "Clayton's park"; the park one has when one is not having a park, and one which is managed as a park. That is what the Government is attempting to do by this method.

If the Government had the courage of its convictions and believed the arguments it advanced with respect to the Wilsons Promontory Marine Park and others mentioned by Mr Knowles it should have introduced proposed legislation so that the House could make a judgment. The Government did not do so.
By moving the motion Mr Knowles has given the House—according to the forms and procedures of Parliament—an opportunity of discussing whether there should be a marine park in Wilsons Promontory, whether the McDonald report of November 1982 recommending a number of other proposed reserves from one end of the coastline to the other should come before Parliament for debate and before the public eye and whether the management procedures and the form of law used to introduce those measures should be able to proceed during this term of Government.

If this House does not indicate clearly by supporting the motion that it does not approve of this method of handling the public estate in Victoria and of bypassing Parliament by using these procedures, this sort of activity will continue. This is the Government's toe in the water to test the method; make no mistake about that!

I feel sorry for the Minister for Conservation, Forests and Lands. I have said in this House many times that I respect her. I believe she has a problem with many of her background committees. I am afraid that is the case. She has been subjected to pressure that she knows as a pragmatic politician is not logical or sound but the political numbers have forced her in that direction.

I hope the House will come to her aid and rescue her by supporting the motion moved by Mr Knowles and clearly indicating that in the future such a method will not work; that if there is a case to be made, if there is a logic behind the declaration of certain areas as reserves to be managed as national or State parks, that should be done with the full power and implementation given by the proper Parliamentary process and not by some pseudo effort in public consultation which is well hidden behind a smokescreen and in which the views of people who disagree with the procedures and the proposals put forward are read and then discarded. That is clearly what has happened in this case.

If the argument is good enough, it will be good enough to stand up in this House. Certainly, the National Party has shown on many occasions that it believes the wholesale declaration of major areas of public land in this State into restricted management categories is not to the benefit of all the people of the State. We have shown that view consistently.

At the same time the National Party has said that, where there are specific areas, particularly smaller, reasonably sized areas that should be protected in a special way and put into a special category, the National Party is prepared to support such a declaration. This House is not intransigent, the National Party is not intransigent, and nor is the Liberal Party intransigent in this matter, but we do not like to be played for suckers and that is clearly what Mr Knowles has shown the Government is trying to do in this case.

The National Party will support the motion moved by Mr Knowles unless the Government and the Minister can give clear evidence as to why this should not be so. Our immediate opinion is that Mr Knowles has made his case and made it well. He has zeroed in on our clear concerns and he is asserting, as he should, the supremacy of Parliament in these matters. The National Party supports the motion.

The Hon. M. J. ARNOLD (Templestowe Province)—There are a few matters on which I shall dwell in this debate. The first issue I wish to take up is the nonsense spoken by Mr Evans in relation to the way the opposition parties in this House operate.

There is no question that we have the logic and the right on our side. There is no question that there is a need for marine reserves and parks in Victoria. There is no question that they will be of benefit to Victoria and there is no question that the action that the Minister has taken through an Order in Council is completely legal.

The point that Mr Evans tried to emphasise was whether, if the Government was willing to go through the debates—and we are willing to go through the debates, as we have been through them on a number of occasions on a number of issues of equal importance to this—logic would prevail. The fact of the matter is that logic will not prevail because the Liberal Party and the National Party will misuse their numbers and once again defeat the
intention of the duly-elected Government of this State and, as a consequence, reject the aims and desires of those people in Victoria who want marine reserves and marine parks.

It is rank hypocrisy for Mr Evans to try to emphasise that issue. It is apparent that the National Party has no interest and no concern about national parks. It has shown that time and again in this House through the debates, through raising matters on the motion for the adjournment of the sitting and through the questions its members have asked, to which Mr Evans referred.

The point he was putting about the supremacy of Parliament should be dismissed as a matter of logic. In fact what he was talking about is the supremacy of the numbers of the National Party and the Liberal Party in this House; it is not the supremacy of Parliament, which lies in the duly-elected Legislative Assembly of the Parliament of Victoria.

Mr Evans raised the consultation process. Everybody would know and the Victorian voters do know that this Government is renowned for its process of consultation on every issue. We have consulted with all interest groups on every matter of concern. I was involved in a matter concerning the fishing industry, of which honourable members are aware, and I say without fear of argument that I consulted with every possible interest group and every possible interested party on that issue.

There has been no criticism of which I am aware about that process. That is merely an example of how the Government operates in relation to consultation on major issues. The consultation process on this issue goes back over a number of years. There has been consultation with fishing groups and with user groups, including anglers, and there certainly have not been any unreasonable or improper dealings. The proposals for marine reserves around Wilsons Promontory were published in the Final Recommendations of the Land Conservation Council for South Gippsland District No. 2 in November 1982.

In April 1983 the Government announced its intention to establish the marine reserves in south Gippsland as recommended by the Land Conservation Council, outlined the conservation significance of the reserves and said that the public consultation process would follow.

In June 1983 a notice was placed in local and metropolitan newspapers inviting submissions on the areas by 14 August 1983. About 1200 submissions were received, including some from various fishing and angling organisations.

Following this, a number of public meetings were held and two Ministers, the former Minister for Conservation, now the Minister for Agriculture and Rural Affairs, and the former Minister of Forests, now the President, visited the south Gippsland area to explain the Government's intentions, outline the public participation program and listen to the various points of view.

On the basis of the submissions and other data gathered during this period a draft zoning plan was prepared and announced in April 1984. Submissions were again invited and about 150 were received. In addition, some groups put their views to the department by various other avenues.

In June 1985, for example, there was a meeting with a deputation of persons representing various groups including the Australian Angling Association (Victorian Division), the Victorian Anglers Liaison Committee, the Victorian Fishing Tackle Association and the Victorian Piscatorial Council. There was also a meeting with members of the Victorian Recreational Fishermen's Advisory Council and a hearing of proposals prior to a decision being made on the final zoning plan.

How can the opposition parties even suggest that there was not full consultation with all parties involved, all parties having an interest, and in particular with those in the fishing industry? It once again shows the hypocrisy of the opposition parties on this issue.

The opposition parties do not even get into the argument of the importance of marine conservation in Victoria, the importance of marine reserves and the importance of marine
parks. They do not want to get into that issue. They are not prepared to deal with what is the important issue, the basic issue. They want to resort to devices and they want to revert to a position where they can misuse the numbers in this House without any reference to logic, without any discussion or examination of the policy position.

That demonstrates the barrenness of the Opposition's argument. Mr Knowles put forward the motion today in a half-hearted manner. He usually pays some credence to matters of policy and expresses concern about issues dealing with the social and economic life of Victorians. However, he did not put forward any strong argument today. He did not deal with the issues relating to marine conservation, the need for marine parks and reserves and the benefits that Victorians would receive.

I now turn to issues involving marine parks. Concern has been expressed that marine parks and reserves will lock up the coast and that will mean an end to all traditional activities. However, that is not true.

The zoning scheme is worked out so that a variety of activities can continue. This has been achieved at Wilsons Promontory and Corner Inlet where several activities, including recreational and commercial fishing, are allowed in defined areas. The only section where angling is to cease is a 300-metre strip around the southern part of the promontory and nearby islands.

Where traditional activities do not fit in with the management aims for a park or reserve, they will be gradually phased out over a reasonable period. Commercial enterprises, for example, rock lobster and salmon fishing, can continue in the Wilsons Promontory Marine Park and Wilsons Promontory Marine Reserve until 1991.

All active abalone divers who have previously fished in the area will have access until they dispose of their licences, no matter how long that takes. No rash, unthinking or unfeeling actions have been taken by the Government. Proper regard has been had to all users.

I now turn to who decides how the parks will be run. Anyone in Victoria can have a say in the planning of our marine parks and reserves. With the recently created marine parks and reserves in south Gippsland, organizations such as the Victorian Recreational Fishermen's Advisory Council, the Fisheries Management Committee, the Victorian Professional Fishermen's Association and community groups, together with more than 100 private individuals, made submissions or were consulted about a discussion paper which was widely distributed to the public. That process will continue.

It has been stated in the debate that nothing has been done for anglers. However, I point out that in the process of consultation the views of anglers and others were not ignored. They were taken into account and the plan was developed with their views in mind. However, the Opposition appears to take the view that if someone confers with the Government and does not receive 100 per cent of what they want, they must not have been consulted. I point out that that is not how the Government operates.

The Labor Government operates through consultation, taking notice of submissions that have been made, weighing up the evidence and then making decisions. It should not matter whether people believe they have not been given everything they want. Just because they have not got their own way, they should not go running to the Opposition and be believed. The Opposition should carefully examine what has been said to it before agreeing to use its numbers to prevent the Government from carrying out a logical and well-planned operation.

What does the Government do for anglers in Victoria? It carries out research and management aimed at conserving freshwater and marine fish and their environment. It provides native fish and salmon from the department's hatchery at Snob's Creek for restocking Victoria's waterways. It protects and improves the fishing capacity of our rivers through water management programs. It collects information on the effectiveness of restocking and on fishing patterns by surveys of recreational fishing and creel census.
The Government preserves important habitats by buying land and effectively managing wetlands. It provides education programs and, after consultation institutes a variety of other schemes and measures, including the enforcement of regulations for minimum sizes, bag limits, closed seasons and closed waters to conserve our limited fish resources.

Anglers receive a number of benefits from the Government. The Government and the Minister have demonstrated their bona fides and the department has been active in carrying out the Government’s wishes. The motion moved by Mr Knowles is one of rank hypocrisy and should not be supported.

The Hon. R. M. HALLAM (Western Province)—I wish to comment on the motion brought forward by Mr Knowles but I shall refer specifically to the declaration of the park in terms of its effect on fishermen rather than the effect on the coastline itself.

At the outset I declare my interest in this matter. I am a keen angler, both bluewater and inland, but I do not claim to be very good at it. However, I do not know of anyone who enjoys it more than I do. I have never fished Wilsons Promontory and it is likely that I will not in the future. However, some important principles are involved in the motion brought forward by Mr Knowles.

As an angler who is concerned about the future of my sport and the future of the resources involved, I am prepared to concede that today’s angler is much more mobile and has more time to spend on his or her pastime. There are now more anglers and they possess better gear, which places additional pressure on Victoria’s resources.

I make the point strongly to the Minister that the Government’s response to that situation should not be to lock away some of those resources but to more carefully manage them. If resources are locked away, pressure is diverted onto other resources.

I shall cite some good examples of the practical effects of that position. Until three years ago I was fortunate to have a shack on the Glenelg River, which was a magnificent retreat.

The Hon. J. E. Kirner—On public land!

The Hon. R. M. HALLAM—Yes, on public land, for which I paid a price.

The Hon. J. E. Kirner—How much did you pay?

The Hon. R. M. HALLAM—I cannot recall. The Minister should have revised the leases if she wanted more adequate compensation; but I could fish on the river from a rowing boat, and did so often.

The Hon. J. E. Kirner—You can still fish from a rowing boat!

The Hon. R. M. HALLAM—I will come to that in a moment, but I am afraid the Minister does not understand what I am saying. In the name of conservation those shacks were destroyed and so, too, was the history that had been part of that area for 70 years. Many fishermen who wish to go to those fishing spots now do not have access to that part of the river. Fishermen who do go to the same spots have powerful outboard motor boats and travel at high speeds over long distances to reach the same fishing grounds. I believe that is doing more damage to the environment than was caused by the shacks and their owners. In addition, there is a rumour that the upper reaches of the river, from Wild Dog Bend, should exclude power boat owners, which would be an absolute disaster. At this stage it is only a persistent rumour——

The Hon. J. E. Kirner—and it is not true!

The Hon. R. M. HALLAM—that rumour has come from, among others, members of the Minister’s own staff and has caused significant concern in the local community.
An example of the practical effects of this sort of mentality is another picturesque spot known locally as Moleside. Until those shacks were removed by Government edict a full-time voluntary caretaker lived on the site free of charge and looked after the environment. That was a magnificent environment and a popular spot for the locals.

I have been back to that site since it has been taken over by the Department of Conservation, Forests and Lands and I am not proud to report that it is now a disgrace. It is nothing like the picturesque spot it was when it was maintained on a voluntary basis.

It is wrong to lock up those resources; we should be aiming to manage them better rather than locking them away from the public.

Wilson's Promontory has a long and chequered history, which goes back to the time leading up to the last election. At that stage the fishing fraternity was contemplating inserting a large advertisement in the major metropolitan newspapers. I happen to have a copy of the draft which asks the question: do we need 133 marine reserve sites?

The Hon. J. E. Kirner—I can't believe that you are peddling that nonsense.

The Hon. R. M. HALLAM—if the Minister would listen, she would understand the point that I am trying to make. That action was staved off because of an undertaking given by the Minister's predecessor. I have that correspondence with me. The interesting point is that it was conceded that there were some genuine concerns.

In response to Mr de Fina, who was acting on behalf of a number of groups of amateur anglers and boat owners, the then Minister said that—

... the procedures for both recommending the establishment of marine parks and for the subsequent development of zoning plans have been both “objective and unbiased”.

I was coming to that point.

Discussions were held between representatives of the then Minister and representatives of a number of organisations. Those organisations now believe, although the discussions might have been held, they were not objective and unbiased. I do not enjoy peddling that view.

The Hon. J. E. Kirner—I do not mind that view; it is the view about the number of marine reserves that concerns me.

The Hon. R. M. HALLAM—I did not peddle that view; I simply quoted it. The fishing fraternity believes it has been sold out. I do not intend to amplify that view but merely point out that it is strongly held.

Earlier Mr Arnold referred to the Victorian Recreational Fishermen's Advisory Council. I know a couple of the members of that council and know that they were absolutely devastated by the announcement of the Wilson's Promontory reserve and park in the drafted forms. The council was gravely concerned about the fact that the Minister announced her decision to the council subsequent to announcing it to a number of other groups such as the Victorian Professional Fishermen's Association, VICFISH and conservation groups.

The council minutes of 11 February 1986 pointed out that in relation to the Wilson's Promontory reserve and park that—

... boat users were likely to cause more damage to reefs with anchors than any other source of concern; that it was an acknowledged fact that line anglers would outfish underwater fishermen always, and many times over . . . .

That is significant. The council minutes also stated:

... the obvious discrimination between line and underwater fishermen; and sought information on what factual indications there were to support statements regarding excessive exploitation of the reef . . . .

The response was minimal.
Discrimination is a sore point among amateur fishermen. It primarily affects the underwater fishermen because of the way in which the park and reserve have been defined. In some areas fishing has been banned altogether, but in other significant areas spear fishing has been banned although line fishing is allowed. I cannot see any justification for that discrimination when evidence shows the underwater fishing has less impact on the environment than line fishing.

The Hon. J. E. Kirner—Some points can be reached only by diving and spear fishing.

The Hon. R. M. HALLAM—I shall refer to the submission that the Minister received from the Australian Underwater Federation.

The Hon. J. E. Kirner—I have read it.

The Hon. R. M. HALLAM—The federation made a number of significant points. It said that the entire draft was illogical and based on emotion, and that:

There has been no effort by this Government to marry together the suggestions of the anti-marine reserve public comments within the concept of conservation.

This is fundamental. The federation also pointed out:

One hundred and twenty five years of commercial and recreational fishing... is having no detrimental effects.

Excellent natural fishing grounds, inaccessibility and unpredictable weather conditions plus the isolation from Melbourne does not warrant a marine reserve of such magnitude.

Current proposal is unmanageable and financially undesirable.

How will a reserve that has boundaries that, at best, are hard to identify, will involve sporting pursuits that in some cases are invisible and requires a boundary to be drawn on water, be managed? The proposal is incredible.

The Australian Underwater Federation also pointed out in its submission that:

There is not one endangered reef fish species along our entire Victorian coastline let alone Wilsons Promontory.

The federation also said:

There are no unique fin fish colonies at Wilsons Promontory that cannot be readily found along other sections of the Victorian coastline.

Spear fishermen take on average at Wilsons Promontory less than 1·8 fish per hour's diving.

That has been established from many years of competitive diving.

The federation also pointed out:

The majority of reef fish are generally fast breeders. Those fish that are not fast breeders have been identified by the A.U.F. and are protected within the diving fraternity.

I submit that those club rules would be a much more efficient mechanism for protecting any reef fish than any mechanism devised by the department. On top of that:

Only 60 per cent of the fish speared by divers are reef fish. The remainder are palagic or the migrating type species.

In section 4.3.1 the authors of the draft state that commercial or recreational fishing is NOT considered incompatible with the objectives of the draft.

However, there is a specific preclusion, and the federation was bewildered by that comment.
Another significant point made by the federation was that heavy seas and rain affect water visibility and accessibility for approximately ten months of the year and, therefore, it is simply not practical to dive in the waters. The federation cannot understand the justification for precluding the underwater divers from the proposed park. It is not arguing about the declaration of the park or the reserve.

The Hon. J. E. Kirner—They are not precluded from the park; you are talking about the reserve.

The Hon. R. M. HALLAM—Yes, the reserve, I am sorry. The federation argues that the preclusion of underwater divers contained in the management plan is unfair. The Government is misleading the public when it says that members of the National Party are pedantically knocking back parks or reserves and anything that looks remotely like them. I have no objection to the declaration of parks or reserves or whatever; I am just as determined as anyone to ensure that the environment is protected. However, this type of hotchpotch and piecemeal protection mechanism is not in the best interests of anyone. The entire issue should be reconsidered.

I have received a submission from the amateur angling and boating fraternity. I shall not go through it in detail, but it makes a couple of forceful points not about the declaration of the Wilsons Promontory Marine Park but about the management program that has been established by the Government.

The submission states that the policy is unenforceable and should be scrapped. It also states that the policy discriminates against underwater fishermen and restricts anglers and boat persons. The submission indicates that the committee that evaluated the proposals did not reflect a cross section of involved groups and was heavily biased by the input of bureaucrats and conservationists. That says it all!

I shall put to death the story that honourable members keep hearing that the way in which the park is managed is a direct result of recommendations from the Land Conservation Council. The council recommended the declaration of a park, but the recommendations do not refer to prohibitions on fishing, fishing types or fishing groups. That is why fishermen are extremely cross about the way the recommendations have been interpreted. In their view, it is not just a matter of discrimination against them but also they believe the recommendations will not affect the issues they regard as important to the preservation of the environment. They believe, and I agree, that locking up areas of our coastline will not address the problem but, instead, will exacerbate it. The National Party is happy to support the motion put forward by Mr Knowles.

The Hon. R. J. LONG (Gippsland Province)—This matter had its origins in the 1982 Australian Labor Party policy platform. Its conservation and planning policy stated:

A Cain Labor Government will also establish a system of marine parks along Victoria's coast as a first step towards conservation and recreation management of related sea and land environments of great value and beauty.

I stress the words, “along Victoria’s coast”. The policy continues:

Our present proposals include—

the Eagle’s Nest and Anderson’s Inlet marine environments;

extensions to the Harold Holt Marine Park in Port Phillip Bay; and

areas of Wilsons Promontory and Corner Inlet.

Honourable members will note that the policy does not mention Nooramunga Marine and Coastal Park.

In June 1982 the Land Conservation Council issued its proposed recommendations for south Gippsland. The council indicated that it had made an assessment of the coast and adjacent offshore waters with a view to defining areas of significant conservation value. It stated that consideration would be given in the final recommendation to the inclusion of some important areas in a system of marine parks.
The Land Conservation Council proposed that Shallow Inlet and Corner Inlet be wildlife management cooperative areas and that Nooramunga be a combination of a wildlife reserve and wildlife management and cooperative areas.

As happens with proposals of the Land Conservation Council, public comment was invited. That was all right except that the final recommendations issued in November 1982 indicated that the council had changed its view on Shallow Inlet, Corner Inlet and Nooramunga and recommended that they be marine and wildlife reserves. The council also recommended that there be a marine reserve around Wilsons Promontory.

The public had had no opportunity of input to those recommendations as those reserves were not mentioned. When the recommendations were issued, there was public outcry in Gippsland. Meetings took place everywhere and, ultimately, some Government Ministers attended the meetings.

The Hon. A. J. Hunt—It took a while!

The Hon. R. J. LONG—Yes, it was worse than extracting teeth. You, Mr President, attended a meeting at Foster in your capacity as the then Minister for Conservation, Forests and Lands.

The Hon. A. J. Hunt—I remember it; I have notes of what he said.

The Hon. R. J. LONG—So have I! I shall backtrack slightly and report that the then Minister for Planning and Environment, the Minister for Agriculture and Rural Affairs, was invited to speak on radio station 3UL at Warragul. I listened with great interest. The extent of the public reaction was vividly put to the Minister, who stated:

... my information from the fisheries and wildlife officers was that traditional fishing practices were not particularly damaging to the area and I mean that they presently fish for garfish, whiting, flounder and the methods they have used over the years they have used very carefully and that there is no intention on my part or anybody's part to put people out of business. So I was reassuring the fishermen ...

—the Minister was reassuring fishermen as a result of a previous visit to Welshpool—

... that the whole intent certainly was not to make it difficult for them and in terms of the recreational fishermen, the same thing applies because it is a very important leisure area—hundreds of thousands of people have enjoyed fishing from boats or from the edge around that area ....

The Minister was asked:

Are you saying that at this stage, the marine reserve would be in the main to prevent damage by activities other than fishing?

The Minister's answer was:

That is my view of it, because my information is that the fishing practices to date and they have been going on as you know for tens of years even up to a hundred years, that the fishing practices generally, traditionally have not been damaging.

They were the words of the then Minister. That supported the viewpoint of the people of Gippsland and south Gippsland. No scientific evidence in any shape or form had been presented to restrict fishing rights, both recreational and commercial, in those marine areas.

It would not be unfair to say that the meeting at Foster was hostile. The then Minister for Conservation, Forests and Lands and the then Minister for Planning and Environment left the meeting with what I thought was the intention of coming back after they had thought about the subject. However, nothing happened; the issue died until the famous Order in Council was made on 16 April this year.

I am troubled particularly by the use of section 19F because, despite what the Minister says, I strongly support what my colleague, Mr Knowles, said, that section 19F can be used in relation to any Crown land to make it a reserve. I am not fussy about whether it is called a reserve or a national park—in any event, it will be managed by the National Parks and Wildlife Division.
The Hon. D. M. Evans—That is exactly the problem.

The Hon. R. J. LONG—That is the concern of everyone. Without a shadow of doubt it can be used here and it has been used elsewhere. There is plenty of Crown land—the Minister has only to make the declaration like she did on 18 March to appoint the Director of National Parks and Wildlife Division to manage those lands and, from then on, section 19F applies; so Victoria is wide open to this control. It has to be stopped. I could go on at some length on the legality of section 19F applying to water; I do not believe it does but, obviously the Minister's advice is that it does. That is why the ramifications of this proclamation are horrific.

Parliament is being bypassed completely and there will be no watchdog to protect the interests of the people of Victoria. There is no reason why the Minister cannot continue creating marine reserves along the coastline of Victoria. Parliament will not know anything about it.

I have obtained the very glossy brochure published by the Department of Conservation, Forests and Lands, and I note, firstly, that in a marine and coastal park amateur and commercial fishing is permitted with the exception of amateur flounder spearing. I always thought that the only way to catch flounder was by spearing it, but perhaps there are other ways! I submit to the Minister that Shallow Inlet has been renowned for its flounder—that is what creates the resort's popularity. The Minister intends to take away that type of fishing from recreational fishermen. The same comment applies to Corner Inlet.

I refer the House to what the former Minister for Planning and Environment now Minister for Agriculture and Rural Affairs, said. He said that there was no proof that policy was directed at recreational fishing, that recreational fishermen had done everything properly over the years and there was no need to control them, and that they would not be hurt. That is what he said, yet out of it all comes the banning of flounder spearing.

I want the Minister for Conservation, Forests and Lands to state what scientific evidence is available that says it should be banned. If she can convince the Gippsland people of that, she might have an opportunity of succeeding in her aims, but until that scientific evidence is available there is no way that the people of Gippsland will agree to the proclamation of these parks. That is why I strongly support the revocation of this Order in Council.

The Hon. J. E. KIRNER (Minister for Conservation, Forests and Lands)—I thank honourable members for their contribution to the discussion. Four main points arise from their contribution. The first question is the need for a marine reserve and a marine park; the second is what consultation should take place; the third is which process should be undertaken and whether it should be through the Fisheries Act or through the National Parks Act; and the fourth is the impact of the declaration.

I was interested in the total lack of contribution, except for a passing reference by Mr Hallam, on the question: why have a marine reserve? Debate on this issue has been continuing since 1982 as a result of the final recommendations of the Land Conservation Council. Not one member of the Opposition has made a real contribution to the debate on the question: why marine reserves?

There has been no mention of the importance of preserving significant and specific aspects of marine ecology; no mention of the important outcrops of granite at Wilsons Promontory, which are both above and below the sea; no mention of the sea grass communities that are around Corner Inlet and have world class conservation significance; no mention of the current biota results from the mixing of flora and fauna when Tasmania was separated from the rest of Australia—this is a unique circumstance, just as unique as the Great Barrier Reef; no mention of the important conservation significance of the marine reserve in the marine park area except, as I said, a brief mention from Mr Hallam and, I think, perhaps an attempt by Mr Knowles to get into the debate, but an inability to do so because of the way in which the actual motion is framed.
There was, however, a mention by some speakers of and a call for scientific evidence to back up the conservation statements that I have made. I shall list a few publications: firstly, the report by the National Museum of Victoria in 1983, *Marine Habitats at Wilsons Promontory and the Bunurong Coast*; secondly, a *Survey of the Macrobenthos in the Waters of Corner Inlet and the Nooramunga* by G. C. Morgan, Fisheries and Wildlife Paper No. 31, 1986; thirdly, a *Study on Wading Birds in Corner Inlet* by John Martindale Fisheries and Wildlife Division Technical Report No. 4, 1982; fourthly, a *Maritime Archaeological Survey of the Coast of Wilsons Promontory National Park*—the cultural heritage of that area has not been mentioned by the Opposition—Victoria Archaeological Survey report No. 21, 1986; and, fifthly, a *Draft Zoning Plan for Proposed Wilsons Promontory Marine Reserve and Corner Inlet, Nooramunga and Shallow Inlet Marine and Wildlife Reserves*, Department of Conservation, Forests and Lands, 1984. Mr Long failed to mention that this paper was published in 1984 and was the next process after the previous Minister's consultation.

There are, of course, numerous other scientific papers such as the Coastal Management Coordinating Committee's 1980 *Corner Inlet/Seaspray Coastal Study*, a study by R. F. Parsons, the *Soils and Vegetation of Tidal River, Wilsons Promontory*.

Mr Long is interjecting, but if he had attended the seminar on the Gippsland Lakes he would have discovered that some of the issues that have been promoted have not had the same results as those outlined at the seminar. I am not saying that we should not be concerned about the Gippsland Lakes but the real causes of salinity ought to be carefully examined in a scientific fashion, as they were at that seminar, and not by people such as Mr Long who wants to talk only rhetoric.

The opposition parties claim there has been no consultation. There has been consultation since 1982 when the park proposal was part of the Government's election platform. It was part of the Land Conservation Council recommendations and part of the consultation process undertaken by the previous Ministers. In 1983 the Government announced its intention to establish marine reserves in south Gippsland as recommended by the Land Conservation Council. In June 1983 notices of intention were placed in the local and metropolitan newspapers inviting submissions on the proposed areas by 14 August and approximately 1200 submissions were received. The previous Minister then visited the area and, on the basis of those submissions and on the data gathered during this period, a draft zoning plan was prepared and announced in April 1984. Submissions were again invited and approximately 150 were received.

It is nonsense for Mr Long to speak about nothing happening after the previous Minister had visited the area to listen to the views of the local community. There was another properly managed consultation and submission process.

In addition some groups put their views directly to the department and to the previous Minister. In June 1985 I met a deputation of persons representing various groups including the Australian Angling Association (Victorian Division); the Victorian Anglers Liaison Committee; the Victorian Fishing Tackle Association and the Victorian Piscatorial Council.

The Hon. D. M. Evans—Were they all in favour of the proposal?

The Hon. J. E. KIRNER—No, of course they were not. Mr Evans well knows it is not a matter of consensus on park issues; it is a matter of balancing all the submissions, of having a proper process and of coming to a resolution about the balance between productive use and conservation.

I also met with members of the Victorian Recreational Fishermen's Advisory Council and heard their proposals prior to making a decision on the final zoning plan. Then I released the colour brochure on 27 March 1986 which shows the final zoning plan.

I was interested to hear Mr Hallam claim that the Victorian Recreational Fishermen's Advisory Council feel that its members had been discriminated against because I had spoken to everyone else and not to that council. I did meet with members of the Victorian
Recreational Fishermen's Advisory Council before the decision was made but, in addition, upon notification of the decision, the council was told personally by the Assistant Director, Marine Resources management before the formal announcement was made by departmental staff and within days of the commercial fishermen being told. Due to the fury of meetings, the announcement could not be made simultaneously.

I follow a process of informing all groups that are concerned with an issue. That is exactly what I did on this issue following a long process of negotiation.

The significant issue at the heart of the motion is which process should have been followed. As usual there was some rhetoric by Mr Evans on bypassing Parliament and his view that this decision should have been made by legislation. He forgot to observe that we are going through the Parliamentary process.

The Hon. R. I. Knowles—You could not even get a debate on the matter in the other place!

The Hon. J. E. KIRNER—I do not organise the other place. The process is being undertaken through Parliamentary examination. If there was no provision for a Parliamentary debate, the House would not be now having this debate. The Parliamentary process was not bypassed; it was a different Parliamentary process but nobody can correctly say that the Parliamentary process was bypassed.

The Hon. N. B. Reid—This debate was of the Opposition's volition.

The Hon. J. E. KIRNER—The Order in Council was framed to allow revocation but it is still part of the Parliamentary process.

If the opposition parties are so opposed to the marine park/reserve regulation why did it take them so long to bring on this debate? I announced the measure earlier this year and now it is almost the end of the spring sessional period and the debate has not been brought on in time for the Opposition's motion to have a real impact. What is more, this is a token debate because the motion has not been passed in another place.

If the present shadow Minister for Conservation, Forests and Lands had a smidgin of interest in the real issue, as distinct from reacting to an outrageous pamphlet about banning fishing, the opposition parties might have had a debate earlier in both Houses. The motion allows the opposition parties to have it both ways because they do not have to stand up to be counted on whether Victoria should have a marine reserve.

One does not have to take into account the speech by Mr Evans on national parks. I am talking about the Opposition, which does have some balanced view about conservation and preservation and does work through the issues. All Mr Evans does is telephone the nearest small interest group adviser and then comes into the House and presents his debate. It is not important, therefore, to address the views of the National Party on this issue because the National Party is totally predictable. It is important to address the views of the Opposition.

Mr Knowles claimed that I would probably say that there was a precedent for not introducing legislation to establish the marine reserve and park. There was a precedent: the Harold Holt Marine Reserve was the result of an Order in Council, in the same way that this marine park and reserve went through the Order in Council process to incorporate the marine reserve in Schedule Four of the National Parks Act.

That schedule was amended by this House and another place in 1984 to allow exactly what we are speaking about to happen—to allow those areas that did not have national or State park status to have the same recognition as national parks.

It is appropriate in this case that I use Schedule Four to allow National Parks and Wildlife Division management of the park rather than do it under the Fisheries Act, as the Harold Holt Marine Reserve was done. Indeed, it may well be considered when the Nepean National Park is properly established that the Harold Holt Marine Reserve will
be managed by the National Parks and Wildlife Division in order that there be continuous management.

As all honourable members know, the Wilsons Promontory National Park is one of the major national parks in Victoria. It has nearly 500,000 visitors a year and it is already managed on land and sea. It makes great sense, it seems to me, to place the marine extremities of the terrestrial park into a marine reserve and park under the management of the Director of National Parks and Wildlife Division. That is what I have done. Parliament allowed the Minister to do that under section 19F of the National Parks Act. It is absolute nonsense to suggest the use of that section is a precedent for the setting up of national or State parks by the back door or the Clayton's method, because the Act clearly does not allow that. The Minister cannot set up a national or State park under Schedule Four. It has to be done through either Schedules Two or Three, which requires the approval of the House.

The Hon. R. J. Long—I disagree with that entirely.

The Hon. J. E. Kirner—You may disagree with that but you have not worked through the legislation and do not understand the national park schedule.

The Hon. D. M. Evans interjected.

The Hon. J. E. Kirner—I am used to Mr Evans's not getting his facts straight; the honourable member is not a great student of national parks. I encourage Mr Evans to study my public land responsibilities and rights under the Act. I am sure the honourable member will find that I have gone through the proper process, not the same process as the Harold Holt Marine Reserve, which was done under the Fisheries Act, but a proper process, justifiable in terms of both public participation and the effective management of the park.

Mr Hallam raised questions about discrimination between spearfisher-persons and anglers. That matter needs to be seen in the context of the total management plan. I did make variations to the 1984 draft zoning plan because I believed it was important, particularly in the Tidal River area, to allow family fishing activities, which are normally the throwing in of a line from the beach, and that is exactly what I have allowed to happen. However, it was also important to protect those granite outcrops above and below sea level. Line fishing, which is the normal family activity, has been allowed in the more accessible areas. Only remote southern areas, including the Glennies, will be unavailable. It is important to protect the Glennies from public access, particularly with its colonies of Cape Barren geese.

The greatest effects on abalone, rock lobster and spearfishing will be in the more accessible areas around Refuge Cove on the east coast and Pillar Point to Oberon Point on the west coast. There will be reasonable opportunities through a revised examination of the management plan on the west coast north of Pillar Point and on the east coast north of Sealers Cove where restrictions will still allow adequate harvesting for food and exercise of hunting skills.

It is not appropriate to have spearfishing in a marine reserve and it is not appropriate to have angling from the areas that I have spoken about. Charter boats will not be greatly affected and they can cover reasonable distances and offer better passive diving, combined with continued harvesting in accessible areas.

The impact on commercial fishing outlined by Mr Arnold is most reasonable. The reserve affects only 5 per cent of the commercial fishing area and any fisherman who currently has a licence will be allowed to work out that licence.

What I have done in terms of consultation, by choosing the National Parks Act rather than the Fisheries Act, and by introducing a carefully balanced zoning plan, will ensure that Victoria will have a valuable marine reserve and a set of marine parks that will, in fact, be recognised in 50 years' time as being for Victoria what the Great Barrier Reef is to the marine system in Queensland.
The Hon. A. J. Hunt (South Eastern Province)—The Minister for Conservation, Forests and Lands has thrown out two challenges. She has asked honourable members on this side of the Chamber to say whether we believe in marine parks and she has thrown out the challenge to the Opposition to question the process because she has rightly said that the process is all important.

On the first issue, the Opposition's credentials are impeccable. The Liberal Party and I personally supported in Cabinet the creation of the Harold Holt Marine Reserve under the Fisheries Act, the relevant and appropriate Act for the purpose. That has been a great success. I want to say that my personal predilection would be to support a marine park under the Fisheries Act for portion of the land covered by the four parks created by the proclamation under question today, provided the proper processes were observed.

I come now to the Minister's second issue, the processes and, with respect, the processes have been totally abysmal and absolutely unacceptable. In any planning process, just as within the laws itself, not only has justice got to be done, it needs manifestly to appear to be done and that has not been the case here—not at any stage of the process.

Let me run through the facts: in October 1980 the Land Conservation Council published a lengthy report on the south Gippsland study area, district No. 2, and invited comments on the report closing 8 December 1980. No mention was made of offshore reserves in that report. That is totally understandable for the Land Conservation Council exists to make recommendations regarding public land, not the waters, not the seas. Everybody knows that the Acts Interpretation Act includes in the definition of land, land under water. That is meant to cover ponds and enclosed inlets, perhaps even bays, but certainly not the waters of the sea.

In any event, it is clear that the 1980 report did not make mention of marine reserves—not a single mention or thought. It was not within the terms of reference and it was never contemplated by anybody.

The public at large commented on that report, and municipalities commented on it. In June 1982, after consideration of the public comments, the Land Conservation Council published its final recommendations, or what was intended at that stage to be its final recommendations. Wonder of wonders, there was still no mention of marine reserves! Nor could there have been. That report was referred back by the Government for further consideration, and it was referred back in the light of the Government's election policy for the election of March 1982 which stated that there would be four marine reserves.

The decision had been made without evidence and without recommendation by the Land Conservation Council. It was there in the Australian Labor Party election policy for the 1982 election. The decision had been pre-emptive; it was not based on evidence. It was not based, as is now pretended, on the Land Conservation Council report. It was an intraparty decision, and that decision was taken into account by the Land Conservation Council when the council, not surprisingly, came up with proposals late in 1982 identical with those in the Australian Labor Party election policy for marine reserves.

The Hon. M. J. Arnold—we were just showing them their policy was right and how clever we were!

The Hon. A. J. Hunt—How clever it was, making a decision in advance and then trying to hide behind a public body—very clever, indeed!

From December 1982 onwards there was furore in the south Gippsland area because the interests of fishermen had not been considered and because the public had had no chance to have a say before effective decisions had been made. This had been absolutely and totally pre-empted.

The Hon. E. H. Walker—Nonsense!

The Hon. A. J. Hunt—The Minister knows the furore that existed at meeting after meeting. Ultimately, he was forced along to a meeting in November 1983. The Minister,
who is interjecting across the Chamber, may remember that on 9 August 1983, in debate on the motion for the adjournment of the sitting, I raised twelve issues that were totally improper in the creation of those national parks.

I do not want to quote all those issues again, but I refer honourable members to page 32 of *Hansard* of 9 August 1983. I shall summarise those issues. Firstly, I pointed out that the recommendations were not within the council's terms or intent of the Act; secondly, they were not within the council's terms of reference and, thirdly, the notice under the Act never suggested that the council would investigate the use of the seas and certainly did not have the right to do so in my view.

Fourthly, there was no opportunity for submissions to be given on this issue because it was never flagged to the public. Fifthly, no notice of the proposed recommendations was given to allow members of the public to respond to them. Sixthly, there was no indication of restrictions proposed for the national park for the public to respond.

Seventhly, no notice was required under the Land Conservation Council Act to municipalities so that they could respond. Eighthly, although the council had expertise with respect to land, it did not have expertise with respect to seas and waters, which was the function of the then Fisheries and Wildlife Division. Ninthly, the notice of intention to proclaim specified reserves was undertaken before there was any draft proposal on which the public had the opportunity of commenting.

Tenthly, when the notice was published, there was no publication of any proposals about the constraints proposed in the zones that the Minister was proposing to create. Eleventhly, there was no consideration of alternative means of protecting the ecology, if necessary, and, twelfthly, there was no publication of the rationale and justification for the proposal. They are the twelve criticisms I made.


The Hon. A. J. Hunt—Yes, in other words the decision was made before the reasons for it were drummed up.

The Hon. J. E. Kirner—Not my decisions!

The Hon. A. J. Hunt—the Minister does not escape liability in that way.

The Hon. J. E. Kirner—I am not trying to escape liability. What I am saying is that there was a proper public process, and you know it!

The Hon. A. J. Hunt—No, what I have said indicates clearly that the effective decisions were made before the processes which the Minister herself admits are so important were undertaken. The effective decisions were made before the public had the right to have a say. The effective decisions were made before there was any examination of the scientific evidence.

The Hon. M. J. Arnold—We had a policy.

The Hon. A. J. Hunt—Mr Arnold is saying two inconsistent things: on the one hand he is saying it is not true, and on the other hand he is saying that his Government has a policy. His Government had a policy—a policy regardless of the evidence—and it is true that that policy was decided before the evidence was undertaken.

Honourable members have heard today about a meeting at Foster on 17 November 1983 and, as the Minister for Agriculture and Rural Affairs recalls, he was there, as was the then Minister for Conservation, Forests and Lands. I was also there, as was Mr Long. I have detailed comments on what was said at that meeting. The then Minister for Conservation, Forests and Lands said:

It is quite right that no detailed scientific study has been made.

The Hon. E. H. Walker—He did not say that.
The Hon. A. J. Hunt—He did. That was in November 1983. He also said:

We will have the draft zones ready for you very shortly.

The Minister for Agriculture and Rural Affairs who was then the Minister for Planning and Environment said:

It is true now that they are fine areas, not damaged—not badly damaged by past activities. But you have to be responsible, looking ahead to the future, 50 or 100 years ahead to ensure that you don't degrade an area by accident.

Does the Minister remember saying that?

The Hon. E. H. Walker—It sounds like something I would say.

The Hon. A. J. Hunt—that is what the Minister said, and it is quite clear that the two Ministers responsible at the time for the area saw this as a matter of policy. It did not depend on the Land Conservation Council. It did not depend on evidence. What it depended on was a policy decision made by the appropriate policy committee of the Australian Labor Party before the 1982 election. That is what it depended on, and now the buck has been passed to the Land Conservation Council, which did not have the proper responsibility initially.

The Hon. M. J. Arnold (Templestowe Province)—On a point of order, Mr Hunt is quoting notes that he is purported to have taken at some meeting two or three years ago. I ask you, Mr President, whether he could identify the notes in a more accurate manner and, if necessary, table them?

The Hon. A. J. Hunt (South Eastern Province)—Mr President, I have already identified the meeting which I said was a public meeting held at Foster on 17 November 1983. At that meeting a submission was circulated from the shires of Alberton, South Gippsland, Woorayl, Bass, Wonthaggi, Narracan, Moe, Traralgon and Mirboo on this subject. At the foot of that submission I took notes at the time, and I am perfectly happy to table those notes and for them to be handed to Mr Arnold to have a look at, if he so desires.

Mr Arnold will recall that the Minister for Agriculture and Rural Affairs who was the responsible Minister at the time—the Leader of the House—said, "It sounds like something I would have said at the time", which it did. I assure the House they were accurate notes taken at the time.

In any event, if Mr Arnold doubts those notes, in response to the matters that I raised in August 1983, on 5 September 1983 the then Minister for Conservation, Forests and Lands wrote to me in answer to my twelve points and, in his opening paragraph, he said:

In March 1982, before the elections, the present Government announced its policy to establish a system of marine parks along Victoria's coast, as a first step towards conservation and recreation management of related sea and land environments of great value and beauty. It was indicated that areas of Wilsons Promontory and Corner Inlet would be included in this system. That is confirming exactly the sort of thing that was said at the November 1983 meeting. Therefore, the decisions were taken in advance. They did not depend on proper empirical study; they did not depend on evidence, scientific or otherwise; they did not depend on public consultation; they did not depend on the views of fishermen or, indeed, of any body other than the policy committees of the Australian Labor Party.

The public went through a process after November 1983 that was completely nugatory. It had no effect whatever, and the present Minister for Conservation, Forests and Lands today talks about the importance of the process. The process went out the window.

The Hon. J. E. Kirner—Nonsense!

The Hon. A. J. Hunt—As the Minister says, yes, it is a nonsense—the process was a nonsense.
The Hon. J. E. Kirner—I said that your statement is a nonsense. You do not have a policy. You do not have a process because you do not have a policy.

The Hon. M. J. ARNOLD (Templestowe Province)—On a point of order, Mr President, I have had an opportunity of examining the notes taken by Mr Hunt at the time of the meeting, from which he made some quotations.

He has referred to the fact that there was not proper consultation. I believe he should read in full from the notes from which he is relating the remarks of the Honourable Rod Mackenzie on the question of consultation. The comments were certainly made, and if Mr Hunt intends to quote from this document, he should make it clear.

The PRESIDENT—Order! There is no point of order.

The Hon. A. J. HUNT (South Eastern Province)—Mr Arnold is talking about later points in the notes where they said there would be consultation. I am just pointing out that the consultation that has taken place has been absolutely nugatory. It may well have not existed.

As I answered in response to the interjection from the Minister for Conservation, Forests and Lands, I said it was a nonsense; I acknowledged that and I adapted her interjection. It has not meant a thing. All the worst fears of the public when they first heard of the proposal in 1982 have been realised.

Let us see what the then Fisheries and Wildlife Division and the then National Parks Service said on the proposal at page 17 of their draft plan of April 1984.

They said:

Although commercial and recreational fishing cause minor disturbances to the environment, these activities are not seen as incompatible with the objectives established for the areas.

That is what those two expert bodies said, and one would have thought that would have been taken into account in at least seeing that the public, including amateur fishermen and professional fishermen, got a go.

The Hon. J. E. Kirner—They do get a go.

The Hon. A. J. HUNT—But that is, in effect, rejected by this proclamation under the National Parks Act. In my view, that proclamation has no valid legal base whatsoever. It is a nonsense to talk about the National Parks Act or section 19F of that Act applying to the waters and the seas around the coast. That is a nonsense.

One may be able to argue that it applies to shallow inlets, dams, reservoirs, the beds of rivers and streams and the like, but to talk about it applying to the seas because that is land covered with water within the terms of the Interpretation of Legislation Act is a nonsense. It is a nonsense which I believe would not be adopted by any court.

In any event, if it does apply to the land, who says that it applies to the waters above that sea bed? Who says that it applies there? Sooner or later this proclamation will be challenged in the courts. It will be challenged because commercial fishermen and others will be advised that it has no legal basis whatsoever.

I believe the challenge will be upheld but, quite apart from that issue, it has no moral basis. It has no shadow of basis in fact to suggest that a proclamation achieved in this way—after disregarding all the proper principles, all the proper approaches and all the proper opportunities for evidence and for public consultation—has not been undertaken cavalierly in purported pursuance of a far-fetched definition, which does not apply in the circumstances and which denies people their rights to have their say.

As I started by saying, that is a travesty; that is a denial of the principle of public participation. That is why the Opposition undertakes this motion. That is why it rejects the concept of instituting national parks in these circumstances. It does not believe that
should have been done in any way whatsoever. It rejects entirely the approach that the Government has undertaken. It is nothing but a sham.

The House divided on the motion (the Hon. R. A. Mackenzie in the chair).

Ayes ................................. 20
Noes .................................. 18

Majority for the motion ............. 2

AYES
Mr Baxter
Mr Chamberlain
Mr Connard
Mr de Fegely
Mr Dunn
Mr Evans
Mr Grimwade
Mr Hallam
Mr Hunt
Mr Knowles
Mr Lawson
Mr Long
Mr Macey
Mr Miles
Mr Reid
Mr Storey
Mrs Varty
Mr Ward
Tellers
Mr Guest
Mr Wright

NOES
Mr Arnold
Mrs Coxsedge
Mr Crawford
Mrs Dixon
Mr Henshaw
Mrs Hogg
Mr Kennan
Mrs Kirner
Mr McArthur
Mrs McLean
Mr Mier
Mr Murphy
Mr Pullen
Mr Sandon
Mr Sgro
Mr Walker
Tellers
Mr Kennedy
Mrs Lyster

PAIRS
Mr Birrell
Mr Granter

Mr White
Mr Van Buren

On the motion of the Hon. R. I. KNOWLES (Ballarat Province), it was ordered that the resolution be forwarded to the Legislative Assembly with a message desiring its concurrence therein.

SESSIONAL ORDERS

The Hon. E. H. WALKER (Minister for Agriculture and Rural Affairs)—By leave, I move:

That so much of the Sessional Orders as requires that no new business be taken after 10 p.m. and that General Business shall take precedence of Government Business on Wednesdays be suspended until the end of December 1986 and that until the end of December 1986, unless otherwise ordered by the House, new business may be taken at any hour and Government Business shall take precedence of all other business.

In moving that motion, which is the usual or traditional motion at this time of the year, I offer the same assurance that I normally offer: that there will be at least 2 hours made available on each Wednesday—at the start of the day—for Opposition business, and that any other variation to times of meeting or the order of business will be a matter for debate and discussion between the Leaders of the parties.

The motion has been moved to take account of the fact that Parliament is moving into the last two weeks of the sitting. There is one more week following this one and then after a break of a week, there will be another week beyond that. As is usual, the removal of the normal 10 o'clock deadline for the introduction of new business at night and the normal generous allowance to enable Opposition business to take precedence on Wednesdays should be suspended until such time as Government business is complete.

The motion was agreed to.
PRE-SCHOOL TEACHERS AND ASSISTANTS (SICK LEAVE) BILL

The debate (adjourned from October 7) on the motion of the Hon. C. J. Hogg (Minister for Community Services) for the second reading of this Bill was resumed.

The Hon. R. I. KNOWLES (Ballarat Province)—The Opposition is not opposed to the Bill although it is fair to say that there certainly are some concerns about it. The history of the measure goes back to 1980 when the previous Liberal Government agreed, by administrative means, to an arrangement to allow portability of long service leave and sick leave entitlements for kindergarten teachers and their assistants.

Because of its voluntary nature, that scheme did not work as well as was hoped. The overwhelming majority of kindergarten teachers were able to take up that portability because their committees of management agreed with the arrangement.

The cost of long service leave and sick leave is carried, along with salaries, totally by Government. It is important to make it clear that the Bill does not place burdens on employers of those staff but that the total cost is covered by the Government.

Legislation for the portability of long service leave was passed in the previous Parliament. The Opposition supported that legislation to ensure that teachers and assistants working in kindergartens under fully subsidised sessions had portability of long service leave. The Bill amends that legislation to bring in sick leave.

I raise two concerns, firstly, that it will not apply to all kindergarten teachers because the Government has refused to subsidise three-year-old sessions. The only three-year-old sessions that are available are those that are fully paid for by the parents of those children. The teachers undertaking those sessions and not taking any subsidised sessions will not enjoy the benefits of the amended Act once this Bill is passed.

Secondly, the Municipal Association of Victoria is concerned that the Bill may be used by unions representing employees in local government as a bargaining weapon for introducing conditions applying under other awards. I understand that the purpose of the Bill is to build a fence around that concern and to ensure that the Bill provides no flow-on implications.

It is important that that point be reiterated by the Minister during this debate so that it is clear to all interested parties that this Bill is to ensure equity and fairness to all teachers and assistants who work in subsidised kindergarten sessions and to no-one else. It is fundamental that that point be made.

The Bill is important to the Kindergarten Teachers Association of Victoria because of several Government changes, one of which was canvassed in question time today and related to the transfer of a number of these sessions from one area of the State to another. That will mean a transfer of a kindergarten teacher from working for one committee of management to another.

Under the existing arrangements, if a teacher transferred to a kindergarten controlled by a local municipality, that teacher would not enjoy the portability of sick leave. However, if that teacher transferred to a kindergarten run by a committee of management, that teacher would enjoy that portability. That is an inequitable situation that would arise without this Bill being enacted.

The Municipal Association of Victoria has taken the view that this is an industrial matter that should be determined by an industrial tribunal. As a preference on this issue, that would also be the view of the Liberal Party, which would be reluctant to introduce a measure of this type. However, the Government has chosen to adopt that approach and, if the Minister is prepared to assure the House that the total cost of this scheme is borne by the State Government, that it will not be used as a precedent or a bargaining tool, that
it will have a fence around it and will not be used as an argument before the industrial tribunals of this State, I indicate that the Opposition will not oppose the Bill.

The Hon. R. M. HALLAM (Western Province)—I advise the House at the outset that the National Party supports the proposed legislation which seeks to introduce the notion that employers must credit accrued sick leave from previous periods of employment but with the specific restriction that this applies to the preschool sector.

It does, in fact, carry the same principle which was applied effectively to long service leave portability some two years ago. The view of the National Party is that the Bill does nothing more than guarantee preschool teachers the fundamental benefit available to all other teachers employed by the Ministry of Education.

I make it clear that the National Party, as a general rule, is fundamentally opposed to the concept of portability of employee benefits. I shall explain the rationale of the opposition and why we do not apply that general principle in relation to the Bill before the House.

Portability of accrued entitlements, particularly long service leave and sick leave, is wrong in principle. As the name implies, long service leave is a reward for long service and is meant to encourage employment stability, to recognise long and faithful service. The fact that sick leave entitlements in many awards also increase with the employment record has the effect of encouraging employment stability, too.

As an aside, I would ask why it is that sick leave benefits should be greater at the latter stage of any employment. That has always intrigued me. However, in addition to that general misgiving to the concept in general, I point out that the portability of any employee's benefit creates enormous accounting difficulties and questions of equity as between current and former employees.

I shall give some short illustrations of how that works. In the case of long service leave as it applies under most industrial awards, although employee benefits actually commence to accrue from the very first day of employment, the notional benefit applies only after qualification or completion of a qualifying period. The benefit, notional as it may be, does not materialise until after completion of that preliminary employment period. That may be ten years. In most industries, it is ten years.

Thus, although it is relatively simple to calculate the notional entitlement at any time during that qualifying period, in accounting terms and in the eyes of the employer it can best be described as a contingent liability because it is impossible to determine whether it will ultimately arise. The likelihood that it will arise can be equated as a sliding scale with the term of service, so one can become involved in all sorts of probabilities. The fact remains that, until the very last day of that qualifying period, employment may be terminated for a variety of reasons, in which case the entitlement and, therefore, the liability of the employer do not exist.

Most awards overcome the possibility of an employer seeking to avoid that liability by putting an employee off, but the fact remains that employment may be terminated under a whole range of other circumstances and the liability consequently ceases to exist.

The common accounting practice in bringing into account the accumulated long service leave liability of a company is that that part which relates only to those employees who have technically qualified is recognised; in other words, the contingent liability that can be identified is shown in the books, but the liability that relates to those employees who have not yet completed the qualifying period is totally ignored.

That creates all sorts of controversies, especially if the company changes hands. In the eyes of the employee, who might have served only five years, he has an entitlement and, to all intents and purposes, he has, but his entitlement depends on his continuity of service for a further five years.

When a company changes hands the position becomes complicated because the distribution of liability between the former and latter owners requires all sorts of predictions
about which employees will proceed to qualify. It is not uncommon for a vendor company
to be required to put money in trust on the assumption that some employees will ultimately
qualify for long service leave, and that means money being held in trust for up to something
like ten years, so it is a complicated procedure. So there are practical reasons why the
National Party and I personally do not support the concept of portability. In addition,
significant problems arise so far as the employee is concerned.

This relates just as validly to sick leave as to long service leave. It is possible for an
employee who builds up a substantial long service or sick leave credit to become almost
unemployable because the credit that he takes with him between jobs becomes a penalty
to the new employer. To that extent, portability may well work in reverse of the very
result that is sought. It is not a simple question of the right to transfer that entitlement.

The National Party sees the case dealt with by the Bill as being quite different, and I
shall spell out the areas of important difference.

The central point here—and it is one to which Mr Knowles referred—is that, to all
intents and purposes, the new employer and the old employer will be precisely the same
authority. The National Party makes it clear that its support for the Bill depends totally
upon that principle. If, for any reason, a preschool were to lose its subsidy or part of its
subsidy and were, therefore, exposed to the sorts of complications that I mentioned before,
the National Party would want to withdraw its support; it is as fundamental as that. We
are not talking about portability of sick leave so much but the recognition that, in this
instance, there is a sameness about the employer. In fact, I suggest that the Bill would have
been more appropriately named something like the “Recognition of Continuing
Employment Bill”. That is how clearly the National Party sees the matter.

I sought an assurance from the Minister prior to the debate, and I spelt out to her how
fundamentally the National Party sees that concept and that condition. Nevertheless, the
National Party will support the measure because it introduces a benefit to preschool
teachers which is currently enjoyed by those employed by the Ministry of Education.

Apart from that, the National Party has two misgivings about the Bill. One relates to
the definition of “continuous” in relation to employment, and I posed a number of
problems concerning the continuity of employment. However, I have been persuaded that
the problems I raised are covered by the relevant award which defines “working year” in
the following manner:

(g) For the purposes of this clause the “working year” means the period commencing on the 1st day of
February and finishing on the 31st day of January of the following year and shall be the basis for calculation of
all service increments and leave entitlements.

That overcomes the problem that I saw of an employee in a preschool transferring at the
end of the year, commencing employment with another preschool at the beginning of the
next school year and having the complication of that break in employment used against
him or her. I understand that that position is covered by the award, but I seek a comment
or two from the Minister on that matter.

The only other reservation the National Party has about the measure was the one
highlighted by the Municipal Association of Victoria, which expressed some concern
about whether the Bill would create a precedent and whether in fact any benefit or right
granted under the measure would flow to other municipal employees. I understand the
association’s concern, but I do not believe it is appropriate in this case because clearly the
Bill deals with the continuation of the same employer.

On those grounds the National Party is prepared to support the measure. I repeat: it is
with that fundamental qualification that the National Party will support the Bill in its
present form.

The motion was agreed to.

The Bill was read a second time.
The Hon. C. J. HOGG (Minister for Community Services)—By leave, I move:

That this Bill be now read a third time.

In so doing, I shall make some brief comments in response to the comments made by Mr Hallam and Mr Knowles.

An assurance was sought that the Bill refers only to subsidised services. That assurance has been given and reiterated. As all honourable members are aware, kindergarten teachers receive a salary that is 100 per cent subsidised and are subject to the central payment scheme, a fact that validates Mr Hallam’s comments about the matter. To all intents and purposes, the employer is the same.

The Bill does, I believe, have the effect of which both honourable members spoke and the consultation that has occurred between all parties over a period of years, beginning with the last Liberal Government, continuing during the terms of the former Labor Government and the present Government, and has involved all parties. The final Bill, which has been vigorously supported by the Kindergarten Teachers Association of Victoria, the Victorian Employers Federation and several other parties, takes account of the concerns raised by honourable members, by the kindergarten teachers themselves, by their technical employers and by the providers of the subsidy.

The motion was agreed to, and the Bill was read a third time.

RETAIL TENANCIES BILL

This Bill was received from the Assembly and, on the motion of the Hon. J. H. Kennan (Attorney-General) for the Hon. D. R. WHITE (Minister for Health), was read a first time.

CRIMES (CONFISCATION OF PROFITS) BILL

The Hon. J. H. KENNAN (Attorney-General)—I move:

That this Bill be now read a second time.

The Crimes (Confiscation of Profits) Bill represents a major new weapon in the fight against crime and in particular against organised crime. A number of recent inquiries—including the Williams, Costigan and Stewart Royal Commissions—have focused attention on the large profit which can be made from crime and the increasing sophistication with which those profits are concealed. This Bill is directed at depriving criminals of their ill-gotten gains and their tools of trade.

Present provisions allow the courts to confiscate certain profits of the illegal drug trade, but this Bill goes much further. It extends to all types of serious crime and allows courts: to make confiscation orders under which the profits of crime and any property used in connection with the commission of the crime may be confiscated; to make restraining orders freezing suspect property when charges are laid; and to issue search warrants for the seizure of suspect property.

The Bill also includes provisions for registration and enforcement in Victoria of interstate forfeiture and restraining orders and the issue in Victoria of search warrants for the seizure of property which is suspected to be liable to forfeiture under a corresponding law of another State.

The interstate enforcement provisions follow a recent agreement between the Commonwealth, State and Northern Territory Attorneys-General to set up a reciprocal scheme for freezing and confiscating the profits of crime. Victoria is the first State to give effect to the agreement. The Bill also amends the Drugs, Poisons and Controlled Substances Act 1981 and the Summary Offences Act 1966.

I shall now turn to the detail of each of these aspects.
CONFISCATION ORDERS

The Bill provides for two types of confiscation orders:

1. Forfeiture orders which allow a court to order the forfeiture of any property which was used in or in connection with the commission of a serious offence or was derived or realised as a result of the commission of the offence; and

2. Pecuniary penalty orders which allow a court to order the offender to pay a pecuniary penalty equal to the value of the benefits derived by the person as a result of committing a serious offence.

Applications for the making of an order will generally be made by the Director of Public Prosecutions or the Chief Commissioner of Police after a person has been convicted of an offence. The Bill also allows orders to be made against persons who have absconded after being charged with an offence, if the prosecution proves beyond reasonable doubt that the person has committed the offence. An application for confiscation may be made to the court which has convicted the person or to the Supreme Court. The courts have extensive powers to give effect to confiscation orders. Rights of appeal are also provided.

Forfeiture orders may be made although the illegally-acquired or illegally-used property has passed to a person other than the offender. In some recent cases, large-scale drug offenders have concealed the proceeds of their crimes behind company and trust structures nominally controlled by third persons. The Bill will allow courts to break through such structures and get at the criminal profits. It will also allow the forfeiture of property which has been transferred to third parties who have turned a blind eye to the illegal source of the property.

In this regard, the Bill represents a major attack on the laundering of the proceeds of crime. At the same time, the Bill ensures that the rights of an innocent third party who has acquired property in good faith are protected. Third parties having an interest in the property will be notified of any application for its confiscation and will have an opportunity to be heard by the court.

Pecuniary penalty orders, on the other hand, may be made only against the offender. In making such an order, a court may assess the value of any benefit derived by the offender as a result of committing the offence. These benefits may include increases in the value of the offender's property and any benefit, service or financial advantage provided to the offender or another person.

It is notorious that some major criminals have used the best legal and financial advice available to them to launder and conceal their profits and to invest them so as to ensure the maximum return. The Bill will allow the confiscation of these profits also.

RESTRaining ORDERS

The Bill will allow the Supreme Court to make orders restraining any dealings with property which represents the proceeds of, or which has been used in the commission of, a serious offence. In urgent cases the court may make an interim order for up to seven days without hearing from persons who might have an interest in the property, but otherwise those persons will have a right to be heard before any order is made. The court may require the applicant—normally the Director of Public Prosecutions—to give undertakings to the court concerning the payment of damages or costs; this operates as a further safeguard for innocent parties.

The court has a very wide range of discretionary powers in freezing property. This allows for restraining orders to meet the needs of each case in the most effective way in the particular circumstances. In appropriate cases, the court may appoint the Public Trustee or a receiver to take control of property to ensure that its value is maintained. In addition, the court may order the examination of a person whose property is restrained—or any other person—in order to determine the nature and location of any property which may
be liable to confiscation. In accordance with normal principles of justice, the Bill provides that a person examined may not be compelled to incriminate himself or herself.

SEARCH WARRANTS

The Bill provides for the issue of search warrants to allow the police to seize property that was used in or derived from the commission of a serious offence. Seized property will be returned if no person has been charged with the offence within seven days or if no forfeiture application is made.

INTERSTATE ENFORCEMENT PROVISIONS

The scheme agreed upon by the Commonwealth, the States and the Northern Territory means that if an interstate court makes an order for forfeiture of assets in Victoria, the assets will be forfeited to this State. Conversely, if a Victorian court makes an order under the Bill for the forfeiture of assets in another State, the assets will be forfeited to that State. This arrangement allows local authorities to enforce orders against local assets in local courts.

The scheme also means that any legal challenges to the making of orders on the seizure of property in another State must be brought in the State where the offence was committed—the home State—not where the assets are located. This way all issues relating to a forfeiture or restraining order or to the seizure of property under a search warrant are resolved in the home State, thereby preventing litigation in different States about the same subject matter.

The Bill provides for full recognition in Victoria of forfeiture and restraining orders made by courts in other States under corresponding laws, if the orders apply to assets in Victoria. Upon registration of an interstate order in the Supreme Court, it will have effect as if the order had been made in Victoria and may be enforced accordingly.

The Bill also allows search warrants to be issued in Victoria for the seizure of property which may be liable to forfeiture under a corresponding law of another State. The police will give effect to any orders made in the home State concerning such property, including an order for its return.

AMENDMENTS TO DRUGS, POISONS AND CONTROLLED SUBSTANCES ACT 1981

The Bill also implements a number of recommendations of a working party established by the Minister for Police and Emergency Services to examine the operation of the Drugs, Poisons and Controlled Substances Act. The working party consisted of officers from the Police Force, the Office of the Director of Public Prosecutions, Health Department Victoria and the State Forensic Science Laboratory.

Changes made by the Bill include: allowing the police as well as the Director of Public Prosecutions to apply for the destruction of drugs. This relieves the officers of the Director of Public Prosecutions of the burden of having to apply for forfeiture of drugs in all cases and allowing magistrates to order the destruction of marijuana crops on the spot. In the past, the police have been required to "harvest" crops and bring them before a court before they can be destroyed. This has created considerable practical difficulties.

AMENDMENTS TO THE SUMMARY OFFENCES ACT 1966

The Bill amends section 33 of the Summary Offences Act 1966 to overcome problems identified by Mr Justice McGarvie in the recent case of King v Rowlings, concerning the offence of possession of property which is reasonably suspected to be stolen or unlawfully obtained. The new provisions will allow the courts to make any appropriate orders in relation to the property concerned.

In addition, a new provision is inserted in the Act to allow a court which convicts a person of an offence of carrying an offensive weapon or of assault with a weapon to order
its forfeiture. The absence of this power was drawn to my attention by the Director of Public Prosecutions after a recent case before Judge Lazarus in the County Court.

CONCLUSION

The Bill is an important measure in giving courts and law enforcement authorities further powers to combat serious crime. By attacking the rewards of crime with economic penalties, the Bill will also operate as a significant deterrent to those who would profit from their crimes at the community’s expense. I commend the Bill to the House.

On the motion of the Hon. H. R. Ward, for the Hon. B. A. CHAMBERLAIN (Western Province), the debate was adjourned.

It was ordered that the debate be adjourned until the next day of meeting.

MARGARINE (AMENDMENT) BILL

The Hon. E. H. WALKER (Minister for Agriculture and Rural Affairs)—I move:

That this Bill be now read a second time.

Regulation of margarine in some form or other has operated in Victoria since 1893. The current system of quotas and licences was introduced uniformly in all States in 1940 in an attempt to protect the dairy industry from what was then regarded as unfair competition from an inferior product.

Eventually quotas and other restrictions on margarine were progressively abolished by other States, but were retained in Victoria. The result has been that manufacturers in other States have been able to produce enough margarine to sell substantial quantities in Victoria, thereby almost completely negating any protective effect of the Victorian legislation.

The margarine legislation has been reviewed and the Government believes the current restrictions on the manufacture of table margarine in Victoria do little to protect the dairy industry in this State because of the continued over-production of margarine in other States and the availability of interstate margarine in the Victorian marketplace. Moreover, the restrictions do prevent the development of a local industry utilising locally produced oilseeds.

All available data suggests the price differential between butter and margarine is so great now that any competition resulting from the entry into the marketplace of another margarine manufacturer will occur within the margarine sector, and not at the expense of butter. Consumption figures indicate that butter has arrested the dramatic decline in consumption at the hands of margarine experienced during the mid to late 1970s. Over the past four to five years, the consumption of butter has stabilised and in fact present indicators show a slight increase.

Further, and more importantly, the restrictions also prevent the development and expansion of the margarine manufacturing industry in Victoria. The present consumption of margarine in Victoria is in the vicinity of 30,000 tonnes annually, yet, because of the archaic restrictions presently in place, the amount of margarine permitted to be produced is a mere 5180 tonnes.

Consequently, the potential for investment in the margarine industry with the resultant benefits in both an economic and employment sense have been directly curtailed as a result of this highly regulatory and restrictive piece of legislation. The present legislation effectively guarantees that only three companies can produce margarine in Victoria and effectively prescribes the amount that each can produce. This is a highly protected situation. The present legislation prevents an industry wishing to locate in this State from doing so.

It is clear that the company that came to the Victorian Government wanting to build a factory to employ people in this State in manufacturing margarine is now seriously
considering establishing such a plant in a neighbouring State and importing margarine into Victoria.

Clearly the underlying point is that this Bill to amend the Margarine Act will in no way affect the sale or consumption of butter in this State to any significant degree. It would, however, provide the opportunity for an industry wishing to locate in Victoria to do so, providing a significant boost to the employment market and welcome investment in economic terms.

Increasing the production quota for table margarine from 5180 tonnes to 30 000 tonnes as provided for in the Bill, means the margarine industry will have the potential to meet local consumption requirements.

At present we import over 80 per cent of our margarine from interstate. With easing of the present restrictions, Victorian-based manufacturers will be able to produce more margarine for the Victorian market, and at the same time, enhance the economic prosperity this State presently enjoys. The Government believes this measure is important to meet a legitimate consumer demand in this State and to provide job opportunities in Victoria.

In developing this measure, the Government has consulted a number of interested persons and organisations, including the United Dairyfarmers of Victoria, the Grains Council of the Victorian Farmers Federation and representatives of the margarine manufacturing industry, and has received a number of strong expressions of support for the measure. It has evaluated the various representations received and remains prepared to consider feasible proposals to refine the measure.

The measure is directly consistent with calls for less regulation and more competition in the marketplace. Such calls have been made strongly in the past by the opposition parties in Victoria and nationally and by various farmer organisations.

For such calls to be regarded as genuine and meaningful, this particular measure affecting the margarine industry must be supported. This is an acid test for those pressing for deregulation, and more competition and increased economic growth in Victoria. I commend the Bill to the House.

On the motion of the Hon. R. I. KNOWLES (Ballarat Province), the debate was adjourned.

It was ordered that the debate be adjourned until the next day of meeting.

RURAL FINANCE (AMENDMENT) BILL

The debate (adjourned from the previous day) on the motion of the Hon. E. H. Walker (Minister for Agriculture and Rural Affairs) for the second reading of this Bill was resumed.

The Hon. R. I. KNOWLES (Ballarat Province)—This is an important Bill, which has been requested by the Rural Finance Commission because of the changed circumstances.

At the outset I should indicate an interest in the Rural Finance Commission, having worked there before I entered Parliament.

The Hon. B. P. Dunn—You would have been a commissioner by now, Mr Knowles!

The Hon. R. I. KNOWLES—And I would have been better off, too. I am sure all honourable members, particularly those representing rural electorates, would join with me in commending the very fine service that the commission has provided to this State over many years.

The leadership and management of the commission have always been exemplary and I am sure all Ministers responsible for the commission would readily acknowledge that their working relationship with it has been first class. Mr Ian Morton, who is the Chairman of the Rural Finance Commission, has been there for some time. If I recall correctly, he sought to retire but was prevailed upon to come back as chairman of the commission.
The Hon. E. H. Walker—Part-time!

The Hon. R. I. KNOWLES—As part-time chairman, as the Minister corrects me.

The Bill is necessary because of two changes. One is the general change to the financial markets in this country with the general deregulatory approach that has been embraced by the Commonwealth Government.

The second change that has occurred is because of the amendment by the Commonwealth of the basis upon which assistance is provided to the farming community through the State. This is related particularly to what are known as agency schemes, which often occur following a natural disaster, or a scheme to meet a specific purpose.

Previously the Commonwealth would provide capital to the State and that would be used by the commission in its lending to those farmers judged to be eligible. In 1985, the Commonwealth changed its legislation to provide only interest subsidies to the State and the State then had to provide the capital funds for lending. There is now a requirement for the commission to go out and borrow on the open market and then to re-lend.

The Bill will give it greater flexibility than it has had in the past. I make it clear that the Opposition has no concern about the capacity of the Rural Finance Commission to responsibly undertake that task. The Bill is broad in the powers that it establishes and the Opposition is concerned not about the approach that the commission may take but that further down the track there is a possibility for the Government of the day to require the commission to go out and use its borrowing powers to borrow and then to invest that money for purposes other than what has been the traditional role of the commission.

One of the concerns that the Opposition has is that a Treasurer could in fact require the commission to borrow on the open market and then to use those funds, say, to prop up the transport system in this State.

The Opposition is concerned that there is the potential for that to occur with the introduction of the Bill. I readily acknowledge that that is unlikely to occur with the current management structure of the Rural Finance Commission. However, those commissioners are only there at the direction of the Government of the day and they could be removed. The Government has not been averse to replacing people on boards of other statutory authorities.

As a result of those concerns, I shall move three amendments in the Committee stage that are designed to place some parameters on the Bill. They will allow the Rural Finance Commission to continue to carry out its much required functions in Victoria. The commission will have many opportunities to utilise all the borrowing and lending powers in the foreseeable future, but the amendments will provide limited safeguards against the possibility of the Government deciding that this is one way of getting around whatever restrictions may be placed by the Australian Loan Council on the State to finance its operations.

I wish to reinforce my comment that the proposed amendments are not directed at the Rural Finance Commission or its management. Honourable members who have had contact with the commission can only be impressed by its leadership and the work undertaken by its staff.

A measure of the success of the commission is demonstrated by the 1985–86 annual report, tabled yesterday, which showed that the commission made a profit of more than $16 million—an increase from $25 000 the previous year.

The Hon. E. H. Walker—No, the previous year it was something like $13 million.

The Hon. R. I. KNOWLES—I apologise. However, it still represents a significant increase in profit of the commission during a difficult financial climate. Demands for assistance from the commission have been consistent. The commission meets 16 per cent of all rural credit needs in Victoria so it it a significant financial institution for farmers.
The operations of the commission are geared so that it can assist as many farmers as possible, and that often involves officers of the commission working with other commercial financial institutions to meet the needs of clients that are not being met by other institutions. The assistance associated with the loan will often make the difference between the farmer being able to undertake a specific project or failing.

Over the years the interest rate of the Rural Finance Commission has kept pace with the general interest rates, but it has always tended to be lower than what is available in the commercial sector.

The Opposition fully supports the work undertaken by the Rural Finance Commission. It admires the dedication and leadership provided by Mr Ian Morton and other commissioners. I shall further develop my arguments on the proposed amendments when the Bill is debated in the Committee stage.

The Hon. B. P. DUNN (North Western Province)—I welcome this opportunity of speaking on the Rural Finance (Amendment) Bill which gives me the further opportunity of speaking on the role of the Rural Finance Commission.

I place on record at the outset the high regard I have for the Rural Finance Commission and the people who have led it so successfully and effectively over many years. Members of the National Party and other rural members of Parliament have had the opportunity on many occasions of meeting with officers of the commission. In recent times we have had close contact with them because of the crisis strategy that has been followed.

I also place on record my thanks and that of the National Party to the chairman, Ian Morton, and to Malcolm Smith, John Fox, Bob Douglas and officers of the Rural Finance Commission not only in Melbourne but also in regional offices for what they have done and the cooperation that they have provided to the National Party in assisting country Victorians in these difficult financial times.

The Rural Finance Commission is an outstanding organisation with successful and dedicated people working for it. I have attempted to assess why the commission is so good. Mr President, you would recognise, in your experience as a former Minister, the exceptional quality of the people who work for the commission. The type of work that they do means that they come under criticism at times. However, one of the reasons for their success is the autonomy which commissioners and officers have in the area in which they operate. The Labor Government has followed the tradition of former Liberal Governments and has allowed the commission autonomy to work as an efficient organisation and that is why it has been of such value and a success.

Officers of the Rural Finance Commission take a personal interest in rural Victoria and there is close staff liaison and contact to provide a strong backbone for the organisation. In the middle of the Mallee crisis Mr Smith and Mr Fox and others worked exceptionally long hours in an attempt to deal with the many individual cases where assistance was sought. Members of the National Party and most people in the farming community appreciate that assistance. The commission has been criticised on many occasions because of having to make tough decisions in providing finance during crises. The commission must decide whether it should lend money to a farmer who is in a crisis. Sometimes the commission is the last opportunity the farmer has of obtaining financial support. If the decision of the Rural Finance Commission is unfavourable to the applicant, it will often be the subject of extreme criticism.

The Rural Finance Commission was criticised in the Mallee for assisting some members of the farming community and excluding others earlier this year. On one day 20 or 30 desperate farming families were notified that their last resort approach to the commission to borrow money had been turned down, and criticism spread rapidly throughout the Mallee.

I wish to make clear my attitude to the Rural Finance Commission. I did not criticise the commission publicly at meetings or in the media during the latest crisis. It would be
absolutely negative and counterproductive for me, as a representative in Parliament, to do so. Instead I said that if there were criticism, to contact the National Party and they would be put on Ian Morton's or Malcolm Smith's desk the next day. I said that the National Party would take up the issues with those people and work through the problems. I have no intention of attacking this organisation for any inadequacy. On many occasions I also disagree with its judgments. I shall not fight that publicly. That also would be counterproductive.

It was better to try to build up the reputation of the Rural Finance Commission and to work through the problems behind closed doors, as we were able to do on many occasions. The commission was criticised not just because of the decisions it made but also because of the stipulations under which it was working, especially that of the rural adjustment scheme, which was laid down under Commonwealth legislation.

That legislation provides that the commission must make a judgment on the viability of a farm and it was around this assessment that the real conflict developed. It is a matter of conjecture as to whether a farm is viable today, whether it will be viable in a year and what its situation was a year ago. Farms move in and out of viability.

No farmer likes the word "viability" because it is always used against him. A farm can be viable today but, because of a couple of minor movements in either seasonal conditions, in the price of commodities or interest rates, it can be pushed into a non-viable situation in a few weeks. Many people were pushed into that situation. Families that have farmed for generations have all of a sudden been determined to be not viable. That was a shock beyond belief for many. The commission judged whether farms were viable.

The National Party—and I am sure the Minister also understands this—has always maintained that one cannot assess the viability of a property on a short-term criterion. Unfortunately the rural adjustment schemes forced the Rural Finance Commission to assess the viability of a farm when the application was made. Many farmers were excluded. Members of the National Party tried to counter that criticism and, to some extent, we were successful.

The Rural Finance Commission will never meet the full expectations of it unless both State and Federal Governments are prepared to ensure that it can meet its commitments and the expectations that people have of a major rural lender. The commission is restricted in its lending because of the Government support that flows to it.

The hard decisions that must be made by the Rural Finance Commission are based on its inadequate resources. In Australia there is and has been for generations a lack of adequate financial arrangements for agricultural industries. It is a fallacy to say that the commercial banking sector can meet that need. Most of the commercial banks offer finance in the short term, usually for a period of less than ten years, on a quarterly repayment basis and at a rate of interest that is higher than the market rate. No farmer can carry that load, particularly a grain grower who has only one major income period in a year—after harvest.

For decades in Australia farmers have needed but lacked an organisation that can provide long-term funding to agriculture. By that I mean 20 to 30-year terms at interest rates that do not fluctuate as widely as those on the open market. It is not unreasonable to ask for such an organisation.

Farmers thought the Primary Industry Bank of Australia Ltd would meet that need but that bank charged virtually the highest interest rate of any lending source during the crisis experienced this year. The interest on rural loans at a time of drought and low commodity prices was at one stage more than 22 per cent. It is criminal that the bank could apply such interest rates on loans that people have taken out for 20 to 30 years.

One may well ask why farmers should not be exposed to the fluctuating cost of money and interest rates like anyone else. The fact is that interest rates were at that level because
of a decision by the Hawke/Keating Government to prop up the Australian dollar, which decision added at least 6 per cent to interest rates throughout the nation.

The decision was made at a time when all statistics showed that the level of rural debt had blown out to extraordinary proportions. The Federal Government's decision was one of the major reasons why many Australian primary producers were forced to ruination; many of them are hanging on the knife's edge now.

Federal Government policy affected interest rates. Farmers had nowhere to turn; the Rural Finance Commission could not meet the existing rural debt. The Primary Industry Bank of Australia Ltd proved to be completely inadequate in protecting the agricultural industries from downturns because it decided to increase interest rates beyond those imposed in the commercial sector.

It is no wonder farmers say that in recent decades there has not been and still is not a lending organisation with the capacity to meet their needs. The Rural Finance Commission cannot do so even if it would like to.

Young farmers are given inadequate funding to establish themselves on the land. Recently the Minister made a statement about the great things that he and the Rural Finance Commission have done in this area. Both he and I know the commission is grossly inadequate in meeting the demands of young farmers and their families who require long-term funding arrangements to help them start in agriculture.

It is unrealistic to expect the agricultural sector to continue unprotected. Few other sectors are expected to operate without some form of protection or Government support: the wage earners receive wages, conditions and financial benefits and many areas of secondary industry operate with assistance provided through tariffs or other forms of protection. Therefore, how can one expect the agricultural community to exist in an open market against corrupted world markets, such as that of the European Economic Community and the United States of America, and also survive in Australia without any protection or support from the Government?

Members of the National Party met a senior official of the Reserve Bank of Australia who was well aware of the fact that the Government decision to prop up interest rates would sink some Australian farmers. I clearly recall that he said, "We are in the business of fixing the national economy; you, politicians, are in the business of soft landings. Those people will go under because of the decision of the Government to prop up the dollar. It is the job of members of Parliament to soften the landing." That is the sort of economic thinking of the money managers of this nation. That shocked me and other members of the National Party who heard those comments.

Messrs Keating, Hawke and Kerin were all aware of the consequences on the farming community of their decision to prop up the Australian dollar. Combined with other factors, that created a crisis in the Mallee, which the Rural Finance Commission was expected to solve. Clearly, there was no way that the commission could completely meet the need.

The Rural Finance Commission has a number of lending programs that go beyond the crisis funding about which I have spoken. I take issue with the study by Professor Lloyd. That study recommends that the Rural Finance Commission remain in place to deal only with the crisis funding, such as drought, bushfire and rural adjustment scheme funding. I shall quote from the study:


6.5 That if general lending is to continue, it should be at full market rates, without subsidy.

6.6 That the Rural Finance Commission's lending activities be confined to improving structural adjustment in the rural sector and to the administration of Commonwealth and State rural assistance programs.

I would not expect much more from a study such as that. It is a typical attitude!
The Hon. E. H. Walker—Typical of whom?

The Hon. B. P. DUNN—It is the typical attitude of an academic. I have spoken with people such as Professor Lloyd about this situation and about the market rates of interest. They usually quote the instance of a distant relative or friend who perhaps received some money from the Rural Finance Commission or the Government during the downturn in the beef or dairy industries or during a drought which they should not have received. The academics can quote one case and claim that it is justification to eliminate subsidised interest rates, but they are isolated cases. In the majority of instances, assistance flows to the people who need it and it is administered effectively.

The National Party wants the Rural Finance Commission not only to be involved in crisis funding but also to expand its function in the direction of a rural bank. It could operate a more extended form of lending program and could undertake a greater extension of the young farmer establishment program, both of which should be at concessional interest rates. That is necessary to meet the long-term needs of agriculture. The Rural Finance Commission should continue to provide crisis funding administration and should involve itself further in providing financial assistance to farmers.

The policy of the National Party at the last State election sought the involvement of the commission in rural finance counselling. Experiments have been conducted in the Mallee of providing financial counsellors to give individual advice to farming families who need it. Never before have the economics of farming been so tight and difficult and never before has there been a greater need for tight financial and general management of a property.

Farmers need to discuss their financial positions with people other than their accountants or bank managers who have a direct interest in their situations. They need to talk to an independent person who can be put under the heading of a financial counsellor.

In the Mallee, Mr Bob Blanks, who was a member of the Department of Agriculture and Rural Affairs team at Swan Hill, undertook the role of a financial counsellor at Sea Lake. He was occupied more than full time in counselling families on what to do in their current economic positions. He was so busy that a second counsellor was appointed to serve that area. The Department of Agriculture and Rural Affairs or the Rural Finance Commission should provide the advice and assistance to farmers that is so vital.

I shall make a short comment about the special crop-planting scheme in the Mallee that is administered by the Rural Finance Commission.

The PRESIDENT—Order! I have given Mr Dunn some latitude; however, the Bill is small and I ask Mr Dunn to make his comments on the Mallee brief.

The Hon. B. P. DUNN—The Mallee scheme has been successful because I do not know of one Mallee farming family who has not been able to produce a crop this year. Through one source or another, they have obtained the finance necessary to put in a crop.

The crop planting assistance scheme was introduced as a result of representations from the honourable member for Swan Hill in the other place, me and other people from the area. The Minister for Agriculture and Rural Affairs agreed to it, and I have commended him publicly for that.

According to the latest figures I have received, 118 farming families have been offered assistance. The loans amounted to approximately $4 million. They were tightly administered and went to families who were not eligible under the rural adjustment scheme and who were completely cut off from financial assistance through that scheme and through their banks. They could not even afford to buy fuel for their tractors to put in a crop when it rained. The scheme has allowed them to put in a crop.

People asked me, “What if there is a drought?” and I said, “We will face that when it comes”. Thankfully, this year is a good season throughout most of country Victoria. The scheme has been significant, but additional measures are needed, and I shall raise them with the Minister during the next two weeks.
There is a feeling among some members of Parliament that, because there is a good season abroad, some of the problems will be solved. The fact is that the majority of families who have received support will not receive any money because it will be taken by the Rural Finance Commission and the banks. Many of them will still be in a critical situation. This year the price of wheat net on farm is approximately $90 a tonne. Next year, it is expected to drop to $80 a tonne. With prices like that, farmers will not have the capacity to pull themselves out of their current crisis.

The Hon. E. H. Walker—We will do our best for them!

The Hon. B. P. DUNN—I appreciate that, and we have some deep talking to do. Members of the National Party met with the managers of all the banks in the State and the Rural Finance Commission to talk about the matter. The next move must come from the Government, and the situation must be addressed next year. Although it is a good harvest this year, we are slipping further into the grain depression.

Next year will be extremely difficult. Mr President, I note your personal interest in the Mallee and in the Rural Finance Commission, and I thank you for your patience. I wished to make those points.

The National Party has great confidence in the Rural Finance Commission and will not tolerate it being downgraded, as the Lloyd study suggested. The National Party wants to expand the charter of the commission and widen its role. I compliment the organisation and the people involved in it. The Bill will give the commission a capacity to raise additional funds on the open market and it will allow the commission greater flexibility in its operations.

The commission has proved that it is responsible and that it can carry out its task with a degree of autonomy. I believe the Bill will assist the operations of the commission and, therefore, it has the support of the National Party.

The motion was agreed to.

The Bill was read a second time and committed.

Clause 1 was agreed to.

Clause 2

The Hon. E. H. WALKER (Minister for Agriculture and Rural Affairs)—I shall briefly comment on the remarks made by the opposition parties. I thank them for their support. I am conscious that Mr Knowles will be moving certain amendments that were moved in another place and I shall not speak about them at present. I thank Mr Knowles and Mr Dunn for their obvious and genuine support for the work of the Rural Finance Commission. This is a body that in a sense works above politics. It is clear that over the years the commission has been able to work both with the Government of the day and with the opposition parties of the day in a very genuine and constructive manner, and I give the commission credit for that.

I know that my predecessor, Labor Party Ministers and I, in our responsibility for the commission, have been at pains to ensure that the manner in which the commission operates is not upset. We have tried to maintain the approach that was taken in the past and we have been willing to ensure that discussions by the commission can occur across-the-board with other parties and with interested financial institutions. I assure particularly Mr Dunn, in regard to his comments, that I intend that the commission's role is reinforced and that it is allowed to continue with the good work that it does, and I hope it remains at the level to which I have referred and in no way becomes a political football.

The clause was agreed to, as was clause 3.
Clause 4

The Hon. R. I. KNOWLES (Ballarat Province)—I move:

1. Clause 4, page 3, after line 10 insert—

"(4) The amount of financial accommodation obtained by the Commission under this section must not at any time exceed $300,000,000."

The three amendments circulated in my name follow the general thrust of my contribution to the second-reading debate. The Opposition is concerned that the Bill is very wide and that it relies on the management capacity of the Rural Finance Commission and assumes the relationship between the commission and the Government of the day to which the Minister has referred. However, the present Minister for Agriculture and Rural Affairs will not always be responsible for the commission; nor will the existing commissioners always be in charge of that organisation.

Given that the commission has approximately $100 million in equity in its current lending, which at present stands at approximately $250 million, the Opposition believes a limit of $300 million will allow the commission to undertake borrowings to increase its activity significantly and it would not in any way restrict its capacity but it would provide an outer parameter.

If, in due course, as one would expect, that proves to be too low, of course Parliament will pass a further amendment. That course would not be unusual; it occurs often. The amendment that I have moved and the consequential amendments in my name set down some parameters.

The Hon. B. P. DUNN (North Western Province)—The National Party cannot accept the amendment. During the second-reading debate it was clear even from the contribution of Mr Knowles that the Rural Finance Commission is a responsible organisation.

The Hon. R. I. Knowles—Under the present management.

The Hon. B. P. DUNN—Why put a parameter on the commission to begin with if in Mr Knowles’s argument it is suggested that it is probably at a level that the commission will not reach, anyway? Why have it?

The Hon. R. I. Knowles—To stop the Treasurer directing the commission to borrow $400 million and investing $100 million.

The Hon. B. P. DUNN—I would certainly be horrified if that situation were to eventuate.

The Hon. R. I. Knowles—I hope it does not.

The Hon. B. P. DUNN—I believe the proposed legislation puts a certain degree of trust in the management of the commission. The National Party has faith in it. The commission has proved to be a very responsible organisation and I expect any Government will rue the day that it takes the action that Mr Knowles suggests the Treasurer might take in requesting the commission to borrow an excessive amount.

The commission is accountable to Parliament and to the people and that action would not be tolerated. There is no grave danger in passing the proposed legislation in its present form. I reiterate that the National Party has confidence in the commission. The National Party believes the commission needs the flexibility provided by the Bill and, therefore, the National Party opposes the amendment.

The Hon. E. H. WALKER (Minister for Agriculture and Rural Affairs)—It is almost redundant for me to speak. However, I simply reinforce the comments of Mr Dunn. He is correct. The amendment that Mr Knowles has moved and the consequential amendments standing in his name are highly precautionary. I have had discussions on this issue with Mr Ian Morton and others from the Rural Finance Commission and, like Mr Dunn, they consider that this is an unnecessary limit.

I accept the comments made by Mr Knowles and by Mr Dunn that the commission must be careful, but I reassure the two honourable members that the Government is at
pains to ensure that the commission has the flexibility it needs and is given the chance to function in the honourable and capable manner in which it has functioned in the past. I do not believe this limit is necessary and, therefore, the Government does not accept the amendment.

The amendment was negatived, and the clause was agreed to.

Clause 5

The Hon. R. I. KNOWLES (Ballarat Province)—I move:
2. Clause 5, line 36, after “persons” insert “except the Crown, the State or an agency of the State”.

The proposed amendment is consequential. It does not cover quite the same point as the previous amendment, which was negatived, but I have already explained the reason for it.

The amendment was negatived, and the clause was agreed to, as were clauses 6 to 12.

Clause 13

The Hon. R. I. KNOWLES (Ballarat Province)—I move:
3. Clause 13, page 6, after line 5 insert—

“( ) After section 25 of the Principal Act insert—
Conditions of investment, etc. with State agencies, etc.

“25AA. (1) The Commission must not at any time lend moneys to, deposit moneys with or make moneys available to, the State or an agency of the State if the sum of the amounts so lent, deposited or made available and the amounts proposed to be lent, deposited and made available would exceed $25,000,000.

(2) Sub-section (2) does not apply to the lending, depositing or making available of moneys—
(a) as expressly required or permitted under this Act or the Rural Finance Act 1958; or
(b) for the purposes of any superannuation or long service leave fund; or
(c) for the purchase of any securities issued to the public by an agency of the State.”.

The amendment was negatived, and the clause was agreed to.

The Bill was reported to the House without amendment, and passed through its remaining stages.

The sitting was suspended at 6.32 p.m. until 8.8 p.m.

PAY-ROLL TAX (AMENDMENT) BILL (No. 2)

The debate (adjourned from the previous day) on the motion of the Hon. D. R. White (Minister for Health) for the second reading of this Bill was resumed.

The Hon. J. V. C. GUEST (Monash Province)—The Bill indexes the threshold for the exemption from payroll tax and indexes the threshold at which the 1 per cent surcharge, making a total of 6 per cent, payroll tax rate comes into force. For that reason the Liberal Party, as has been indicated in another place, will support the Bill, which provides some small tax relief for Victorian business.

However, the Bill has been introduced in the context of Victoria remaining the highest taxed State in Australia by almost any criterion one can think of. In 1985–86 the average taxation paid in Victoria was $850 for every man, woman and child. In New South Wales it was $833; in Queensland, $554; in South Australia, $649; in Western Australia, $687 and, in Tasmania, $570.

The PRESIDENT—Order! Will the honourable member indicate from which papers he is referring?

The Hon. J. V. C. GUEST—I refer to the Australian Bureau of Statistics data. The calculations of the Government itself show that taxation receipts have been increased
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during the five Budgets of the Government by nearly 70 per cent against an inflation rate of approximately 45 per cent, if measured by the consumer price index or the implicit price deflator. If one takes into account the true taxation increases, which include the public authority dividend and other receipts that the Government sought to redefine, it is more like 86 per cent, almost double the rate of inflation.

Payroll tax receipts have risen at a far greater rate than in any other State of Australia since the Labor Government came into office. That fact is in direct contradiction of the Government's claim to be promoting a business environment favourable to employment which will give Victoria a comparative advantage that encourages business to set up in this State.

The other comparison which indicates that the claim of the Government to be giving tax relief this year is hollow, is that against the total payroll tax receipts estimated for this year of $1285 million, the relief estimated by the Government is only $3.7 million, less than half of 1 per cent of the total payroll tax take.

In the context of this claim to be giving tax relief and restraining the growth of tax to the rate of inflation, when measured by the implicit price deflator or the consumer price index of something less than 8 per cent, the projected increase in the total receipts for payroll tax for this financial year is 9 per cent, the highest by far of any State in Australia.

The comparable figures from the estimates in the Budget Papers of other States are 7 per cent for New South Wales, 6.8 per cent for Queensland and down to 0.3 per cent for Western Australia. So much for the Government's claim! So much for the facts which contradict them!

It is particularly regrettable that the record of higher growth of payroll tax in Victoria than in other States of Australia over the past four or five years and also the highest projected growth this year—

The Hon. B. W. Mier—Victoria has the lowest unemployment rate.

The Hon. J. V. C. Guest—Mr Mier has tried to make something of the fact that Victoria has the lowest unemployment rate in Australia. Victoria has always had the lowest unemployment rate in Australia, with the exception of one or two quarters, within the past 25 or 30 years. There is, indeed, even something in the view of Sir Joh Bjelke-Petersen that the unemployed or unwilling from the southern States go to Queensland.

The Hon. W. R. Baxter—They would be mad if they didn't.

The Hon. J. V. C. Guest—I agree with that conclusion without necessarily agreeing with the reasoning for the premises. Victoria has also imposed its high payroll tax in an international context where Australia is third only to Austria and Sweden among the Organization for Economic Cooperation and Development countries in the rate of payroll tax imposed on employers, a tax which is imposed regardless of whether the business is profitable.

The Opposition regrets that there is a payroll tax. It regrets that the Government has not followed the lead of other Governments in Australia by reducing payroll tax substantially, but it supports the Bill because it does provide a small measure of relief and to that extent it can be commended.

The Hon. R. M. Hallam (Western Province)—The Payroll Tax (Amendment) Bill (No. 2) implements the Government's initiatives regarding payroll tax as outlined in the Budget. It increases the basic exemption level at which the tax of 5 per cent is applicable from a payroll of $230 000 to $250 000, applying as from 1 January 1987, increases the payroll level from $1.2 million to $1.3 million at which the increased penalty of 6 per cent of payroll tax applies from 1 January 1987, and sets out the basis upon which that $1.3 million is to apply.
As it is halfway through the year, the Bill establishes a formula which for the first half of the financial year, from July to December 1986, sets the threshold at $600,000, and that will be increased to $650,000 from January to June 1987. Thus the total of $1.25 million becomes the threshold at which 6 per cent additional penalty is to be incurred.

The Bill goes to some lengths to provide a tapering component to prevent the additional penalty where an employer incurs the one dollar which it takes to catch that 6 per cent penalty. The National Party has no argument with that. It has maintained consistently that payroll tax is the most iniquitous form of tax ever devised and is counterproductive, and emphasises the fact that at a time of high unemployment it is hard to sustain an argument in favour of it.

The National Party believes it is bizarre that at this time of high unemployment the Government should be penalising employers, the very people best equipped to turn the economy around. Against that, the National Party concedes that payroll tax has become an enormous component of the State's tax take and, in fact, currently represents about 38 per cent of total revenue.

The National Party is pragmatic in its comments regarding the abolition or the reduction of payroll tax. Nonetheless, the Government itself talks about taking every opportunity to review and make the adjustments that are necessary and feasible. I have no argument with the feasible part, but I argue with the necessary aspect, because in my view any opportunity to reduce payroll tax is necessary; whether it is feasible is another question. I say that as an employer who has struggled for many years to meet the monthly commitment of payroll tax and I have recorded many times in the Chamber that I have an abiding hatred for the tax and everything it stands for.

In the second-reading speech and, indeed, in the Budget Papers, the Government makes great play of the fact that the increase of 8.7 per cent in the threshold is well in excess of the estimated growth in average weekly earnings, and that, therefore, some relief is provided against the payroll tax.

I do not believe any bouquets are due under that clause. If one examines the Budget documents in detail one finds that there is expected to be a 9 per cent growth in the yield from payroll tax, irrespective of what the Treasurer says about relief given at the two extremes of the scale. That 9 per cent increase compares with a total estimated increase in revenue of only 6.5 per cent. The point I make is that, despite what the Government is saying, the State's dependency on payroll tax is increasing, not reducing, so the comments the Treasurer makes about providing relief have to be taken in their proper context.

The National Party had indicated many times that it does not like payroll tax and that it is counterproductive, but in this case it concedes that some relief is being given, particularly at the lower end of the market where small employers struggle to meet payments. With those reservations, I signify the National Party's support of the Bill.

The motion was agreed to.

The Bill was read a second time, and passed through its remaining stages.

HEALTH (AMENDMENT) BILL (No. 2)

The Hon. D. R. WHITE (Minister for Health)—I move:

That this Bill be now read a second time.

It is essential that health services and facilities are planned and coordinated if funds in the health area are to be spent prudently and productively.

This imposes an obligation on the Government to ensure that services and facilities are not established haphazardly, but in a manner which ensures that Victorians receive full value for every health dollar.
With this in mind, the Social Development Committee was asked by the Executive Council in 1983 to undertake an inquiry:

To determine the desirability or otherwise of introducing certificate of need legislation that would enable the Health Commission of Victoria to regulate the provision of capital, facilities and application for use in diagnosis or treatment for medical purposes.

Honourable members will recall that in its subsequent report to the Parliament, the Social Development Committee rejected the notion of certificate of need legislation as adopted in the United States of America.

Instead, the committee advocated the introduction of a "registration of intent" scheme which, while meeting the principles of certificate of need, would be based on an effective system of health planning.

The purpose of the Bill is to implement the substance of the recommendations made by the Social Development Committee. It amends the Health Act 1958 to introduce a "registration of intent" scheme utilising planning criteria.

The planning criteria will be the nucleus around which the registration of intent scheme will revolve and are identified in the Bill as the "Health Services Development Guidelines."

The guidelines will be the blueprint of Health Department Victoria for identifying the present and forecasting the future health needs of the community, and will be developed with full community participation, and with regard to anticipated health service requirements, technological advances and demographic changes.

They aim to provide for the orderly development of health services in Victoria in both the private and public sectors. They will set out to improve the quality and distribution of health facilities and services and avoid unnecessary and costly duplication. Above all, the guidelines will mould and shape the future direction of health care services in this State.

The significance of the guidelines in the context of the proposed legislation is that they will constitute the yardstick against which proposals under the registration of intent scheme will be evaluated and assessed.

Registration of intent will apply only to those facilities which involve a major capital investment and which generate substantial recurrent expenditures in the health area. Essentially, it will encompass private hospital developments and what is sometimes referred to as high technology diagnostic and therapeutic equipment.

Under the registration of intent scheme, persons proposing to establish a new private hospital or alter or extend an existing hospital, change the classification or number of beds at such a hospital or who intend to install, replace or relocate a major item of diagnostic or therapeutic equipment, will be required to first seek the approval in principle of the chief general manager.

The chief general manager must consider the proposal within the framework of the health services development guidelines. In other words, the chief general manager must make a decision in terms of the rationalisation and the equitable distribution of health resources to the citizens of this State.

Provision is made in the Bill for public comment or objections to a proposal, and for the submission of alternative suggestions. Once approved, a registration of intent will be valid for two years in the case of private hospital developments, and for twelve months in other instances.

A registration of intent will be a mandatory requirement for subsequent registration or approval of the hospital or equipment and, for the purpose of considering other proposals under the Act, will count as if the facility were already in existence.

The registration of intent system is an important innovation in health law in Victoria and offers a number of advantages over the present inadequate mechanisms currently contained in the Health Act.
Perhaps the most important is that it will avoid the need for prospective private hospital developers, and purchasers of major diagnostic and therapeutic equipment, to incur substantial initial outlays without a guarantee that the hospital or equipment will subsequently be approved or registered by Health Department Victoria.

Apart from the proposals relating to registration of intent, the opportunity of this Bill is also being taken to make a number of other amendments to the Health Act and related legislation.

In broad terms, the amendments are designed to enable municipal councils to delegate various powers to their officers; exempt certain public buildings from a number of provisions of the Act; adjust the maximum fees payable for registrations and other services; and correct anomalies and discrepancies which have accrued over time.

The purpose of each proposed amendment is explained in the explanatory notes which will accompany the next print of the Bill.

In the meantime, I will arrange for a copy of the notes to be made available to the Opposition and the National Party. I commend the Bill to the House.

For the Hon. M. A. BIRRELL (East Yarra Province), the Hon. H. R. Ward (South Eastern Province)—I move:

That the debate be now adjourned.

The Bill appears to be of wide significance. I am not sure whether the Minister for Health has discussed it with Mr Birrell. I indicate that the Opposition is prepared to agree to the adjournment of the debate until the next day of meeting, on the understanding that it may take some time for the opposition parties to go through it and seek guidance from the Minister.

The motion for the adjournment of the debate was agreed to, and it was ordered that the debate be adjourned until the next day of meeting.

LABOUR AND INDUSTRY (REGISTRATION FEES) BILL (No. 2)

The debate (adjourned from the previous day) on the motion of the Hon. D. R. White (Minister for Health) for the second reading of this Bill was resumed.

The Hon. HADDON STOREY (East Yarra Province)—The Bill is small, but significant. It seeks to increase the fees that are charged under the Labour and Industry Act, in particular for the registration of small companies. If one looks at the Fourth Schedule to be inserted in the Act by the Bill, one finds that the fees will be increased by small amounts, such as from $23 to $24, from $53 to $56 and from $353 to $377. The Minister has informed honourable members that this represents an increase of approximately 7 per cent.

The Government has proclaimed, in its economic policy, that it wants to foster and develop business, particularly small business, in this State. To bring in arbitrarily an increase of fees applicable to small business, irrespective of the impact it has upon businesses and the ability of businesses to pay, is totally inconsistent with the Government's policy. The Opposition believes the fees bear no relationship to the value given to small business by the services of the department.

In fact, under this Bill, there could be a business that has to pay $24 in fees, while another has to pay $377, although there is no difference in the level of services they receive or do not receive from the department.

Therefore, the fees are being used simply as a mechanism for raising revenue for the Government. I understand that the total amount that will be raised by way of increased revenue through this Bill is approximately $1 million. That may not sound like a large amount in the context of the total revenue of the Government, but it is a significant
amount and many small businesses would find it difficult to cope with the increase because they operate on very fine margins. They are not able to increase the prices for their services by 7 per cent.

Indeed, through the Premier and the Treasurer, the Government has recommended to businesses that they do not increase their charges, that they keep their charges down, yet the Government is institutionalising the factor of inflation in this sort of Bill, because it is simply increasing the fees by reference to inflation, irrespective of the need for the extra money for services and irrespective of the ability of businesses to pay.

Therefore, the Opposition does not like this Bill. It does not believe the Government has given any sensible thought to the needs of small business or to the need for the increase in fees for the services provided by the department. However, since it is a Budget Bill and is consistent with other Budget Bills in which the Government has increased fees, the Opposition feels it cannot oppose it in this House. The Government ought to examine the whole question of simply increasing fees by reference to the consumer price index, as it is doing. All that that does is to increase the cost of production or the cost of providing services, and that cost is then passed on to the customer.

It is no wonder that Victoria, as with other parts of Australia, has a higher rate of inflation than most of its business competitors overseas and most of the countries that we regard as comparable to Australia in their socioeconomic infrastructure.

Therefore, with some reluctance I indicate that the Opposition looks with disfavour upon the Bill, but it will not oppose it.

The Hon. W. R. BAXTER (North Eastern Province)—I should like to lodge a protest about the propensity of this Government to jack up all manner of taxes and charges to an extent equalling increases in the consumer price index or a little less and claim justification for the increase on the basis that it is just keeping up with inflation.

I believe Mr Storey used the term that “that institutionalises inflation”, which is a fairly apt description. If we are to accept this manner of budgeting in this State, it just becomes like a dog chasing its tail—inflation will continue to feed upon itself and we will never be able to control inflationary pressures.

It seems to me that it is an attitude developed from people who have traditionally drawn their incomes through salaries and wages. Until recently, when that very welcome development of wage discounting was introduced, those people were accustomed to having their incomes adjusted in accordance with the consumer price index. As the consumer price index increased, so did their wages. They did not really feel it; it was painless. However, I might say that it is not painless to self-employed persons, particularly small business people who are finding it increasingly difficult to make ends meet. That is especially true of businesses in rural Victoria, because their customers—who are, by and large, primary producers—are suffering a severe income downturn as a result of overseas prices and some unfair trading practices by the European Economic Community and some other trading blocs, and, of course, they are buying less from small businesses in local towns.

These businesses simply cannot face, year after year, increases in licence fees at or about the level of the consumer price index, particularly when the need for registration escapes them, as in some instances or, in others, when the service rendered does not seem to them to have much validity.

I simply place on record that the community and Governments cannot go on ad nauseam increasing charges according to the level of the consumer price index and justifying that increase on that basis.

The motion was agreed to.

The Bill was read a second time, and passed through its remaining stages.
WATER (MISCELLANEOUS AMENDMENTS) BILL

The message from the Assembly relating to the amendments in this Bill was taken into
consideration.

Assembly's amendments:

1. Clause 4, line 12, after "4." insert "(I)".
2. Clause 4, line 14, after "may" insert "subject to the by-laws".
3. Clause 4, line 15, after this line insert—
   "(2) The Minister must be satisfied that the method of representation on an advisory body takes into
   account the views of the community to be represented by that body and that body's role before
   recommending to the Governor in Council any by-law relating to the constitution of an advisory body.".
4. Clause 4, line 16, omit "(2)" and insert "(3)".
5. Clause 4, line 18, omit "(3)" and insert "(4)".
6. Clause 4, line 18, omit "shall be entitled to" and insert "may be paid".
7. Clause 4, lines 21 and 22, omit all words and expressions on these lines and insert—
   "(5) The Commission may abolish an advisory body after giving the body three months notice of its
   intention to do so.
   (6) An advisory body may appeal to the Minister against a decision of the Commission to abolish the
   body.
   (7) The decision of the Minister on the appeal is final.".
8. Clause 4, line 23, omit "(5)" and insert "(6)".
9. Clause 4, page 3, line 11, after this line insert—
   "(2) Any body or Council established to advise the Commission on any matter relating to the Principal
   Act before the commencement of this section is deemed to be an advisory body established under section
   228 of the Principal Act as amended by this section.".

The Hon. D. R. WHITE (Minister for Health)—I move:

That the Council do not insist on its amendment with which the Assembly has disagreed and that it does agree
with the Assembly amendments in this Bill.

In speaking on this matter, I direct the attention of the House to the fact that, when this
Bill was last before the House, Mr Baxter spoke at some length on behalf of the National
Party about the fact that some proposed amendments were designed to remove the
autonomy and capacity of irrigators to establish advisory boards.

This matter has now been given further consideration in another place and I have been
advised that, after consideration, the proposed amendments met with the approval of all
parties.

The Hon. H. R. WARD (South Eastern Province)—The Opposition has not been
advised of the message that has been passed on to the Minister.

The Hon. D. R. White—That is rubbish; it passed through another place today.

The Hon. H. R. WARD—So I have been told; the Minister advised me of it, and I thank
him. Mr Long, who would normally handle this measure, had not been advised of this
when he left at about 6 o'clock this evening and, accordingly, I seek an adjournment of
the debate until the next day of meeting.

The Hon. D. R. White—Wait to hear the remarks of the National Party before you seek
the adjournment of consideration of the matter.

The Hon. H. R. WARD—On behalf of Mr Long, I move:

That the debate be now adjourned.
The Hon. W. R. BAXTER (North Eastern Province)—Since I am being invited to make a contribution, I shall do so. However, I am certainly not opposed to the adjournment sought by Mr Ward, as Mr Long is absent.

I have been advised of the discussions in another place and the fact that the other place has disagreed with the amendment made at my suggestion and agreed to by this House a fortnight or so ago. I am pleased that, although the other place disagreed with that amendment, it has taken on board some of the suggestions that were made on that occasion, and has made further amendments to the Bill.

I have had the opportunity of having discussions with officers of the Rural Water Commission and, although I am not entirely happy with the substitute amendments, I am prepared to accept them. My concern is that existing section 22B, which was inserted in the principal Act by this House when the Water (Central Management Restructuring) Bill was before Parliament in 1984, actually provided for irrigators to decide for themselves at their annual general meeting whether an advisory board would be established. That seems to be a more democratic way of doing it.

A matter that I had not realised or contemplated was that proposed new section 22b was far more restrictive than envisaged in that it referred to districts where I took it to refer to areas. That would have meant, of course, that in the Goulburn-Murray Irrigation District, there would have been, under the existing section 22b, statutory provision for only one advisory board for the whole of the Goulburn-Murray Irrigation District.

My purpose in 1984 was to ensure that there was statutory provision for an advisory board in each of the irrigation areas which comprised the Goulburn-Murray Irrigation District, which is quite a number. Therefore, I realise I was wrong at the time, to that extent.

I am entirely happy with the amendment in that it refers to the Rural Water Commission appointing advisory boards—

The PRESIDENT—Order! It would appear that Mr Baxter should be debating the question of the adjournment. He will have plenty of opportunities to debate the matter at a later stage.

The Hon. W. R. BAXTER—I was a little confused as to what I was being invited to speak on so I took the liberty of launching into a full-scale discussion, but I am really indicating that the proposed amendment does not go entirely to all the areas I addressed; but I am prepared to accept it.

I am not opposed to the adjournment if the Opposition believes it is necessary; but on the other hand, I do not necessarily want to delay the Bill.

The motion for the adjournment of the debate was agreed to, and it was ordered that the debate be adjourned until the next day of meeting.

APPROPRIATION (1986–87, No. 1) BILL AND WORKS AND SERVICES (FURTHER ANCILLARY PROVISIONS) BILL AND BUDGET PAPERS, 1986–87

The debates (adjourned from October 29) on the motions of the Hon. D. R. White (Minister for Health) for the second reading of these Bills were resumed, and the debate (adjourned from October 29) was resumed on the motion of the Hon. E. H. Walker (Minister for Agriculture and Rural Affairs):


The Hon. D. E. HENSHAW (Geelong Province)—The 1986–87 Budget has won wide acclaim from commerce and industry. Indeed, it has won wide acclaim throughout Victoria.

The Hon. W. R. Baxter—There wasn’t too much in my area!
The Hon. M. A. Birrell—I must have missed those comments, too!

The Hon. D. E. Henshaw—This is the fifth Budget formulated by Mr Rob Jolly. He, together with the Director-General of the Department of Management and Budget, Dr Peter Sheehan, has won a deserved reputation for innovation in moving towards more effective economic management of Victoria's assets and resources.

It is a matter of some distress that this dedicated Treasurer—who has so committed himself to the proper and sensible management of the State's resources and assets that he has placed his own health in jeopardy on occasions—should have his Budget labelled as a fraud, a lie and so on.

The whole exercise by the Opposition to try to show fraud—which was so labelled by a prominent member of the Opposition in this Chamber in a cynical exercise—seems to me to have backfired, and so it should have.

The Hon. B. A. Chamberlain—He did not say that; he said it can be characterised as such.

The Hon. D. E. Henshaw—It is my purpose tonight to direct my remarks to the form of the Budget rather than to the details of its content. It is an example of the ongoing development and improvement of the financial papers of the Government. Since the current Government came to office, there have been a number of reforms. I should like to enumerate a few of them.

In the first place, I should like to refer to program budgeting exercises and the understanding and management of outputs rather than concentrating on the appropriated inputs.

As the Auditor-General of Victoria explained to the Estimates Committee, and as reported in Hansard of 17 October at page 7:

The introduction of program budgeting is a significant development because it identifies programs which are output orientated rather than input classifications which go towards those programs. Therefore, one can relate program allocation to a policy.

However, it is also interesting to note that the Auditor-General went on to make another remark which reflected that rather positive view of the present Government. On page 6 of Hansard of the Estimates Committee of 17 October, he said:

I certainly agree that the most significant development that has taken place has been in the adoption of program budgeting . . . South Australia was one of the first States to adopt program budgeting but it would be fair to say that Victoria has advanced further in this field than have other States.

I quote the Auditor-General because of the status and the impartiality of that office, and also on the basis that he has a recognised and respected background in such matters.

The Hon. M. A. Birrell—Why are you quoting from the proceedings of the Estimates Committee if you do not agree with it?

The Hon. D. E. Henshaw—I am quoting the Auditor-General.

The Hon. M. A. Birrell—Where was he speaking? At the Estimates Committee!

The Hon. D. E. Henshaw—The second reform encouraged by the Government is aimed at improving the efficiency of large trading authorities. The Cain Government has introduced a public authority policy comprising sets of guidelines to be followed by major business undertakings, such as the State Electricity Commission, the Gas and Fuel Corporation of Victoria, the Melbourne and Metropolitan Board of Works, the Port of Melbourne Authority and the Grain Elevators Board. Those guidelines cover the areas of economy and finance, financial asset and liability management, accounting and reporting, performance indicators and investment evaluation guidelines.
These management innovations have encouraged consistency and sound management in those trading authorities and price increases have been minimised. There has been, at the same time, a significant return to Victoria on its equity in these authorities.

Apropos of these guidelines, I again quote the Auditor-General in his evidence to the Estimates Committee as recorded in daily Hansard at page 42 of 14 October. He said:

... it is also appropriate to point out that there have been significant developments in public accountability of major Government trading authorities in Victoria. They are now required in their annual reports to produce information that I consider to be significantly improved on previous years and the recent announcement concerning rate of return and performance reporting represents another major step forward.

The Auditor-General was commenting on the development and the improvement in the nature of the Budget Papers.

A third area where there has been reform in the Budget Papers concerns annual reporting legislation. This has achieved significant improvements in the standard, consistency and timeliness of reports presented to Parliament.

The further development of the attributes of early reporting is in hand and I will comment on that in a moment; but first I again quote from the Auditor-General who, on page 12 of the daily Hansard report of the Estimates Committee of 17 October, said:

The annual reporting legislation in Victoria is a significant development by the Victorian Government.

The Hon. B. A. Chamberlain—Recommended by an all-party committee!

The Hon. D. E. HENSHAW—The fourth reform that I comment on briefly is the establishment of a Bureau of Internal Audit. The Cain Government is unique within Australia in having appointed a Comptroller-General of Finance. One of this responsibilities was the establishment of a Bureau of Internal Audit to aid and promulgate internal audit policies throughout the Public Service, thereby improving public sector management.

The Hon. J. V. C. Guest—that is a bit late. It was recommended three or four years ago by the Economic and Budget Review Committee.

The Hon. D. E. HENSHAW—Mr Guest is correct. The fifth reform is improved Budget process and documentation. That has always been widely acknowledged as having been an enormous improvement and it continues to be improved with the ongoing adoption and refinement of program budgeting. More development is in train and I shall comment briefly on those. It was announced in the 1985–86 Budget speech by the Treasurer that the Government had embarked upon a review of the State's financial legislation. That review is an ongoing Government reform of public administration in economic and financial management. It follows the earlier reforms I have already indicated such as program budgeting, operational budgets for trading authorities and the implementation of the annual reporting legislation.

The Government views these moves as important activities for improving the efficiency and effectiveness of administration and reviewing the level of accountability of Executive Government to Parliament and the people.

The Government considers that the capacity to develop the reforms is presently constrained by the existing framework of financial legislation. It is, therefore, proposed that a wide-ranging review of all resource management and accountability legislation be carried out that will highlight the generic significance of the title of legislation resource management and accountability. I shall come back to that in a moment.

It is the aim of this new resource management and review legislation to develop a new and more flexible resource management and accountability framework that meets current day administrative demands and is also capable of adjusting to future changes.

It is aimed at encouraging a performance-oriented style of financial management in place of the administratively-oriented financial management that occurs under the present
legislation. Past emphasis on detailed account controls will, therefore, be replaced by performance management and reporting controls.

Current statutory requirements impose disproportionately greater effort than is necessary for the making of relatively minor financial decisions by policy makers and managers.

The bias in current legislation is towards compliance with the law by prescribing in detail the actions of officers and so discounting the value of effectiveness and efficiency through discretionary decision making.

It will be a major challenge to strike the balance between the requirements of management freedom to encourage initiative on the one hand and the need for control requirements which hold managers accountable on the other hand, thereby securing the public purse. As I shall indicate during my speech, the need exists for Parliament to be involved in setting that balance between those two requirements and I would suggest that the ideal mechanism is by a joint Parliamentary committee such as the Public Accounts Subcommittee which operates under the Economic and Budget Review Committee.

The proposed legislation also proposes that the resource management and accountability legislation seek to have full regard for the whole range of resources including both physical assets and human resources. This explains the significance of the word “resource” in the generic title of the legislation.

Some other resource management issues to be given particular attention are, firstly, the roles and responsibilities of Parliament, the Treasurer, Ministers and the Executive in resource accountability and management matters; secondly, the major resource management and accountability processes including appropriation, budgeting, accounting, human resource control matters, annual reporting, asset and liability management, funds management, risk management and procurement systems and so on; thirdly, the structure and operation of the State’s accounts; fourthly, the resource management and accountability obligations of statutory authorities; fifthly, the delegation of resource management powers; and, sixthly, the role and nature of external audit.

I again remark that Parliament has a role in being involved in the refinement of those various considerations in something similar to a Parliamentary committee with its associated research facilities.

It was initially anticipated that this legislative framework would be in place some time in 1986. However, it is now clear that it will not be. It is my hope that this program of legislation will be pushed and I certainly hope that the Government’s enthusiasm is not waning.

Incidentally, an appreciation of these developments can be found in the 1986 Annual Research Lecture to the Victorian Division of the Australian Society of Accountants, which lecture was given by the Victorian Auditor-General.

The sorts of changes envisaged in this developing form of the Budget Papers and processes require the expenditure of resources and require time for development and implementation.

Earlier this year I visited the Canadian Parliament and there discussed with the chairperson of the Canadian Parliamentary Public Accounts Committee, Miss Aideen Nicholson, the Canadian system. The Canadian Parliament is wrestling with the sorts of problems that have a commonality with ours, problems such as whether to classify severance payments to employees as capital or recurrent expenditure, problems with asset definition and valuation and how to present Budget information so that it is meaningful to legislators.

I might refer to the benefits of accrual accounting—a popular subject with the Honourable James Guest and with the Victorian Auditor-General. Of course, there are areas where accrual accounting would be beneficial but its introduction incurs costs which might take some time to justify across the board.
It seems to me that as a consequence we might end up, as an interim measure, with a range of accounting systems across the spectrum of Government finance. There is no great advantage, for example, in having accrual accounting where a body or entity owns no assets, incurs no liabilities and accrues no revenue.

This can be illustrated by a reference to the situation in the United Kingdom. I was also fortunate enough to have discussions with the Chairman of the United Kingdom Parliamentary Public Accounts Committee, Mr Robert Sheldon, MP. The United Kingdom Government has a diverse range of practices within the Government sector. For example, within the inner Budget sector, accounting is done on a cash basis for the grants voted by Parliament except where there are involvements with commercial style operations in, for example, insurance, the operation of dockyards or ordnance production.

Accounts are prepared on an accrual basis with full accounting for capital assets, including depreciation. In the non-Budget sector, specifically nationalised industries, accounting is on a full accrual basis, usually on a current cost—that is, inflation adjusted—basis.

Local authorities in England, including local government authorities, account on a semi-accrual basis for most of the activities where accruals are made for financial assets and liabilities, but not for capital expenditure.

In concluding my remarks I should like to highlight two problem areas. Firstly, the architects of financial and Budget reform have no objective basis for knowing the information needs of Parliamentarians. Secondly, there is an increasing gap between the complexity of financial management and reporting formats and the level of comprehension by most Parliamentarians.

A recent joint report by the Auditor-General of Canada and the Comptroller-General of the United States of America has highlighted the diversity of information needs that must be satisfied by budgetary papers. That report identified six groups of users. The first group is legislators, that is, Parliamentarians; the second is citizens, the media and other levels of government; the third is Government planners and managers; the fourth is economists; the fifth is corporate users; and the sixth is lenders, security dealers and so on.

All these groups have different needs. It is my strong suggestion that the question of what we, as legislators, need, might be more sensibly determined by a Parliamentary committee such as the Economic and Budget Review Committee, where there are facilities for both constructive bipartisan discussion and support research.

Likewise such a committee may be able to make a constructive contribution to the problem of understanding by Parliamentarians of the developing financial and budgetary processes.

I commend the Budget to the House, and I particularly commend the Treasurer and all those involved in its development and formulation.

On the motion of the Hon. J. V. C. GUEST (Monash Province), the debates were adjourned.

It was ordered that the debates be adjourned until the next day of meeting.

RETAIL TENANCIES BILL

The Hon. D. R. WHITE (Minister for Health)—I move:

That this Bill be now read a second time.

It is an important step in the Government's commitment to fostering the further development of small business in Victoria, and in particular our commitment to promoting a vigorous retail sector where there is opportunity for new establishments to be developed in competition with the larger chains.
Consumer interests are well served by such competition, and the Government has a clear obligation to ensure that a competitive environment is maintained and small business is not discriminated against. This approach has been taken with a range of Government initiatives impacting on small business. If we achieve the right balance between large and small, the Victorian economy will be all the stronger.

The Bill is the result of years of investigation, research and consultation aimed at removing significant inequities in Victoria’s retail tenancy laws. The Government recognised some time ago that unfair leases are a very real problem for many small businesses and, in its election platform in 1982, concluded that the fairest solution to the problem for everyone concerned was to require a standard fair lease to be used in all such transactions.

Although the development of regional shopping complexes started in Victoria some twenty years ago, the rapid proliferation of these complexes has taken place in the past eight or nine years. They have provided opportunities for large institutional investors and small entrepreneurs and their success depends on a close relationship between landlord and tenant in the complex. It is recognised that retailers in shopping complexes are in a different position from those in shopping strips and, although legislation has been designed to protect all small retailers, special provisions have been made for those in the complexes. The Bill has been prepared after detailed research and extensive consultation.

The Victorian Small Business Development Corporation carried out a study of problems affecting small businesses in relation to leases of premises and forwarded its finding and recommendations to the then Minister for Economic Development in October 1982. The main emphasis of the study was directed towards retail shopping premises with particular attention to leases within regional shopping centres. Throughout the retail industry the same concerns were raised by many tenants and a number of landlords about abuses of the landlord/tenant relationship.

Most of these abuses stemmed from the terms and conditions of the leases and the lack of understanding of the effect these terms and conditions might have on a tenant. Landlords may also be disadvantaged at times by an inability to enforce some reasonable conditions of the lease and ensure that the premises are properly used by the tenant. As a result of that study recommendations were made for a fair standard lease and for legislation to enforce it.

In September 1983 a Retail Tenancies Advisory Committee was appointed by the then Minister for Economic Development, the Honourable Ian Cathie, to advise on how the Government should implement its policy concerning retail tenancies.

The Retail Tenancies Advisory Committee was chaired by the Honourable Michael Arnold, MLC, and had representatives from the Building Owners and Managers Association of Australia Ltd (Victorian Division), the Shop Distributive and Allied Employees Association (Victoria Branch), the Melbourne and Metropolitan Board of Works (Ministry of Planning and Environment), the Institute of Valuers, the Victorian Chambers of Commerce and Industry, the then Real Estate and Stock Institute, the Ministry of Consumer Affairs, the Retail Traders Association of Victoria, the Small Business Development Corporation, the then Department of Industry, Commerce and Technology and a small business tenant.

As part of its terms of reference, the advisory committee was required to consider the implementation of legislation for a “fair standard lease”. It found that such a lease would be very difficult to draft to cover the whole range of retail situations and would be large, costly and difficult to apply. The committee also noted that reports from other inquiries, although touching on the concept of a “fair standard lease” or “model lease”, did not attempt to formulate such a document.

It was the advisory committee’s view that protection could be afforded to retail tenants by legislation which proscribed certain practices or conditions in leases on retail premises.
and ensured certain rights for tenants if they were not provided for specifically in leases, without the necessity of enshrining a fair standard lease in the legislation.

The advisory committee's report was submitted to the Minister in February 1984, addressing various reforms relating to rental charges, bonds and leases. It recommended the protection of retailers by legislation, setting out the rights and obligations of both landlords and tenants, and recommended the proposed establishment of a retail tenancy tribunal to adjudicate on rental issues.

The Government then sought public response to the recommendations and in August 1984 appointed a further consultative committee, also chaired by the Honourable Michael Arnold, MLC, to make recommendations on which aspects of the report should be implemented and the best means of doing so.

A large number of submissions were received, and these were extremely helpful to the consultative committee. The majority of the submissions supported the thrust of the advisory committee's report and provided useful points in implementing the report's recommendations.

In making its recommendations the consultative committee considered the matters raised in these submissions as well as the existing and proposed legislation of the other States and Territories of Australia.

The positions in other States and Territories are as follows: in Queensland, after two inquiries were held, the Retail Shop Leases Act came into operation in early 1984. Western Australia held an inquiry into commercial tenancy agreements in 1983, following which the Commercial Tenancy Retail Shops Agreement Act 1985 came into operation. There are strong similarities between the Queensland and Western Australian legislation and this Bill.

In South Australia also, inquiries were held in the early 1980s which resulted in the South Australian Statutes Amendment Commercial Tenancies Act 1984. South Australia established a division of the Commercial Tribunal under the Commercial Tribunal Act 1980 which has exclusive jurisdiction to hear and determine any matter arising from a commercial tenancy agreement. New South Wales is currently inquiring into the need for and scope of retail tenancy legislation.

SCOPE OF LEGISLATION

The scope or extent of the proposed legislation was a matter of some controversy in the reviews and it involved decisions on the type of tenancies the law should control, and the size of such tenancies. The definition of retail premises contained in clause 3 is wide enough to include commercial tenancies that operate in retail shopping complexes. Of course the provision of exempt premises in this clause also provides the power to exclude tenancies that should not be covered by the Bill. The scope of this definition of retail premises to gather certain commercial tenancies is in line with the legislation introduced in other States and there is no valid reason why these tenancies should not be regulated in Victoria.

Another important aspect of the proposed legislation is that it applies to only those retail premises with floor areas of 1000 square metres or less. There are a number of reasons for this. Firstly, it provides uniformity with both Western Australia and Queensland, which is important for those who develop and manage shopping complexes throughout Australia. Secondly, the Bill was designed primarily to protect small business and was strongly supported by the Small Business Development Corporation. It is believed the large retail tenants do not need the same protection because in most cases they are in a bargaining position equal to or stronger than that of the landlord.
DISCLOSURE STATEMENTS AND COOLING-OFF PERIOD

Many of the problems reported by tenants to the two committees stem from the tenants not being aware of certain conditions existing in their leases, or from obligations arising under the leases. There were also problems caused by exaggerated or untruthful representations by the landlord.

On the other hand landlords claimed that tenants also make statements relating to their experiences or financial positions which may not be truthful. In some instances, the misrepresentations can be serious and lead to severe financial difficulties for the tenants or problems of releasing tenancies for the landlords.

Clause 7 recognises the need for such disclosure statements to be made available to prospective tenants prior to their entering into leases. The disclosure statement and cooling-off period are designed to protect the unwary and inexperienced tenant from entering into arrangements and obligations the tenant does not understand. In addition they ensure that representations made by landlords or their agents to induce tenants to enter into leases, particularly of premises located in new or redeveloped shopping complexes, are made in writing and are binding. The form of the disclosure statement is annexed as a schedule to the Bill.

KEY MONEY AND GOODWILL

It has been recognised that the practice of charging a non-returnable bond or key money is on the increase in strip shopping areas of growing popularity. As the values of businesses have grown with inflation and an increase in the size of the average business, so the value of goodwill has also increased, and figures of 50 per cent payable to the landlord are not uncommon.

Clause 9 recognises this problem and provides that any agreement to make such payments is void. However, this clause recognises that trading in leases should be discouraged as it disadvantages both the landlord and tenant in shopping complexes. It affects the continuity and stability of trading and threatens the optimum tenant mix of a centre. For these reasons clause 9 provides certain calculated payments to be made by the tenant to the landlord when he vacates a lease within a certain period.

RENT FIXING AND REVIEW

The imbalance of bargaining power between the landlord and tenant in rent determination has long been recognised and certain measures have been adopted in varying degrees in Western Australia, South Australia, Queensland and the Australian Capital Territory to overcome this problem.

Clauses 10 and following, dealing with the rent review, recognise that initial rents should not be regulated by legislation and that this should be a matter for the market. However, in recognition of the many bitter complaints received from tenants forced to vacate their premises after a long occupancy because of commercially unrealistic rent, the Bill provides that the method of rent calculation and the basis for rent review should be subject to controls. These must be clearly stated in the disclosure statement.

Major problems have also been created for tenants who rented premises under leases which provided for automatic adjustment of rental according to the consumer price index, or with leases containing provisions which purport to set a minimal rental based on rent paid prior to the review. This system allows for a base rent to be increased annually by the percentage change in the consumer price index for the previous year. It does not provide necessarily a direct relationship to variations in the market rental. In a period where living costs are increasing more slowly than market rents the tenant benefits, whereas when living costs are increasing faster than market rental the landlord benefits. For these reasons the Bill abolishes any provision requiring rent determination by reference to the consumer price index.
Another important characteristic of the proposed legislation dealing with rent review is
the provision for a valuer to be appointed to determine the rent in cases where agreement
on a rent review cannot be reached between a tenant and a landlord.

TERMS OF LEASES

It has been recognised in Victoria, as well as Western Australia and Queensland, that a
tenant ought to be entitled to some security of tenure in order to reap the benefits from the
establishment of any goodwill associated with the location of its premises. With this in
mind, clause 13 gives a first tenant a minimum term of five years. In Victoria it is
recognised that such protection should be afforded only to first tenants, who could later
compete in the marketplace.

DETERMINATION OF DISPUTES

Many of the submissions that both the advisory and consultative committees received
complained of the difficulties of smaller tenants in seeking redress for problems arising
from their leases.

Matters warranting court action can be costly and very time consuming. Other problems
may appear serious to the tenant and lead to a deterioration in tenant–landlord relationship,
but may not really warrant full court procedures. One of the options that the committees
examined was the establishment of a new tribunal to deal with these problems. However,
it was decided that this would be less cost effective than modifying and utilising current
resources.

In Queensland, Western Australia and South Australia, where legislation has been
introduced to deal specifically with disputes arising from retail or commercial tenancies,
they have established systems including a mediation or conciliation procedure and the
establishment of a new tribunal made up of a judge sitting with persons representative of
landlords' interests and tenants' interests.

The proposed legislation recognises that the current system for resolving legal disputes
concerning retail tenancies in Victoria is inadequate. It adopts the use of the Commercial
Arbitration Act as a mechanism to enable settlement or determination of such disputes by
arbitration. It is generally accepted that arbitration is an extremely fast and efficient means
of resolving disputes and experience has shown in difficult areas, such as building and
construction disputes, that arbitration is more effective than judicial determination.

The range of disputes in an area such as building and construction have a number of
similarities to those that are involved in commercial leases because of the relationship
between the parties. Privacy is an important consideration in deciding the appropriate
means of dispute resolution. Arbitration proceedings are conducted in private with only
the parties, their representatives and witnesses appearing before an arbitrator, compared
to court proceedings conducted in open court. Frequently parties will choose arbitrators
in preference to court proceedings to avoid the threat of having financial information, for
example, revealed to other parties to the dispute.

In addition, arbitration proceedings do not have the same adversary aspects as judicial
proceedings and are not as likely to affect the ongoing business relationship between a
landlord and a tenant. The process introduced by the Bill is likely to be widely used as it
has industry support and should lead to a quicker and cheaper resolution of disputes.

There are other aspects of the Bill that I have not commented on which also make a
contribution to overcoming the problems encountered in the area of retail tenancies. The
Bill will make a significant contribution in removing the inequities currently existing
concerning retail tenancies in Victoria. I take this opportunity on behalf of honourable
members of congratulating the Acting President, Mr Arnold, for his involvement in the
production of this excellent piece of proposed legislation. I commend the Bill to the House.

On the motion of the Hon. A. J. HUNT (South Eastern Province), the debate was
adjourned.
It was ordered that the debate be adjourned until the next day of meeting.

ADJOURNMENT

Police strength in south Gippsland—Fire hazards on land owned by Government departments—Recreational land in Malvern—Historic Buildings Council—Jack Chia group of companies—Silvicultural practices—Contingency plan for chemical disasters—Port of Portland Authority—Availability of drug-taking equipment at Croydon market—Parkdale High School—Planning Appeals Board hearing—Prince Henry's Hospital

The Hon. E. H. WALKER (Minister for Agriculture and Rural Affairs)—I move:
That the Council, at its rising, adjourn until Tuesday, November 18.

The motion was agreed to.

The Hon. E. H. WALKER (Minister for Agriculture and Rural Affairs)—I move:
That the House do now adjourn.

The Hon. H. R. WARD (South Eastern Province)—I direct the matter of Government business I raise to the attention of the Minister representing the Minister for Police and Emergency Services in this place. Recently, the south Gippsland area was subjected to metropolitan immigrants pillaging the towns and causing a whole host of destruction and trouble.

Over the weekend of 1 and 2 November, in one 24-hour session at Phillip Island there were cases of drunken behaviour; liquor was stolen from a store; $550 worth of electrical goods were stolen from another store; a camera worth $500 was stolen; a handbag containing $400 was snatched; a window was smashed; a colour television was removed; and other property was broken into.

At San Remo there were 30 drunks in a brawl and, with the police trying to round up assistance from Wonthaggi, it was an almost impossible situation to control. One drunk was pushed through a plate-glass window and foul language which upset everybody was shouted.

A great deal of damage was also done in Korumburra. A clothing store had its front window smashed and a van parked behind the store was smashed. This occurred on Friday night. The honourable member for Gippsland South in another place also reported a number of these incidents and complained about the lack of police in the area.

It is impossible to have one 24-hour station covering the whole area from Sale to Cowes. It appears that the Government is unaware of the distance between those towns. The local communities find that the metropolitan immigrants move into the area and smash up the place, causing destruction and generally terrorising the locals.

I have spoken to Inspector Rippon, the Secretary of the Victoria Police Association, who has backed the people in south Gippsland in calling for more police in Leongatha, Korumburra, Wonthaggi and on Phillip Island.

Following those problems, which were featured in the newspapers, I want to know what reports are available on these activities and what the Government will do to prevent terrorist activities occurring in Gippsland. I want to know what improved levels of police strength will be made available to cover the areas I have mentioned through December and January to ensure that the local people and those who are holidaying in south Gippsland will be sufficiently protected from the destructive element that moves into those areas over that period.

The Hon. B. A. CHAMBERLAIN (Western Province)—I direct a matter to the attention of the Minister for Community Services, who represents the Minister for Local Government in this House. In view of the impending fire season I bring to the attention of the Minister
the fact that many Government departments have failed to keep in a fire-safe condition the blocks of land that they own.

Municipalities have reported to the Opposition their complaints about Government instrumentalities not complying with notices to keep the growth on their blocks down to a particular level. As the Minister will be aware, particularly after the past season, we have had a luxuriant growth of grass and in country areas there is the ever-present risk of fire with potentially disastrous consequences. It is absolutely vital that every Government department sets an example by ensuring that it keeps its blocks mown and that it complies with the orders given out by proper officers on behalf of the municipalities.

I ask the Minister to raise with her colleague the desirability of circulating all Government agencies to remind them of their obligations in that regard and to stress upon them the hazard they will cause unless they comply with these orders.

The Hon. J. V. C. GUEST (Monash Province)—I raise a matter for the attention of the Minister for Conservation, Forests and Lands. I want to offer the Minister the opportunity to be as well loved by the birds, bees and people of Malvern as she is by the people of the western region and ask her to give an assurance about the open space requirements of Malvern and their being met by her own department.

The Minister would know that, as a result of the progress of the arterial road through the Gardiner’s Creek Valley, some 23.5 hectares of recreational land will be lost, including 3.5 hectares of Crown land, and there will be a substantial shortfall in the Malvern area, which is already not well provided with recreational land.

Only a small proportion of the land that will be lost—approximately a quarter of all the land in the Gardiner’s Creek Valley is in Malvern—is due to be replaced. Part of the replacement, the Minister will recall, will involve the acquisition of the old dairy site in Darling Road and a couple of neighbouring blocks.

There has been some correspondence between the honourable member for Malvern in another place and the Minister for Transport, who was the Minister originally responsible for the acquisition of the relevant land, which amounts to approximately 0.63 hectares. The Minister will recall that the arrangement was that the land was to be transferred to the Minister for Conservation, Forests and Lands as Crown land to be then dedicated for appropriate use.

There has been concern in Malvern—which is backed by a petition presented by the honourable member for Oakleigh in another place, the Minister for Police and Emergency Services, bearing 890 signatures—that part of the land may be not dedicated to open space but may get into the hands of the well-known picket-painting squatters in Malvern with the council’s blessing.

I remind the Minister of the correspondence she had with the honourable member for Malvern, who asked her to give assurances that the land acquired for public purposes would indeed be used for open space, which is what Malvern needs. The Minister in her reply on 10 October said:

I am pleased to advise that it has been agreed between the Road Construction Authority, City of Malvern and my department that certain land in the municipality, including the old dairy premises, be purchased as replacement open space.

So far so good! She continues:

Following surrender of these sites to the Crown, I will recommend to the Governor in Council that they be reserved under the Crown Land (Reserves) Act 1978 for public recreation or some other appropriate purpose. The council can then be appointed as a committee of management.

I am asking the Minister to ensure that Malvern will have all that acquired land as open space.
The Hon. M. A. BIRRELL (East Yarra Province)—I raise a matter for the attention of the Minister for Planning and Environment—a bit of light relief! It relates to the outstanding work of the Historic Buildings Council.

The Hon. J. H. Kennan interjected.

The Hon. M. A. BIRRELL—I shall address my remarks through you, Mr President. The matter I raise relates to the outstanding work undertaken by the Historic Buildings Council. I am sure the Minister for Planning and Environment would agree that the council should be fully supported.

The Minister would be aware that the council is required to identify those buildings of sufficient architectural or historical importance to be added to the State's register of historic buildings and that it acts in a recommendatory role regarding Government financial assistance to owners of registered buildings.

I welcome the Minister's response to the comments made by the Historic Buildings Council in its 1985–86 and 1984–85 annual reports that it is under-resourced and, therefore, unable to meet its statutory requirements.

The council is continually receiving applications for additions to the historic buildings register but is unable to process those applications. Page 3 of the 1985–86 annual report states:

Despite the comments made in the 1984–85 report, staff resources available to the council have not been improved. In fact, at various stages during the period of this report, there have been attempts to reduce the number of staff available to the council. While the council appreciates the need for budgetary restraint by Government, it believes it has absorbed more than its necessary share in the past, and would request that all positions available to the council during the period of this report be maintained.

The Historic Buildings Council is making a reasonable request to the Government to be properly resourced to meet its statutory responsibilities. If the Minister believes in the work of the council, he should respond favourably to the modestly worded request. The Minister should also indicate whether he believes the Historic Buildings Council will achieve its targets for 1986–87 if it does not receive the required support.

The Hon. J. G. MILES (Templestowe Province)—I ask the Minister for Planning and Environment what assistance, if any, has the Government given to the Jack Chia group of companies since the beginning of March 1986.

The Hon. D. M. EVANS (North Eastern Province)—I raise a matter for the attention of the Minister for Conservation, Forests and Lands and I refer her particularly to issues raised in the timber industry strategy concerning alternative methods of silvicultural practices in the felling of timber.

The Minister would be aware that one of the silvicultural practices is clear-felling. The timber industry strategy suggests that a number of alternative methods which may potentially be more environmentally sensitive should be tried. These include the even-aged shelterwood system and the unevenaged group selection system.

It has been brought to my attention in the Australian Timber Worker that despite the selection of those alternative methods, clear-felling would be the more appropriate and environmentally sensitive method.

The article states:

... no consideration is given to the increased dangers associated with alternative cutting methods and yet in chapter 8 renewal of licences (1) emphasis is placed on the licence adhering to occupational health and safety standards.

I ask the Minister to take into consideration the issues raised in that journal, which is the official publication of the Australian Timber Workers Union. Those concerns have been raised with me and I ask the Minister what action she intends to take.
The Hon. ROBERT LAWSON (Higinbotham Province)—I direct the attention of the Minister for Planning and Environment to a disastrous chemical spillage that has occurred in the Rhine River in recent days. The Sandoz chemical plant in Switzerland had a serious fire last Saturday and an immense number of dangerous chemicals poured into the Rhine and are now moving downstream. The Rhine River flows through Switzerland, France, West Germany and the Netherlands. The consequence is that the river has become virtually dead for hundreds of kilometres downstream and it is a total disaster for nations of that region.

The point I wish to make is that such a disaster could occur in any of the Victorian waterways which service chemical plants. If a chemical plant catches fire, dangerous chemicals could spill out into the biosphere. Can the Minister inform the House what contingency plan the Government has for disasters of that order?

The Hon. R. M. HALLAM (Western Province)—I refer the Minister for Agriculture and Rural Affairs to an article which appeared in the Portland Observer of 10 November involving the appointment of Mr Michael Crooks as a commissioner of the Port of Portland Authority. Mr Crooks replaces Mr Jack Clayton who served on the authority for six years.

The article states that Mr Clayton, whom I know and highly respect, declined to comment when asked about the completion of his term as a commissioner. I am not reading anything into Mr Clayton’s decision not to comment but I am concerned that consultation with the Victorian Farmers Federation did not take place prior to such an appointment. I am not reflecting on the suitability of Mr Crooks as a commissioner but I am disturbed that the federation was not consulted in any way.

This is a serious issue because it involves the relationship between the producer and the port authority. It is important that growers have a close liaison with anything that involves the operations of the port.

I ask the Minister whether he is aware of the circumstances of that appointment and whether the clear undertaking that had been given to the Victorian Farmers Federation was breached or completely overlooked.

The Hon. ROSEMARY VARTY (Nunawading Province)—I raise a matter for the attention of the Minister for Conservation, Forests and Lands, who is the representative in this House of the Minister for Police and Emergency Services. The Minister would be aware that Croydon has a large market which opens on a number of days of the week, including Sundays. The Police Force is concerned that marijuana-smoking pipes and a number of other items of equipment used by drug users are on sale at that market.

The Police Force is apparently powerless to do anything about preventing the sale of those items. It is strange, in view of the large amounts of money spent by the Government on the drug offensive, that marijuana-smoking pipes and other equipment used for drugs are available at a public market.

I ask the Minister to refer the matter to the Minister for Police and Emergency Services and ask him to take some action. I am concerned about this matter because members of the Police Force are powerless to do anything.

The Hon. G. P. CONNARD (Higinbotham Province)—I raise a matter for the attention of the Minister for Agriculture and Rural Affairs, who is the representative in this House of the Minister for Education.

My attention has been directed to the Parkdale High School where the school council is alarmed that, on a recent visit, Mr J. Stocco and Mr A. Curtis of the Applied Planning Unit of the Ministry of Education informed the principal of the school that up to 3 acres of the school’s land would be sold in the near future. This was based on their assessment
that the enrolment would fall below 500 by the year 1990. This has come as a shock to the school because there is no evidence of falling enrolments at the Parkdale school.

The school has been directed by the central office to begin a school rationalisation planning exercise with Mordialloc-Chelsea High School, Aspendale Technical School, Bonbeach High School and Seaford-Carrum High School. Although a major resource such as land is being disposed of, the plan for the future makes that particular game a charade.

The school was being given two or three options, which I shall briefly point out. If the school compulsorily sells its Warren Road frontage, it will create a massive security problem for the school. Another option is to take away the playing fields of the school but, because of the integration of the school activities with local community activities, the Mordialloc City Council has contributed more than $60,000 for the pavilion next door to the oval.

The high school makes maximum use of its 19 acres for not only physical education programs but also for the compulsory afternoon sports programs for Years 7, 8 and 9. The surprise for the school council has come out of the blue.

I note that a motion is on the Notice Paper that calls for a reassessment of the policy and advocates consideration of public opinion and the future needs for land. This motion was listed by my colleague, Mr. Lawson. It is hoped that the matter will be debated.

Because the school is anxious about this matter, I have directed it to the attention of the Leader of the House, who is the representative in this place of the Minister for Education. Firstly, I ask him whether this is a general philosophy to get back capital because of the fallibility of Government economic policy. Secondly, I specifically ask him to discuss this particular matter of concern with the Minister for Education and, in due course, to inform both the school and me of the results of the deliberations.

The Hon. A. J. Hunt (South Eastern Province)—I direct a matter to the attention of the Minister for Planning and Environment. In his alternative capacity as Attorney-General, I know the Minister espouses the principle that not only should justice be done but also that it must manifestly be seen to be done. I ask the Minister why that same principle should not apply to his responsibilities as Minister for Planning and Environment.

In dealing with the issue, I wish to refer the honourable gentleman to an issue I raised with him on 22 October 1986 during question time to which I received a wholly unsatisfactory answer. Without giving an opportunity to those affected of having a say, without giving any opportunity for justice to appear to be done, the Minister intervened on the day prior to an appeal on land at Upwey—6 hectares that are surrounded on three sides by residential land and on the fourth side by the Ferntree Gully-Monbulk Road.

The Hon. D. R. White—Has this got anything to do with the Enmore branch?

The Hon. A. J. Hunt—I think it has. I think it has something to do with that type of approach.

The Minister intervened, as I said, on the day prior to a hearing by the independent Planning Appeals Board to call in an appeal so that he could decide it for himself. In a case where there was no conceivable legal or planning reason for him to do so——

The Hon. J. H. Kennan—You didn’t read Southwell’s judgment, did you?

The Hon. A. J. Hunt—Yes, I have. I reiterate that this land is surrounded by residential land. In April 1984 an application was made to subdivide the land. An appeal was lodged with the Planning Appeals Board and in November 1984 the hearing was commenced.

A ruling took place on a legal point and this is the issue that went to Mr. Justice Southwell, upon whom the Minister seemed to rely in his answer to my question on 22 October. Mr Justice Southwell upheld the finding of the Planning Appeals Board but was
critical of the way in which it was reached because natural justice had not been done. That is the very point I make with respect to the Minister. He intervened in a way that has denied natural justice.

The matter has gone back to the Planning Appeals Board. The previous Minister for Planning and Environment, the Honourable Evan Walker, was approached to intervene. The honourable gentleman wrote unequivocally saying this was not a matter proper for Ministerial intervention.

The Hon. E. H. Walker—An honourable thing to do.

The Hon. A. J. Hunt—Yes, it was an honourable thing to do; it was right and proper. What is more, the Honourable Evan Walker heard the parties before he made his decision and he decided that it was not a proper matter upon which a Minister should intervene.

There has been no change in the circumstances since that time, yet now that the matter has been remitted to the Planning Appeals Board without any explanation, and after an approach by interested parties, the present Minister for Planning and Environment has overturned the decision of his predecessor and has intervened to call in this issue for his own determination. What is more, the Minister has given no reason for doing so; he gave no opportunity to the parties of being heard. He has denied natural justice.

Mr President, the Minister has done the very thing that he raised when he discussed Mr Justice Southwell's judgment, the man who criticised the way in which the preliminary decision was reached. What a denial of natural justice! On 22 October I asked the Minister why he had reached that decision.

The President—Order! Mr Hunt is tending to debate the matter. I ask him to bring it to a conclusion.

The Hon. A. J. Hunt—Mr President, I shall bring the matter to a conclusion. I asked the Minister for the reasons for the decision; he gave no legal or planning reasons for it. Now I ask him for those reasons.

The Hon. J. H. Kennan—It is still before the board. You are just a messenger for Mr Hooper. It is scandalous!

The Hon. A. J. Hunt—In view of the interjection by the Minister, I should say that many people in the legal profession believe the Minister's conduct has been scandalous—to intervene in this way without giving any reasons and without relying on any legal or planning reasons for his decision. Was his decision the result of an approach?

The Hon. J. H. Kennan—An approach by the Shire of Sherbrooke and the regional planning authority.

The Hon. A. J. Hunt—And the local member. Has the Minister developed guidelines for the circumstances in which he will intervene? If he has not, will he develop those guidelines; will he publish them and now explain the reasons for his strange decision in this case and not evade them as he did on a previous occasion?

The Hon. Reg Macey (Monash Province)—I raise a matter for the attention of the Minister for Health. One of the problems associated with the debate on the motion for the adjournment of the sitting is that occasionally Ministers forget the questions they have been asked. I believe the Minister for Health has done this with the question I asked him last night.

I think the Minister forgot the question because the answer he gave ignored the major thrust of my question. Again I put it to the Minister.

The President—Order! The honourable member cannot raise a question twice.

The Hon. Reg Macey—This is an associated question.
The PRESIDENT—Order! I suggest the honourable member write to the Minister about the matter.

The Hon. REG MACEY—Mr President, I shall ask a different question arising from the same matter. The question I ask the Minister is: has he asked the South Melbourne City Council to put forward a proposal to convert Prince Henry’s Hospital to a preventive medicine hospital.

The Hon. D. R. White—That is the same question as last time!

The Hon. E. H. WALKER (Minister for Agriculture and Rural Affairs)—Mr Hallam brought to my attention a matter relating to the changeover of the officers of the Port of Portland Authority. I am not the Minister responsible, except that I have an interest from the point of view of rural affairs. In any case, Mr Hallam raised concerns about the lack of consultation with the Victorian Farmers Federation. I will speak with the relevant Minister and ask what procedures were used.

Mr Connard asked a question regarding the responsibilities of the Minister for Education. He endeavoured to ask me a question about the Ministry’s policy on the sale of land. I believe it was a rhetorical question, but I shall take up the matter with the Minister. With respect to the possible sale of 3 acres of land, I will endeavour to obtain the approach the Ministry has taken with disposal of land.

The Hon. D. R. WHITE (Minister for Health)—Mr Macey asked a question and the answer is, “No”.

The Hon. J. H. KENNAN (Attorney-General)—Mr Lawson asked a question, and I indicate that various plans are afoot. If he cares to write to me, I shall outline them to him. Mr Miles asked a question, the details of which he should particularise.

Mr Hunt asked me about a matter that he has raised previously and which appears on page 610 of Hansard. I have some difficulty in understanding why it is that a shadow Minister sees it as his duty to use this place as a vehicle for one party in litigation that is still persisting.

The Hon. A. J. Hunt—Not at all; I find it difficult to understand why you do that!

The Hon. J. H. KENNAN—I certainly do not use this place as a vehicle for any party.

The Hon. A. J. Hunt—I am not interested in the decision—I am interested in fairness.

The Hon. J. H. KENNAN—Mr Hunt raised this matter on a previous occasion. At that time, Mr Hooper had behaved in a manner which I stated was a disgrace to the traditions of the bar. Mr Hooper made an attack in far more florid terms than Mr Hunt has made. As was reported to me, Mr Hooper made a speech that was, frankly, political diatribe.

The Hon. A. J. Hunt—But you need to explain your own conduct!

The Hon. J. H. KENNAN—Mr Hooper stated that he would approach Mr Hunt. Sure enough, after learning that Mr Hooper had approached Mr Hunt—I add that litigation is still proceeding—Mr Hunt got up in this Chamber and made a speech. That was done after Mr Hooper forecast that he would try to resolve the litigation presently before the Planning Appeals Board—and which may end up before the Supreme Court—in a political manner.

The Hon. A. J. Hunt—It would not surprise me if it did, the way you acted!

The Hon. J. H. KENNAN—It has no hope in the world. At the time that Mr Hunt last spoke to me about the matter, Mr Hooper had issued a subpoena to my private secretary. That is extraordinary behaviour. The subpoena was on a document engrossed by a private firm of solicitors.

The Hon. A. J. Hunt—Every firm’s subpoenas are done that way; you don’t seem to know!
The Hon. J. H. KENNAN—It was signed by Mr Opas. That is the very conduct that was criticised by Mr Justice Southwell.

The Hon. A. J. Hunt—You have it wrong; every subpoena is issued by one party or another.

The Hon. J. H. KENNAN—Mr Hunt is now wanting to raise this matter again. The matter is still being litigated.

The Hon. A. J. Hunt—You are hopelessly astray on the law!

The Hon. J. H. KENNAN—I do not intend to say things that will prejudice the litigation. In respect of the planning issues, I had a detailed submission from the shire and the Upper Yarra Valley and Dandenong Ranges Authority, both of which strongly supported the action. Mr Hunt has come into this place and claimed that the matter is political; as did Mr Hooper.

Mr Hunt generally pays great weight to what local government and regional planning authorities say. He possibly has not read what the shire and the regional planning authority said about the matter. I am happy to make those documents available to him, and he may then form a balanced view.

In addition, my private secretary rang the party concerned the day before and informed it of what I proposed to do.

The Hon. A. J. Hunt—No.

The Hon. J. H. KENNAN—Yes, absolutely yes! The rest of Mr Hunt’s argument collapses on that basis. As I informed the House on the previous occasion that the matter was raised, the party had been told of my proposal and was asked whether it wanted to say anything.

I have had submissions from the shire and the regional planning authority, and I knew and understood what the position of the developer was, which was to oppose the calling in. It is in accordance with good planning policy that it be done on planning grounds. As to the effect of the calling in, ultimately, the ultra vires matter can be attended to, the planning scheme can be amended and, depending on the outcome of the litigation, if someone wants to seek a permit under the planning scheme, as amended, to deal with the legal point that was raised, he will be able to do so. That is all the shire and planning authority wanted. It was certainly not political and the planning grounds were impeccable.

The Hon. A. J. Hunt—Why didn’t you give them on 22 October?

The Hon. J. H. KENNAN—If Mr Hunt is seriously interested in that, I shall make those matters available to him. Had Mr Hunt taken the trouble in the intervening period since 22 October to contact the shire and the Upper Yarra Valley and Dandenong Ranges Authority, they would have explained the position. Both the planning authority and the shire support absolutely what I have done.

I am surprised that Mr Hunt has let himself become involved in a situation where a Queen’s Counsel has made a political attack on me at the Planning Appeals Board and broadcast the fact that he would go to Mr Hunt and ask him to raise the matter in Parliament. Like the ventriloquist and the doll, Mr Hunt has stood up and repeated those comments.

The Hon. A. J. Hunt—Why give your misguided comments of 22 October?

The Hon. Robert Lawson—I believe the Attorney-General has forgotten to answer my query.

The Hon. J. H. Miles—And mine!

The Hon. J. H. KENNAN—I did; obviously you were not listening!
The Hon. J. H. Miles—I wonder whether Hansard will prove that!

The PRESIDENT—Order! I ask the Attorney-General to repeat his answers.

The Hon. J. H. KENNAN—I am sorry, but there was a lot of talking coming from the Opposition benches at the time. As to the matter raised by Mr Miles, I indicated that he should particularise the information that he wants and I shall make the necessary inquiries.

As to Mr Lawson’s question, the Government has various disaster plans, and, if he wishes to write to me about the matter, I shall collect the relevant information and make it available.

The Hon. M. A. Birrell—What about mine?

The Hon. J. H. KENNAN—What was your question?


The Hon. J. H. KENNAN—They are the questions I enjoy most; I am always delighted when the Liberal Party calls for the expansion of the Public Service. Members of the Liberal Party are great tax cutters and continually call for a lean and hungry Public Service.

The PRESIDENT—Order! The Attorney-General is not to debate the question; he should simply answer it.

The Hon. J. H. KENNAN—I suppose that is right. The Ministry for Planning and Environment has responsibility for the Historic Buildings Council. The Ministry has faced a cut of 6 per cent to 7 per cent in recurrent terms, which is possibly the largest cut to a single Government department. That will result in greater efficiencies.

Certainly, the Historic Buildings Council has a backlog because it receives many applications. That does not mean that all the applications making up the backlog will ultimately be registered because many of them will not be.

I am sure that they will cope with that. Members of the Opposition will be aware of the strong stand and steps that I have taken to protect historic precincts in the city, and that I have publicly discussed an amendment to the central city planning scheme, together with an accompanying interim development order, which will give greater weight to notable buildings, which will add to the number of notable buildings, and which will give greater impact to the question of precincts.

One of the difficulties in this area is that too much attention has been given to individual buildings and not enough attention has been given to precincts. The difficulty is that if one keeps a building and knocks out another, or if one keeps another building and knocks out the next two, the whole streetscape or precinct can be damaged. That was one of the problems with the approach of some conservationists and the National Trust of Australia in the 1960s and 1970s. That is now understood.

The amendment that will be made public in the not too distant future will protect all precincts. I assure Mr Birrell that on the general question I am sympathetic to retaining those parts. I have made it very clear in relation to a number of development applications that I want some historic precincts protected, that I will not allow overshadowing of the river and that I will observe the height limits that are in place.

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The actions that the previous Minister for Planning and Environment took in the city, which were enormously successful, are to be commended. If the previous Government had adopted the same approach towards planning, the top end of Collins Street would not look like the western end now. If one walks down Collins Street past Exhibition Street and Russell Street or down Bourke Street past Spring Street and Exhibition Street, one understands the importance of keeping those precincts, but if one walks down Collins Street between Spring Street and Exhibition Street one realises that there they have been lost forever, and they need not have been.
The Hon. C. J. HOGG (Minister for Community Services)—I am happy to oblige Mr Chamberlain by passing on his remarks to the Minister for Local Government in the other place. I realise that Government departments cause local government a number of problems. No doubt the state of blocks in rural areas causes problems for local government. I should have imagined that it was a practice to circulate some material reminding Government departments to get their blocks in order prior to a fire season and, if it is not recommended, it would be very sensible; if it is, I shall remind him of that.

The Hon. J. E. KIRNER (Minister for Conservation, Forests and Lands)—Mr Ward asked whether records are available on the alleged increase in criminal activity and what increases in police personnel there will be over the holiday period to cope with the alleged increase in antisocial activity. I shall take up that matter with the Minister for Police and Emergency Services and obtain a reply for the honourable member.

Mr Guest referred to the transfer of land in Malvern from the Road Construction Authority to the Department of Conservation, Forests and Lands, and asked about the classification of that land for public recreation purposes. It is my intention that land use should be within the spirit of the definition of public recreation. I shall be concerned if there is any intention to go outside that condition. I shall ask my department to report on the matter.

Mr Evans asked about the relationship between methods of silviculture alternative to clear-felling and the dangerous effects on workers' occupational health and safety. As Mr Evans knows, the Government is proposing three trials on clear-felling, one in east Gippsland, one in the Otways and one in the central highlands, to test not only environmental issues but also the important issue of regeneration. Occupational health and safety aspects of methods of timber harvesting will be examined also.

Mrs Varty asked whether the Minister for Police and Emergency Services has the power to do something about an alleged sale of drug-related equipment at the Croydon market. I have spent many days with my family enjoying the Croydon market and it is sad to learn that the market has deteriorated since the family moved from the area, if the allegations are true. The matter is of concern, and I shall refer it to the Minister. I assure Mrs Varty that I shall obtain a reply to her question.

The motion was agreed to.

The House adjourned at 10.6 p.m. until Tuesday, November 18.